

MEETING MINUTES
GERALD R. FORD INTERNATIONAL AIRPORT AUTHORITY BOARD
September 28, 2016

A quorum being present and in accordance with notice being duly given, Floyd Wilson, Jr. called the meeting of the full Authority Board to order on September 28, 2016 at 8:37 a.m.

Board Members Present: Floyd Wilson, Jr., Steven Heacock, Birgit Klohs, and David Slikkers – 4

Absent: Roger Morgan, Richard VanderMolen, and Ted Vonk – 3

Also Present:

Phil Johnson – Acting President and Chief Executive Officer
Robert Buchanan – Airport Attorney
Brian Picardat – Vice President and Chief Financial Officer
Tom Ecklund, Engineering and Facilities Director
Lisa Carr – Public Safety and Operations Director
Tara Hernandez – Marketing and Communications Director
Lisa Rauch – Office Manager
Roy Hawkins – Planning Engineer
Myron Huebner – Engineering Technician
Robert Wilson – Maintenance Manager
Joel Burgess – Properties Manager
Dave Wills – Police Chief
Jim Munslow – ATCT
Matt Zeilstra – Financial Supervisor (Temp)
Cal Brinks – Kent County Purchasing
Kerrie Jo Nalbach – Maintenance Supervisor
Bruce Applebach – Operations Manager
Susan Sherman – Community Relations Coordinator
Lisa Verhil – Experience Grand Rapids
Jody Naimo – Operations Officer
Brad Becker – Becker Capital Mgmt., LLC
Gloria Lubben – SecurAlarm
Steve Cok – Northern Jet Management
John Oliver – Citizen

9-1 Approval of the Agenda

The agenda was approved and adopted.

9-2 Public Comment

None

9-3 Consent Agenda

- a) Approval of Authority Board Minutes – August 31, 2016
- b) **Resolution 16-34:** Aircraft Deicing Fluid Recycling Agreement
- c) **Resolution 16-39:** Winter Sand Procurement
- d) **Resolution 16-40:** Gateway Transformation – Construction Change Order No. 7
- e) **Resolution 16-42:** Security System Upgrade
- f) Reports
 - Project/Construction Report
 - Project Status Report
 - Public Safety and Operations Report
 - Aviation Activity Report
- g) Bills for Approval

Motion by Mr. Slikkers, supported by Ms. Klohs, that Consent Agenda items a – g be approved. Motion carried.

9-4 Public Hearing – 2017 Annual Operating Budget

Motion by Mr. Heacock, supported by Ms. Klohs, to open the public hearing for the 2017 Annual Operating Budget. Motion carried.

There were no comments.

Motion by Mr. Heacock, supported by Mr. Klohs, to close the public hearing for the 2017 Annual Operating Budget. Motion carried.

9-5 Resolution 16-33: 2017 Annual Operating Budget

Mr. Picardat indicated that the budget was thoroughly reviewed at last week's Finance and Legislative Committee and he highlighted the following information:

- Total revenues are budgeted at \$39,990,961 for 2017, an increase of 7.69% over 2016.

- Total operating expenses are forecasted at \$24,222,309 is \$2,811,492 or 13.13% above the 2016 budget. The major increase includes a one-time deposit of \$1,039,113 in the MERS Health Care Savings Plan (HCSP) to get the plan fully funded. There are also three new positions included in the budget.
- Net Operating Revenues before Depreciation are \$15,768,651, close to what was budgeted this year.
- Net income is budgeted at \$3,196,235
- Cash generated is \$20,685,695

Mr. Wilson asked if the HCSP has to be funded 100%. Mr. Picardat indicated that it does not have to be funded at 100%, but we have the money to take care of it now.

Ms. Klohs asked for a report on the new positions that are being funded. Mr. Johnson mentioned that the positions requested were prioritized on immediate need by the Directors. Not all positions were recommended because they did not want to be too aggressive in adding too many positions immediately after the transition to the Authority. The team wants an opportunity for the incoming CEO to review the organization and make a decision as to what changes need to be made. New positions are able to be added at any time within 2017 and in between budget cycles.

Motion by Ms. Klohs supported by Mr. Slikkers, to adopt Resolution 16-33, the 2017 Annual Operating Budget. Motion carried.

9-6 Resolution 16-41: FIS Feasibility Analysis – Phase I

Motion by Mr. Wilson, supported by Mr. Slikkers, to approve a contract amendment with Steven Baldwin Associates to provide Phase I scope of services analyzing the feasibility of a Federal Inspection Station (FIS). Motion carried.

**9-7 Resolution 16-35: Construction Contract
Resolution 16-36: Sewage Treatment System
Resolution 16-37: Watermain and Service Connection
Resolution 16-38: Contract Amendment**

Motion by Mr. Slikkers, supported by Mr. Heacock, to approve the following Airport Viewing Park Expansion Project Resolutions: Resolution 16-35: Construction Contract; Resolution 16-36: Sewage Treatment System; Resolution 16-37: Watermain and Service Connection; and Resolution 16-38: Contract Amendment, and authorize the President & CEO to sign. Motion carried.

9-8 President and CEO Report

Mr. Johnson presented the President and CEO report:

Personnel

- Myron Huebner, Engineering Technician, will be retiring at the end of October with 15 years of service.
- The Engineering Technician position has been filled by Ryan Schaner who will start on October 10.
- Jim Munslow, FAA Tower Manager, will also be retiring at the end of October with 20 years of service.
- Tony Gutierrez has been promoted to Firefighter Captain. He has been a Firefighter with the Airport for the past nine years.
- We are now recruiting for two Firefighters, two Law Enforcement Officers, Controller, Assistant Building Maintenance Supervisor and seasonal Field Maintenance Workers.
- Negotiations for our three collective bargaining units (UAW, Command Officers, and Fraternal Order of Police) will begin in October. The Human Resources Committee discussed strategies at their last meeting.
- Health Care Enrollment for employees will take place during the first two weeks in November.

Projects

- The Gateway Transformation Project continues to move along well. Next week, changes will begin in the Grand Hall and the International Room will reopen. The gift shop will be relocated to the former game room. Work continues on the second floor restrooms.
- The first Advisory Committee meeting for the Master Plan Update will be held October 19.
- Mr. Johnson thanked the Board for their vote on the Viewing Area project. There will be an aggressive construction schedule, most of the work will be completed this year. Groundbreaking will be scheduled sometime during October.

Passenger Statistics

- July traffic was flat from last year.
- Seat capacity is up 8-13% this September – December.

Public Relations

- The Capital Campaign continues and there will be a Cabinet meeting this morning.

Miscellaneous

- Our pre-season winter operations briefing with tenants is scheduled for October 12.
- Our second Snowwolf snow blower should be delivered in the next couple of weeks.
- The Stormwater Stakeholder Advisory meeting is scheduled for October 11. A presentation will be made to the Board at the next meeting.
- The next Legislative and Finance Committee will be held October 18.
- The next Operations and Marketing Committee will be held October 19.
- The next Authority Board meeting will be held October 26 in the International Room.

9-9 Other Business

- Mr. Slikkers suggested that an employee assessment and review be conducted since the transition has taken place. The Board made a strong commitment to employees and he feels it is important to get feedback on how things are going as a Board and as a management team. He feels this should be completed by the end of the year or by the first quarter of 2017.

Ms. Belt will develop a staff perception survey to be completed by the end of the year.

9-10 Adjournment

The meeting was adjourned at 8:55 a.m.

APPROVAL: _____
David Slikkers, Recording Secretary to the Board

lmr