

**DuPAGE AIRPORT AUTHORITY
FINANCE, BUDGET AND AUDIT COMMITTEE
WEDNESDAY, JANUARY 24, 2018**

A meeting of the Finance, Budget and Audit Committee of the DuPage Airport Authority Board of Commissioners was convened at the Daniel L. Goodwin Flight Center Building, First Floor Conference Room, 2700 International Drive, West Chicago, Illinois on Wednesday, January 24, 2018. Committee Chairman Ledonne called the meeting to order at 2:01 p.m. A quorum was present for the committee meeting.

Commissioners Present: Donnelly, Ledonne, Posch, Sharp, Wagner.

Commissioners Absent: None

DuPage Airport Authority Staff Present:

Executive Director David Bird; Mark Doles, Director of Aviation Facilities and Properties; Patrick Hoard, Director of Finance and Prairie Landing Golf Club; Dan Barna, Operations and Capital Program Manager; Pamela Miller, Executive Assistant and Board Liaison.

Others:

Michael Vonic, CH2M; Craig Loudon, Crawford, Murphy and Tilly.

OLD BUSINESS

None

NEW BUSINESS

REVIEW OF FINANCIAL STATEMENTS

Patrick Hoard reviewed the December 2017 Financial Statements and discussion followed: Staff is working with Sikich to finalize the annual financial audit. The final audit report will be presented to the Board at the May Meeting.

Operating Revenues:

Airport Operations revenues are down 3% from budget for the year.
Flight Center Fuel Operations revenues increased 7% from the amount budgeted.
Prairie Landing Golf Club revenues decreased 11% from the amount budgeted.
Total Operating Revenues are mainly flat with an increase of 2% actual versus budget.

Operating Expenses:

Airport Operations are decreased 6% from budget.
Flight Center Operations are increased 8%.
Prairie Landing Golf Club decreased 9% from budget.
Total Operating Expenses remained flat with a decrease of 1% actual versus budget.

Net Profit from Operations:

Total Profit from Operations is significantly better than budgeted.

Total Non-Operating Revenues have increased 1% actual versus budget.

Total Non-Operating Expenses have decreased 2% actual versus budget.

Capital Development Program: Increase of 12% actual versus budget.

Cash Ending Balance:

Actual Year-to-Date Ending Cash Balance is \$7,730,879 million for the 2017 Year end.

Commissioner Sharp asked if a cash flow statement could be provided as a part of the monthly financial statements. Mr. Hoard explained this change in reporting was made previously but it was the consensus of the Board at that time to continue with the existing reporting format.

Mr. Hoard advised a new version as discussed will be included with the existing financial statements for the Committee's review at the next Finance Committee Meeting.

NEW BUSINESS

Proposed Ordinance 2018-317; Adopting the Budget and Appropriations Ordinance for the DuPage Airport Authority for the Fiscal Year Beginning January 1, 2018 and Ending December 31, 2018.

Patrick Hoard advised the 2018 Tentative Budget and Appropriations was passed by the Board at their November 2017 Meeting and there have been no changes made since that time. He continued the Tentative Budget and Appropriations was submitted to DuPage County Board Chairman Cronin in November for his review and no comments or questions were received from his office. All statutory requirements have been met. Discussion followed.

Committee Chairman Ledonne stated his concern for deferring employee raises for the 2018 budget year and requested that an alternative solution be addressed to allow for employees raises to be possible. Discussion continued regarding this budget issue and the process for amending the budget once it has been passed by the Board. Executive Director David Bird advised he has met with employees to review the budgetary constraints and employees were very accepting and understanding of this issue; no negative comments were received. The Committee agreed to recommend passage of the 2018 Budget and Appropriations with further discussion at the Regular Board Meeting on options for funding employee raises. Executive Director Bird advised the Board has required the Operating Budget to be self-supporting and staff would welcome any options recommended by the Board to fund raises for employees.

A **MOTION** was made by Commissioner Sharp to recommend Board approval for Proposed Ordinance 2018-317. The **motion was seconded** by Commissioner Donnelly and was unanimously passed by roll call vote (5-0).

Proposed Resolution 2018-2131; Authorizing the Execution of a Professional Services Agreement with Serafin & Associates Inc. for Marketing and Communication Services.

Approves an Agreement for providing marketing and communications support for the Flight Center, DuPage Business Center and Prairie Landing Golf Club for a total not-to-exceed cost of \$42,500.

Executive Director Bird stated the Airport Authority has maintained a great working relationship with Serafin and Associates and recommends this Professional Services Agreement be extended to 2018. Lissa Truss Christman of Serafin will be present at the Board Meeting and will make presentation reviewing the past years of working with the Airport Authority. Discussion followed.

A **MOTION** was made by Commissioner Posch to recommend Board approval of Proposed Resolution 2018-2131; Authorizing the Execution of a Professional Services Agreement with Serafin & Associates Inc. for Marketing and Communication Services. The **motion was seconded** by Commissioner Donnelly and was unanimously passed by roll call vote (5-0).

Proposed Resolution 2018-2132; Award of Contract to Harris Golf Car for the Procurement of 76 Model Year 2018 Electric Golf Carts with GPS and Cart Control.

Authorizes the procurement of (76) 2018 Model Yamaha Drive 2 Electric Golf Carts with YamaTrack Fleet Control System and the trade-in of (76) 2011 Model ClubCar Golf Carts with GPS for a total cost of \$299,912 F.O.B. Prairie Landing Golf Club.

Mr. Barna advised of the need to replace the golf carts at Prairie Landing after seven seasons of use. He advised that two proposals were received and Harris Golf Car was recommended for award of this

contract. Mr. Barna continued to explain that as part of the procurement process, a trade in value of \$107,000 for the existing fleet would be included in the contract. This purchase is under the amount budgeted for procurement of the new golf cart fleet. Discussion followed.

A **MOTION** was made by Commissioner Donnelly to recommend Board approval of Proposed Resolution 2018-2132; Award of Contract to Harris Golf Car for the Procurement of 76 Model Year 2018 Electric Golf Carts with GPS and Cart control. The **motion was seconded** by Commissioner Posch and was unanimously passed by roll call vote (5-0).

Proposed Resolution 2018-2133; Award of Contract to Petroleum Traders Corporation for the Procurement of Gasoline and Diesel Fuel.

Approves a one (1) year contract, subject to two (2) one (1) year extensions with Petroleum Traders Corporation for the as-needed procurement of gasoline and diesel fuel for Airport vehicles and equipment. Per gallon fee based on the Low Chicago OPIS Daily Rate + .0496 unleaded gasoline and + .0505 diesel fuel. The Airport Authority purchases gasoline and diesel fuel on an as needed basis for airport ground support and maintenance vehicles. Mr. Barna reviewed the process used by the Airport Authority for purchasing fuel and explained the use of OPIS which is an independent reporting service that publishes a regional benchmark for fuel pricing. Three bids were received and Petroleum Traders Corporation was determined to be the low, responsive and responsible bidder for a new one-year contract with (2) one-year extensions. Discussion followed.

A **MOTION** was made by Commissioner Sharp to recommend Board approval of Proposed Resolution 2018-2133; Award of Contract to Petroleum Traders Corporation for the Procurement of Gasoline and Diesel Fuel. The **motion was seconded** by Commissioner Donnelly and was unanimously passed by roll call vote (5-0).

Proposed Resolution 2018-2134; Delegation of Authority to the Executive Director to Procure One (1) Used Ground Roller.

Delegation of Authority to the Executive Director to accept the lowest, responsive and responsible bid of no greater than \$40,000 for the purchase of a used ground roller.

Mr. Barna explained the airfield has become difficult to mow with the rough terrain which over time damages the mowing equipment. The ground roller will allow for smoothing out the rough terrain areas and, with better maintenance, will create a safer surface. Mr. Barna reviewed the procedures for procuring a used ground roller and asked that the Executive Director be delegated authority by the Board to request bids and to purchase a used ground roller when this equipment is located. Discussion followed.

A **MOTION** was made by Commissioner Sharp to recommend Board approval of Proposed Resolution 2018-2134; Delegation of Authority to the Executive Director to Procure One (1) Used Ground Roller. The **motion was seconded** by Commissioner Posch and was unanimously passed by roll call vote (5-0).

Proposed Resolution 2018-2135; Authorizing the Procurement of One (1) John Deere 8270R Tractor from a Joint Purchasing Contract with the County of Rock Island and John Deere.

Approves the procurement of one (1) 2018 Model 8270R John Deere Tractor from AHW, LLC. for a total cost of \$212,158.56 F.O.B. DuPage airport, utilizing the Joint Purchasing Contract with the County of Rock Island and John Deere.

Mr. Barna explained the County of Rock Island Illinois has already bid this tractor and now this contract is available to other government agencies to utilize. He continued this tractor conforms with the Airport Authority's requirements for a tractor of this size to be utilized by the Field Maintenance Department for

towing various mowers. Staff requests approval to purchase this tractor through a Joint Purchasing Contract with the County of Rock Island. Discussion followed.

A **MOTION** was made by Commissioner Wagner to recommend Board approval of Proposed Resolution 2018-2135; Authorizing the Procurement of One (1) John Deere 8270R Tractor from a Joint Purchasing Contract with the County of Rock Island and John Deere. The **motion was seconded** by Commissioner Donnelly and was unanimously passed by roll call vote (5-0).

Proposed Resolution 2018-2136; Disposal/Destruction of Surplus Personal Property.

Approves the disposition of (60) low profile barricades with hazard lights., (1) 1991 John Deere Model 318 Tractor, and (2) 2004 New Holland TL100 Tractors through sale by a public internet auction.

Mr. Barna reviewed the list of personal property that is no longer useful to the Airport Authority and will be disposed of through a public internet auction or destroyed: (60) low profile barricades with Hazard Lights; (1) 1991 John Deere 318 Tractor; (2) 2004 New Holland TL 100 Tractors. Discussion followed.

A **MOTION** was made by Commissioner Posch to recommend Board approval of Proposed Resolution 2018-2136; Disposal/Destruction of Surplus Personal Property. The **motion was seconded** by Commissioner Donnelly and was unanimously passed by roll call vote (5-0).

OTHER BUSINESS

None

A **MOTION** was made by Commissioner Wagner to adjourn the Finance, Budget and Audit Committee; the **motion was seconded** by Commissioner Posch and was passed unanimously by voice vote. The meeting adjourned at 2:25 p.m.

Board approved at the March 14, 2018 Meeting

**Michael V. Ledonne, Chairman
Finance, Budget and Audit Committee**