

ST. JOSEPH COUNTY AIRPORT AUTHORITY DISTRICT BOARD

APRIL 30, 2020

THURSDAY

The Board meeting of the St. Joseph County Airport Authority District was called to order at 11:35 a.m. on Thursday, April 30, 2020, by President Bernard J. Asdell.

Present: Bernard J. Asdell, President
Thomas S. Botkin, Vice President
Abraham Marcus, Treasurer/Assistant Secretary
David R. Sage, Secretary

Comprising a quorum of the St. Joseph County Airport Authority District Board; also present at the meeting were:

Mike Daigle, CEO & Executive Director
Mitch Heppenheimer, Attorney
Julie Curtis, Vice President of Marketing & Development
Aaron Kobb, Vice President Finance & Administration
Tim O'Donnell, Vice President Maintenance & Operations
Sandy Schick, Recording Secretary

Due to the Coronavirus Covid -19, this Board meeting was held as a Zoom virtual meeting.

Dr. Asdell called the meeting to order of the St. Joseph County Airport Authority District Board.

The first item on the Agenda is approval of the Payroll Warrants dated March 6, 2020.

Mr. Marcus moved, and Mr. Botkin seconded the motion to approve the Payroll Warrants dated March 6, 2020.

There being no comments, questions, or discussion, with a unanimous vote, the motion carried.

The next item on the Agenda is approval of the Payroll Warrants dated March 20, 2020.

Mr. Botkin moved, and Mr. Marcus seconded the motion to approve the Payroll Warrants dated March 20, 2020.

There being no comments, questions, or discussion, with a unanimous vote, the motion carried.

The next item on the Agenda is approval of the Payroll Warrants dated April 3, 2020.

Mr. Marcus moved, and Mr. Botkin seconded the motion to approve the Payroll Warrants dated April 3, 2020.

There being no comments, questions, or discussion, with a unanimous vote, the motion carried.

The next item on the Agenda is approval of the Payroll Warrants dated April 17, 2020.

ST. JOSEPH COUNTY AIRPORT AUTHORITY DISTRICT BOARD

APRIL 30, 2020

THURSDAY

Mr. Marcus moved, and Mr. Botkin seconded the motion to approve the Payroll Warrants dated April 17, 2020.

There being no comments, questions, or discussion, with a unanimous vote, the motion carried.

The next item on the Agenda is the approval of the Invoice Vouchers and Claim Payments per the Schedule dated April 30, 2020.

Mr. Botkin moved, and Mr. Sage seconded the motion to approve the Invoice Vouchers and Claim Payments per the Schedule dated April 30, 2020.

There being no comments, questions, or discussion, with a unanimous vote, the motion carried.

Dr. Asdell introduced the next item on the Agenda.

FINANCIAL STATEMENT FOR THE MONTH OF FEBRUARY 2020.

Mr. Marcus moved, and Mr. Botkin seconded the motion to accept the Financial Statement report for the month of February 2020.

Mr. Kobb referred to the Statement of Revenue Disbursements and Activity (Cash Basis) for the period ending February 29, 2020. Refer to the attached report.

Mr. Kobb indicated that January and February Financial Statements were included and he will report on the year-to-date totals.

Mr. Marcus questioned when Staff will have the March Financial Statement. Mr. Kobb stated that Staff will have the March results around the first or second week of May. Mr. Marcus questioned who provides those reports to the Airport Authority. Mr. Kobb stated that they come from the tenants, i.e. airlines, rental cars, etc. Mr. Kobb commented it is usually a 45-day process to receive and compile those reports into the Financial Statement.

There being no further questions, comments, or discussion, with a unanimous vote, the motion carried to accept the report.

Dr. Asdell introduced: **FUNDS TRANSFERS BETWEEN ACCOUNTS**

FROM ACCOUNT
18-00-00-000-1010

Tax Revenue Fund

TOTAL
\$ 111,500.00

TO ACCOUNT
01-00-00-000-1010

Aviation Fund

\$ 111,500.00

Mr. Botkin moved, and Mr. Marcus seconded the motion to approve the funds transfer between accounts as previously stated for the 2019 Marketing Sponsorship with the University of Notre Dame and South Bend Cubs.

ST. JOSEPH COUNTY AIRPORT AUTHORITY DISTRICT BOARD

APRIL 30, 2020

THURSDAY

There being no comments, questions, or discussion, with a unanimous vote, the motion carried.

Dr. Asdell introduced the next two (2) items on the Agenda, Tabled and Unfinished Business which there was none and Continuing Business which there was none.

Dr. Asdell introduced the next item on the Agenda, New Business.

NEW BUSINESS

Dr. Asdell introduced: CONSIDERATION TO APPROVE THE REQUEST TO APPLY FOR, ACCEPT, AND USE THE CARES ACT GRANT FUNDS RELATIVE TO THE CORONAVIRUS (COVID – 19) PANDEMIC.

Mr. Marcus moved, and Mr. Botkin seconded the motion to approve the request to apply for, accept, and use the CARES Act Grant Funds relative to the Coronavirus (Covid – 19) Pandemic.

There being no comments, questions, or discussion, with a unanimous vote, the motion carried.

Dr. Asdell introduced: CONSIDERATION TO APPROVE A RATES & CHARGES DEFERRAL POLICY RELATIVE TO THE CORONAVIRUS (COVID – 19) PANDEMIC.

Mr. Marcus moved and Mr. Botkin seconded the motion to approve a Rates & Charges Deferral Policy relative to the Coronavirus (Covid – 19) Pandemic.

There being no comments, questions, or discussion, with a unanimous vote, the motion carried.

Dr. Asdell introduced: CONSIDERATION TO APPROVE A ONE (1) YEAR EXTENSION TO THE UTILITY EQUIPMENT AGREEMENT WITH TSA FOR THEIR SCREENING EQUIPMENT AND EXPLOSIVE TRACE DETECTION (ETD) MACHINES BEGINNING JULY 1, 2020.

Mr. Marcus moved, and Mr. Botkin seconded the motion to approve a one (1) year extension to the Utility Equipment Agreement with TSA for their screening equipment and Explosive Trace Detection (ETD) machines beginning July 1, 2020.

There being no comments, questions, or discussion, with a unanimous vote, the motion carried.

Dr. Asdell introduced: CONSIDERATION TO APPROVE A 90-DAY EXTENSION TO THE LEASE AGREEMENT WITH GSA FOR TSA'S SPACE AT THE AIR COMMERCE CENTER EFFECTIVE MAY 1, 2020.

Mr. Botkin moved, and Mr. Sage seconded the motion to approve a 90-day extension to the lease agreement with GSA for TSA's space at the Air Commerce Center effective May 1, 2020.
There being no comments, questions, or discussion, with a unanimous vote, the motion carried.

Dr. Asdell introduced: CONSIDERATION TO APPROVE STAFF'S RECOMMENDATION TO ENTER IN TO A THREE (3) YEAR AGREEMENT WITH ARTHUR J. GALLAGHER & CO., AS

ST. JOSEPH COUNTY AIRPORT AUTHORITY DISTRICT BOARD

APRIL 30, 2020

THURSDAY

THE AIRPORT AUTHORITY'S INSURANCE BROKER; AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE NECESSARY DOCUMENTATION FOR THAT AGREEMENT.

Mr. Botkin moved, and Mr. Sage seconded the motion to approve Staff's recommendation to enter in to a three (3) year agreement with Arthur J. Gallagher & Co., as the Airport Authority's Insurance Broker; and authorizing the Executive Director to execute the necessary documentation for that agreement.

Dr. Asdell questioned if Arthur J. Gallagher & Co., is the Airport Authority's current Insurance Broker. Mr. Daigle responded that they are the current broker. Dr. Asdell questioned when Staff will confirm the award and notify the other companies. Mr. Daigle stated once the Board has approved the award to Arthur J. Gallagher & Co., Staff will notify the companies that submitted RFQs.

There being no further questions, comments, or discussion, with a unanimous vote, the motion carried.

Dr. Asdell introduced the Executive Director's Report.

THE EXECUTIVE DIRECTOR'S REPORT

Mr. Daigle thanked the Board for joining the Zoom meeting, and his hope is that by the end of May the Board meetings will return to a more normal meeting.

Mr. Daigle referred to the 2020 Composite Statistic Chart for the period ending February 29, 2020. Please refer to the attached 2020 Composite Statistic Chart.

Mr. Daigle stated the first two (2) months of 2020 were very strong. However, the impact of the Coronavirus (Covid -19) is going to be tremendous, as we move forward.

Mr. Daigle stated the application for the CARES ACT GRANT FUNDS (\$7.2 million) relative to the Coronavirus (Covid – 19) Pandemic, has been submitted to the FAA. The details are lacking on how to apply for and receive those funds. Staff is working through those issues.

Mr. Daigle commended the Staff of both Indiana U.S. Senators and Congresswoman Walorski's offices. They have been tremendous in assisting our Staff in working through these issues. We have not been able to modify the number yet, however, they are fully aware of the issue and have been very responsive. I have been in direct contact with Congresswoman Walorski regarding several issues.

Mr. Daigle thanked the Staff, the Managers, and the Executive Team. They have done a tremendous job in working hard to keep the Airport operational. Operations are ongoing safety and security is where it needs to be at SBN.

Dr. Asdell questioned the mood of the employees. Mr. Daigle commented that management has communicated through e-mails to the Staff regularly. Some employees would just rather

ST. JOSEPH COUNTY AIRPORT AUTHORITY DISTRICT BOARD

APRIL 30, 2020

THURSDAY

get back to work as before. Across the Board, employees are understanding that this is a different time. Maintenance is back to work full time right now. They are continuing to do social separation and sterilizing as much as is possible. Each of the departments have stepped up to work through this. The Safety Department has changed their shift schedule. The Administration Department is working remotely and going into the office as needed. The Operations Department is also doing what they need to do to work through this unprecedented time.

Dr. Asdell stated Governor Holcumb's stay-at-home order expires Friday, May 1, 2020. He questioned if Mr. Daigle had any thoughts on that. Mr. Daigle stated that there may be some relaxing, however, there may be more "local County" control involved.

Mr. Marcus questioned if the Airport Authority had any testing for Covid – 19. Mr. Daigle replied the Airport Authority have some employees who had the opportunity to be exposed. He was not sure if any employees have been tested.

Mr. Marcus questioned if the TSA employees have been tested. Mr. Daigle indicated that he received a telephone call yesterday from the TSA Federal Security Director for the State of Indiana. TSA had Staff test positive very early on. Mr. Daigle believes TSA had positive tests in Indiana; however, there were not any positive tests for TSA in South Bend.

Dr. Asdell questioned how much Personal Protective Equipment (PPE) is there at the Airport. Mr. Daigle stated that there are face masks, disinfectant, and enough hand sanitizer for Staff. There are other opportunities through the Airlines and tenants, however, they are at reduced capacity right now. Dr. Asdell questioned if there are any toilet paper shortages at the Airport. Mr. Daigle indicated he is not aware of any.

Dr. Asdell introduced: PRIVILEGE OF THE FLOOR

There were no comments.

Dr. Asdell introduced: ADJOURNMENT

Dr. Asdell asked for a motion to adjourn the meeting.

There was a motion by Mr. Botkin and seconded by Mr. Marcus to adjourn the meeting. The Board meeting was adjourned at 11:55 a.m.

ST. JOSEPH COUNTY AIRPORT AUTHORITY DISTRICT BOARD

By:



David R. Sage, Secretary

Written By: Michael A. Daigle, A.A.E

St. Joseph County Airport Authority
 Revenues, Disbursements, and Activity (Cash Basis) - SUMMARY
 For the Two Months Ending Saturday, February 29, 2020

	February 2019	February 2020	Incr/(Decr)	2019 YTD	2020 YTD	Incr/(Decr)
Operating revenues:						
Airfield	\$63,560.37	\$80,721.94	\$17,161.57	\$126,506.18	\$156,212.69	\$29,706.51
Terminal - Aviation	158,638.68	162,110.83	3,472.15	317,544.84	324,607.76	7,062.92
Terminal - Nonaviation	15,734.84	14,426.46	(1,308.38)	34,857.99	32,523.45	(2,334.54)
Concessions	104,502.07	108,778.74	4,276.67	209,629.54	211,227.04	1,597.50
Parking	258,994.75	286,002.10	27,007.35	496,395.83	553,106.49	56,710.66
FBO	40,247.90	40,536.87	288.97	79,603.05	81,297.74	1,694.69
Building and Land Rents	35,391.05	21,916.72	(13,474.33)	135,067.10	55,830.06	(79,237.04)
Other	0.00	0.00	0.00	10,000.00	10,000.00	0.00
Total Operating Revenues	\$677,069.66	\$714,493.66	\$37,424.00	\$1,409,604.53	\$1,424,805.23	\$15,200.70
Operating expenses:						
Employee Expenses	\$424,755.55	\$431,839.45	\$7,083.90	\$843,910.08	\$895,445.67	\$51,535.59
Supplies	118,142.03	92,514.59	(25,627.44)	197,716.37	182,948.62	(14,767.75)
Repairs	86,511.74	84,321.88	(2,189.86)	160,961.38	98,415.59	(62,545.79)
Service Contracts	8,257.85	3,827.75	(4,430.10)	16,164.86	15,932.48	(232.38)
Marketing/Advertising	5,904.63	6,875.58	970.95	68,033.63	75,511.69	7,478.06
Utilities (Gas, Water, Elec)	61,179.19	64,766.09	3,586.90	124,517.71	96,956.15	(27,561.56)
Other Services and Charges	95,148.97	129,114.76	33,965.79	261,583.36	233,071.63	(28,511.73)
Total Operating Expenses	\$799,899.96	\$813,260.10	\$13,360.14	\$1,672,887.39	\$1,598,281.83	(\$74,605.56)
Operating income	(\$122,830.30)	(\$98,766.44)	\$24,063.86	(\$263,282.86)	(\$173,476.60)	\$89,806.26
Other revenues:						
Property taxes	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other tax distributions	34,362.08	35,789.58	1,427.50	68,724.16	71,579.16	2,855.00
Interest & investment revenue	27,202.35	18,693.01	(8,509.34)	51,195.92	38,613.36	(12,582.56)
Federal grant - LEO	0.00	0.00	0.00	0.00	7,251.00	7,251.00
Other revenue	0.00	894.44	894.44	303.50	4,533.04	4,229.54
Total Other Revenues	61,564.43	55,377.03	(6,187.40)	120,223.58	121,976.56	1,752.98
Total Income	(\$61,265.87)	(\$43,389.41)	\$17,876.46	(\$143,059.28)	(\$51,500.04)	\$91,559.24
Capital Activity						
Capital Grants	\$0.00	\$385,893.02	\$385,893.02	\$773,655.00	\$1,133,221.02	\$359,566.02
Capital Spending	(329,777.06)	(814,721.77)	(484,944.71)	(362,952.06)	(1,640,895.33)	(1,277,943.27)
Net Activity	(\$329,777.06)	(\$428,828.75)	(\$99,051.69)	\$410,702.94	(\$507,674.31)	(\$918,377.25)
Debt Service Activity						
Tax Revenue/Interest	\$3,734.10	\$2,685.89	(\$1,048.21)	\$8,773.47	\$5,375.06	(\$3,398.41)
Passenger Facility Charge Revenue	102,083.69	460.73	(101,622.96)	233,296.42	250,200.70	16,904.28
Bond Principle Payment	0.00	0.00	0.00	0.00	0.00	0.00
Bond Interest Exp. & Fees	0.00	0.00	0.00	(1,050.00)	0.00	1,050.00
Net Activity	\$105,817.79	\$3,146.62	(\$102,671.17)	\$241,019.89	\$255,575.76	\$14,555.87
Cum Building Activity						
Airline Revenue Guarantee-AA	\$0.00	\$0.00	\$0.00	(\$284,432.00)	\$0.00	\$284,432.00
State Grant Revenue - AA	291,780.00	0.00	(291,780.00)	291,780.00	0.00	(291,780.00)
Tax Revenue/Interest	\$7,452.10	\$4,544.13	(\$2,907.97)	\$14,519.69	\$8,944.69	(\$5,575.00)
Net Activity	\$299,232.10	\$4,544.13	(\$294,687.97)	\$21,867.69	\$8,944.69	(\$12,923.00)

2020 COMPOSITE STATISTIC CHART



	Airline Enplanements					Aircraft Landed Weight					Air Cargo					Aircraft Operations				
	For Ref.		2018	2019	2020	Diff.	%	For Ref.		2018	2019	2020	Diff.	%	For Ref.		2018	2019	2020	Diff.
Jan	24,334	27,446	31,089	3,643	13.27%	37,338,558	45,119,355	46,956,721	1,837,366	4.07%	1,843,758	1,800,406	1,531,563	-268,843	-14.93%	2,090	2,469	2,437	-32	-1.30%
Feb	23,589	30,163	34,427	4,264	14.14%	34,116,427	43,915,750	48,317,342	4,401,592	10.02%	1,774,488	1,685,905	1,421,503	-264,402	-15.68%	2,564	2,905	3,235	330	11.36%
Mar	31,761	40,371				44,471,024	54,550,047				1,851,234	1,957,265				3,405	3,443			
Apr	26,440	33,159				38,592,178	49,157,940				1,717,205	2,033,219				3,124	3,472			
May	27,042	33,646				40,158,989	48,752,498				2,069,079	2,414,023				3,241	3,606			
Jun	31,349	35,982				47,137,609	48,069,984				2,054,333	2,449,186				3,377	3,731			
Jul	32,358	37,589				48,676,256	52,156,923				1,850,470	2,344,420				4,174	4,053			
Aug	33,370	34,972				50,721,887	49,413,099				2,110,500	2,119,468				3,555	3,911			
Sep	32,843	34,800				50,567,236	49,570,763				2,207,003	1,631,790				4,654	4,281			
Oct	37,330	37,640				54,636,739	52,012,517				1,942,067	1,862,042				3,923	4,022			
Nov	35,608	36,398				52,171,472	51,515,544				1,825,215	1,603,884				3,103	3,576			
Dec	32,853	35,763				49,320,627	49,127,887				1,706,870	1,517,426				2,890	3,041			
Ann. Totals	368,877	417,929				547,909,002	593,362,307				22,952,222	23,419,034				40,100	42,510			
YTD	47,923	57,609	65,516	7,907	13.73%	71,454,985	89,035,105	95,274,063	6,238,958	7.01%	3,618,246	3,486,311	2,953,066	-533,245	-15.30%	4,654	5,374	5,672	298	5.55%

Comments:

International - General Aviation first flight 6/30/2017
 American Airlines - Service started 6/7/2018 to DFW & CLT, Twice Daily
 Bus Passengers - Coach USA ceases operations 12/31/2019

2020 COMPOSITE STATISTIC CHART



	Aviation Fuel Flowage - Gallons					Car Rental - Gross Sales					Restaurant/Gift Shop - Gross Sales					Republic Parking - Gross Sales								
	For Ref.	2018	2019	2020	Diff.	%	For Ref.	2018	2019	2020	Diff.	%	For Ref.	2018	2019	2020	Diff.	%	For Ref.	2018	2019	2020	Diff.	%
Jan		405,970	508,391	521,332	12,941	2.55%		\$567,289	\$698,471	\$729,762	\$31,291	4.48%		\$149,963	\$168,895	\$163,073	-\$5,822	-3.45%		\$285,292	\$310,436	\$354,715	\$44,279	14.26%
Feb		436,183	563,504	599,532	36,028	6.39%		\$595,332	\$682,397	\$754,761	\$72,364	10.60%		\$146,779	\$180,879	\$193,464	\$12,585	6.96%		\$271,854	\$343,289	\$379,742	\$36,453	10.62%
Mar		536,600	626,890					\$795,129	\$889,712					\$194,745	\$239,253					\$350,756	\$439,565			
Apr		505,154	579,000					\$778,450	\$1,003,632					\$156,803	\$197,310					\$317,946	\$382,901			
May		496,824	565,763					\$909,603	\$1,078,072					\$162,292	\$210,096					\$274,283	\$342,200			
Jun		483,691	558,063					\$1,001,124	\$1,060,068					\$206,732	\$222,580					\$296,506	\$341,681			
Jul		552,415	615,989					\$1,371,950	\$1,458,011					\$206,437	\$238,848					\$297,498	\$302,894			
Aug		696,916	635,253					\$1,317,134	\$1,394,398					\$209,213	\$216,414					\$296,295	\$316,135			
Sep		901,028	663,561					\$1,234,325	\$1,205,292					\$206,175	\$215,717					\$287,693	\$320,529			
Oct		700,934	754,441					\$1,149,256	\$1,222,851					\$218,985	\$225,575					\$359,033	\$365,173			
Nov		668,753	696,536					\$1,008,292	\$1,039,499					\$211,669	\$219,652					\$334,068	\$332,839			
Dec		588,774	569,333					\$749,294	\$894,183					\$184,283	\$197,911					\$287,249	\$313,701			
Ann. Totals		6,973,242	7,336,724					\$11,477,178	\$12,626,586					\$2,253,076	\$2,533,130					\$3,658,473	\$4,111,343			
YTD		842,153	1,071,895	1,120,864	48,969	4.57%		\$1,162,621	\$1,380,868	\$1,484,523	\$103,655	7.51%		\$295,742	\$349,774	\$356,537	\$6,763	1.93%		\$557,146	\$653,725	\$734,457	\$80,732	12.35%

Comments:

International - General Aviation first flight 6/30/2017
 American Airlines - Service started 6/7/2018 to DFW & CLT, Twice Daily
 Bus Passengers - Coach USA ceases operations 12/31/2019

2020 COMPOSITE STATISTIC CHART



	South Shore Passengers						South Shore Ops.						Bus Passengers						International Flights - GAF										
		For Ref.	2018	2019	2020	Diff.	%		For Ref.	2018	2019	2020	Diff.	%		For Ref.	2018	2019	2020	Diff.	%		For Ref.	2018	2019	2020	Diff.	%	
Jan			15,027	14,125	15,044	919	6.51%			195	186	199	13	6.99%			2,912	1,741	0	-1,741	-100.00%			10	6	10	4	66.67%	
Feb			16,778	12,881	15,748	2,867	22.26%			180	166	185	19	11.45%			1,889	1,792	0	-1,792	-100.00%			9	11	8	-3	-27.27%	
Mar			21,211	20,397						199	197						1,995	1,788						10	7				
Apr			20,509	20,180						182	194						2,257	1,905						7	7				
May			19,452	19,127						185	183						2,651	2,375						13	12				
Jun			20,965	20,088						181	182						2,720	2,612						13	8				
Jul			25,692	23,571						209	190						2,818	2,771						7	13				
Aug			22,069	20,433						192	190						2,408	2,439						8	13				
Sep			20,944	19,530						190	192						1,483	1,996						12	16				
Oct			18,422	20,997						201	201						1,907	2,313						20	20				
Nov			22,997	22,150						193	190						1,921	1,819						16	9				
Dec			22,575	22,795						194	197						2,083	2,252						7	13				
Ann. Totals			246,641	236,274						2,301	2,268						27,044	25,803						132		135			
YTD			31,805	27,006	30,792	3,786	14.02%			375	352	384	32	9.09%			4,801	3,533	0	-3,533	-100.00%			19	17	18	1	5.88%	

Comments:

International - General Aviation first flight 6/30/2017
 American Airlines - Service started 6/7/2018 to DFW & CLT, Twice Daily
 Bus Passengers - Coach USA ceases operations 12/31/2019

