

FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY

Fort Wayne-Allen County Airport Authority Board Meeting

Regular Session

June 20, 2023

4:00pm

A meeting of the Fort Wayne-Allen County Airport Authority Board was held on June 20, 2023, at the Fort Wayne International Airport, 3801 W. Ferguson Rd., Fort Wayne, Indiana 46809, pursuant to proper legal notice. A quorum being present, Mr. Barry Sturges, President, called the meeting to order at 4:00 p.m.

ATTENDANCE:

AIRPORT AUTHORITY BOARD MEMBERS:

Richard B. (Barry) Sturges, Jr., President, present
Gregg C. Sengstack, Vice President, present
Timothy J. Haffner, Secretary, present
Jerome F. (Jerry) Henry, Jr., present
Kimberly M. Grannan, present*
Réna Bradley, absent
**electronic meeting participation*

AIRPORT AUTHORITY STAFF & LEGAL COUNSEL PRESENT:

Scott Hinderman, Executive Dir. Of Airports
Joe Marana, Dir. Facilities & Operations
Mike Deam, Airport Authority Attorney
Doug Robertson, Controller
Laura Hakes, Purchasing Manager
Ryan Bauer, Interim Airport Dev. And Prop. Manager
Mary Easterday, Administrative Assistant

CALL TO ORDER:

A quorum being present, Mr. Sturges called the meeting to order at 4:00 pm. It was noted that board member Ms. Kimberly Grannan would be attending the meeting electronically and so all votes taken would be by roll call.

1. CONSIDERATION AND APPROVAL OF TODAY'S AGENDA AND CONSENT AGENDA

Mr. Scott Hinderman indicated staff had one change to the posted agenda and would have one item for consideration under Other Business. Mr. Timothy Haffner made a motion to approve the June 20, 2023 Board Agenda as amended and the Consent Agendas as presented below. Mr. Gregg Sengstack seconded the motion.

Mr. Sturges called for a roll call vote. Below is a tally of the votes:

Mr. Jerry Henry – Aye
Ms. Kimberly Grannan – Aye
Mr. Barry Sturges – Aye
Mr. Tim Haffner – Aye
Ms. Réna Bradley – Absent
Mr. Gregg Sengstack -Aye
The motion carried.

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A. ADMINISTRATIVE CONSENT AGENDA:

- Approval of Board Minutes – 05.15.2023
- Review & Approval of Claims #23-06
- Accounts Receivable Report

B. CONTRACT CONSENT AGENDA:

1. *Change Order Number 1 for the Contract with Hagerman, Inc., TB22-E, Hangar 2018 Design Build*

This change order is a project increase in the amount of \$35,550 to include the following:

- 8” Sewer Main Extension
- Credit for Job Trailer for CHA

Staff recommended approval of this change order with signature authorization for the Executive Director of Airports.

2. *Consideration and Approval of Contract with Mead & Hunt for constructions Administration Services – Project Gateway: Fort Wayne International Airport East Terminal Expansion Project*

Mead & Hunt was selected to provide the design and architectural services for the East Terminal Expansion and Renovation project. As staff enters the construction phase of the project, it is necessary to execute a new agreement for construction administrative services for the architectural/interiors, civil, landscaping, structural, plumbing, fire protection, mechanical, electrical, technology, wayfinding/signage, boarding bridge, and materials testing portions of the work as applicable. As outlined in their scope of work, their general services include the following: Project Management and Coordination, Pre-Construction Activities, Construction Administration and Site Visits, Post-Construction Activities.

Airport staff requested that the Board of Directors of the Fort Wayne-Allen County Airport Authority make a motion to approve a contract with Mead & Hunt for Construction Administration Services for the East Terminal Expansion and Renovations in the amount of \$3,019,465.00 with approval for the Executive Director of Airports to execute the contract documents.

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3. Consideration and Approval of Addendum No. 17 and No. 18 with CHA consulting, Inc. for Planning Services

Addendums # 17 & 18 to our Indefinite Delivery Profession Services Agreement is for CHA Consultants to oversee the completion of an obstruction (aeronautical) survey, perform an airspace analysis, and update the Airport Layout Plan (ALP) with the relevant information at both airports. Addendum #17 is for FWA and #18 is for SMD. Completion of these services will enable staff to obtain current obstruction data and understand to what extent, if any, obstructions to imaginary airspace may exist.

Authority staff has obtained a SOW and schedule of fees from CHA for these services and feel that they are reasonable.

Authority staff is requested Board approval of the professional services agreement in the amount of \$164,670.00 for Addendum #17 and \$85,150.00 for Addendum #18. Staff also requested approval for the Executive Director of Airports to execute the contract documents.

4. Contingency Change Order Authorization Number 15 – Fort Wayne International Airport West Terminal Expansion with Michael Kinder & Sons (MKS) – AIP 77

This increase is in the amount of \$36,034.69. This amount will come from the already approved owner's construction contingency in the MKS contract. This leaves a contingency balance of \$517,738.78. Included in this change order are the items listed below. Staff recommended approval of this change order with signature authorization for the Executive Director of Airports.

RFCO-143	RFI 583 Metal Panel Under Window on South Side of 1G
RFCO-197	RFI #650-Missing Controls for Existing Unit Heaters
RFCO-202	Terrazzo/Carpet Change in 2C-3
RFCO-208	RFI-208 - RFI 674 Pump for TSA Sink
RFCO-227	PCA 4 Install Credit
RFCO-239	Grind and Fill Floor for Terrazzo
RFCO-240	RFI 675 - East Side of 1G Slab Condition
RFCP-071	RFI #444 – 2A-2 Interferences
RFCP-096	RFI 566 CMU Wall on E-1 Line Part 2
RFCP-100	Loading & Unloading Signage

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2. CHERRY BEKAEERT, LLP 2022 AUDIT REIVEW

Mr. Scott Hinderman informed board members that the financial statement audit for the year ended 12/31/2022 has been completed by Cherry Bekaert, LLP and that Ms. Lauren Strobe, Audit Partner from the Cherry Bekaert team would present and review the audit with the board. Ms. Strobe made a brief presentation to the board and announced that the 2022 audit was being presented with an unmodified (clean) opinion – the highest level that could be achieved.

3. ACTIVITY REPORT – MAY 2023

Mr. Scott Hinderman reported to board members on recent Airport Authority air service and marketing activities. His report to the board included the following:

- May is providing a good benchmark for how covid recovery is going and what we can expect for enplanements throughout the reminder of 2023
- Enplanements for May 2023 were reported at 34,013 up 5.38% compared to May 2022 enplanements and up 5.31% year to date
- May 2023 enplanements marked the first time we have surpassed monthly enplanements since the pandemic – 2023 enplanement are on target to surpass 2019 enplanements; post pandemic air traffic is up and FWA recovery is ahead of schedule
- Capacity in May 2023 was also up compared to capacity in May 2022
- Currently the Dallas, Minnesota and Atlanta flights are all flying with larger aircraft and so more seats and capacity are being provided in and out of FWA
- Board members inquired if the overall percentage and size of the market share for United Airlines (at 8.77%) is concerning; Mr. Hinderman informed board members that United is currently only flying to Chicago and staff is always pursuing other markets with United – especially a west connection (Denver)

4. & 5. CONSIDERATION AND APPROVAL OF 2024 HOLIDAY SCHEDULE AND THE 2024 BOARD MEETING SCHEDULE

Mr. Scott Hinderman informed the board that every year the holiday schedule for airport authority employees is presented to the board for their approval. The 2024 holiday schedule will include 11 named holidays along with one floating holiday. The 2024 holiday schedule will include the same holidays that were recognized during 2023. Staff recommended approval of the holiday schedule.

Mr. Hinderman also presented the 2024 Board Meeting Schedule for approval.

Mr. Tim Haffner made a motion to approve the 2024 Holiday Schedule and the 2024 Board Meeting Schedule as presented. Mr. Jerry Henry seconded the motion.

Mr. Sturges called for a roll call vote. Below is a tally of the votes:

Mr. Jerry Henry – Aye

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Ms. Kimberly Grannan – Aye

Mr. Barry Sturges – Aye

Mr. Tim Haffner – Aye

Ms. Réna Bradley – Absent

Mr. Gregg Sengstack -Aye

The motion carried.

The 2024 Holiday Schedule will be as follows:

FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY 2024 HOLIDAY SCHEDULE

2024		
Administration and Maintenance Departments		
1	New Year's Day	Monday, January 1
2	Martin Luther King Day	Monday, January 15
3	Memorial Day	Monday, May 27
4	Juneteenth	Wednesday, June 19
5	Independence Day	Thursday, July 4
6	Labor Day	Monday, September 2
7	Thanksgiving Day	Thursday, November 28
8	Day After Thanksgiving	Friday, November 29
9	Christmas Eve	Tuesday, December 24
10	Christmas Day	Wednesday, December 25
11	New Year's Eve	Tuesday, December 31
12	Floating Holiday	To be Requested by Employee
2024		
Custodial, Operations, Smith Field and Fort Wayne Aero Center		
1	New Year's Day	Monday, January 1
2	Martin Luther King Day	Monday, January 15
3	Memorial Day	Monday, May 27
4	Juneteenth	Wednesday, June 19
5	Independence Day	Thursday, July 4
6	Labor Day	Monday, September 2
7	Thanksgiving Day	Thursday, November 28
8	Day After Thanksgiving	Friday, November 29
9	Christmas Eve	Tuesday, December 24
10	Christmas Day	Wednesday, December 25
11	New Year's Eve	Tuesday, December 31
12	Floating Holiday	To be Requested by Employee

The 2024 Board Meeting Schedule will be as follows:

Following is the schedule for Year 2024 meetings of the Fort Wayne-Allen County Airport Authority Board of Directors. All meetings will begin at 3:00 p.m. in the Board Room of the Fort Wayne-Allen County Airport Authority, Suite 210, 3801 W. Ferguson Road, Fort Wayne,

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Indiana 46809, unless otherwise noted. Meetings are subject to change.

Monday	January 22, 2024
Monday	February 19, 2024
Monday	March 18, 2024
Monday	April 15, 2024
Monday	May 20, 2024
Monday	June 17, 2024
Monday	July 15, 2024
Monday	August 19, 2024
Monday	September 16, 2024
Monday	October 21, 2024
Monday	November 18, 2024
Monday	December 16, 2024

6. CONSIDERATION AND APPROVAL OF AMENDMENT NO. 2 TO THE LEASE WITH GENERAL SERVICES ADMINISTRATION FOR TSA LEASED SPACE

Mr. Scott Hinderman reported that during the West Terminal Expansion, the General Services Administration (GSA) requested and required specific physical security and IT room upgrade requirements for spaced leased by TSA at FWA. Lease Amendment No. 2 is for the reimbursement by GSA to the Authority for these costs in the amount of \$136,495.46.

Mr. Hinderman requested that the Board approve Amendment #2 to the GSA lease to require a lump sum payment by GSA to the Airport Authority in the amount of \$136,495.46 with signature authorization for the Executive Director of Airports.

Mr. Tim Haffner made a motion to approve the TSA Lease Agreement Amendment #2 as presented. Mr. Gregg Sengstack seconded the motion.

Mr. Sturges called for a roll call vote. Below is a tally of the votes:

Mr. Jerry Henry – Aye
Ms. Kimberly Grannan – Aye
Mr. Barry Sturges – Aye
Mr. Tim Haffner – Aye
Ms. Réna Bradley – Absent
Mr. Gregg Sengstack -Aye
The motion carried.

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7. CONSIDERATION AND APPROVAL OF RFP RESULTS FOR THE OPERATION OF FOOD, BEVERAGE, RETAIL, AND VENDING CONCESSIONS AT THE FORT WAYNE INTERNATIONAL AIRPORT

Mr. Hinderman reported that the current agreement for the operations of concessions at the Fort Wayne International Airport will expire April 30, 2025. However, the restaurant will be relocated into a new location on the upper concourse as part of the East Terminal Expansion. In order to accommodate the construction phasing plan, the design for the new area needs to be completed by June 2024 to allow the demolition of the exiting restaurant for relocation of the security checkpoint. Because we wanted the concessionaire selected for the new space to have input into the final design build-out for the new area in the upper level, the RFP selection process was initiated. The following elements were included in the RFP:

- A minimum \$900,000 capital investment by the Operator for the new equipment, signage, and merchandising displays.
- Local concept offerings.
- 10-year contract term with termination provision. Actual estimate to begin operations is June 2024 pending progress of construction.
- Food service for the new business lounge.
- Effective means to provide pre-secure food service.

In response to our solicitation, the Authority received 3 excellent proposals. The initial submittals were evaluated, and interviews were conducted with all 3 firms. After completions of the interviews, final scoring was completed based on criteria contained in the RFP. Highlights of the proposal ultimately being recommended include, but are not limited to,

- Strong local concepts as part of the FWA operations to include Hop River Brewery for the restaurant and Bon Bon's Coffee Company for the coffee concept. During the interviews, there was a high level of interest expressed from the local concept owners to maintain active oversight of their brand development at the airport
- Capital investment commitment of \$1,495,000
- Appealing renderings in line with desired services
- Diverse menu selections
- Substantial experience at several airports throughout the US (currently in 22 states) with small/medium hubs as their "sweet spot"
- Well established corporate structure to include regional staffing to support the local team and a solid financial record
- TRAY cloud based ordering system/kiosk in addition to vending for pre-security food service
- Staffing plan to accommodate a high volume of early travelers, delayed flights, and diverted flights.
- Rents of 14% food, beverage, and retail

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Staff recommended that the Board make an award to Tailwinds Hospitality, Inc for the Operation of Food, Beverage, Retail, and Vending Concessions at FWA as the offeror whose proposal has been determined to be the most advantageous to the Authority. Staff also requested approval for the Executive Director of Airports to sign the contract documents.

Mr. Tim Haffner made a motion to award the operation of Food, Beverage, Retail and Vending Concessions at FWA to Tailwinds Hospitality, Inc and approval for the Executive Director of Airports to sign the contract documents. Mr. Jerry Henry seconded the motion.

Mr. Sturges called for a roll call vote. Below is a tally of the votes:

Mr. Jerry Henry – Aye

Ms. Kimberly Grannan – Aye

Mr. Barry Sturges – Aye

Mr. Tim Haffner – Aye

Ms. Réna Bradley – Absent

Mr. Gregg Sengstack -Aye

The motion carried.

8. CONSIDERATION AND APPROVAL OF RESOLUTION 23-04: RESOLUTION TO TRANSFER MONEY TO THE RAINY DAY FUND

Mr. Doug Robertson informed members of the board that in 2011 the board passed Ordinance 11-05 which established a Rainy Day Fund. With the establishment of the Rainy Day Fund and in accordance with Indiana code 36-1-8-5.1 political subdivisions are permitted to transfer unused and unencumbered balances in the Authority's Operating Fund to the Rainy Day Fund; up to 10% of unspent operating funds can be transferred into an established Rainy Day Fund. Through Resolution 23-04 Airport Authority staff wish to transfer \$2,000,000 (two million dollars) from the 2023 Operating Fund to the Rainy Day Fund. Mr. Robertson also noted that currently there is close to \$6.6 million in our Rainy Day Fund and over time the Authority would like to build the fund to be able to cover one year of operating expenses.

Mr. Timothy Haffner made a motion to approve Resolution 23-04 which would allow the transfer of Two Million Dollars and Zero Cents (\$2,000,000) from the Operating Fund to the Rainy Day Fund. Mr. Gregg Sengstack seconded the motion.

Mr. Sturges called for a roll call vote. Below is a tally of the votes:

Mr. Jerry Henry – Aye

Ms. Kimberly Grannan – Aye

Mr. Barry Sturges – Aye

Mr. Tim Haffner – Aye

Ms. Réna Bradley – Absent

Mr. Gregg Sengstack -Aye

The motion carried.

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9. PUBLIC HEARING AND ADOPTION OF ORDINANCE NO. 23-02: FWA RULES AND REGULATIONS ORDINANCE

Mr. Scott Hinderman reported that Ordinance No. 23-02 was introduced at the May 15, 2023 board meeting by Mr. Timothy Haffner. Mr. Hinderman noted that a Public Hearing on Ordinance No. 23-02: FWA Rules and Regulations Ordinance would be held at the June 20, 2023 board meeting.

Public Hearing – Mr. Mike Deam opened the Public Hearing for Ordinance No. 23-02: FWA Rules and Regulations Ordinance. Mr. Deam indicated that staff would make introductory comments. The board and staff would have time for comments and questions and then the public would have the opportunity to come to the podium and speak to the matter.

Staff Comments – Mr. Joe Marana informed board members that changes were made to the FWA Rules and Regulations Ordinance due to the installation and operation of the new in line baggage system. Changes to the Rules and Regulations Ordinance include a \$25.00 fine per occurrence fee for any bag which would jam and resulted from improper bag hygiene or loading of the baggage system by ground handlers. Mr. Marana noted that a bag jam will cause the entire line to stop working, even though the system is able to reroute bags prior to the jam to another line so incoming bags can continue to be screened. Any time a jam occurs, airport personnel will need to be called to clear each bag jam. The \$25.00 fine imposed is being proposed to hopefully ensure proper operation of the baggage handling system and to alleviate jams within the system due to operator error. Mr. Marana noted that airport authority staff and airline personnel have received training on the new system, have reviewed proper hygiene and there are reminders posted on how to properly use the system.

Board Comments – board members had no questions or comments regarding the proposed ordinance.

Public Comments – Mr. Deam asked if any member of the public cared to comment about Ordinance No. 23-02: FWA Rules and Regulations Ordinance.

No member of the public came forward to comment about Ordinance No. 23-02.

Closure of Public Hearing – Hearing no further request for comment, Mr. Deam closed the Public Hearing for Ordinance No. 23-02.

Board Action – Mr. Timothy Haffner made a motion to adopt Ordinance No. 23-02. Mr. Gregg Sengstack seconded the motion.

Mr. Sturges called for a roll call vote. Below is a tally of the votes:

Mr. Jerry Henry – Aye

Ms. Kimberly Grannan – Aye

Mr. Barry Sturges – Aye

Mr. Tim Haffner – Aye

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Ms. Réna Bradley – Absent

Mr. Gregg Sengstack -Aye

The motion carried.

10. OTHER BUSINESS

Mr. Hinderman reported, staff had one additional item of business to present to the board for consideration.

Mr. Hinderman present Resolution 23-05: Amendment to the 2023 Salary Resolution for consideration and approval. Mr. Hinderman explained that the change in the 2023 Salary Resolution was being presented so that a new salaried position could be added to the currently approved positions. Staff wish to add one Operations Specialist position to pay grade eight making this Operations Specialist position – Project Supervisor, a salaried position as opposed to the usual Operations Specialist hourly position. This position would work primarily with the Project Gateway East Terminal Expansion Project over the next two years. This position would be supervised by the Director of Operations and Facilities. Mr. Hinderman noted that this is the only change to the current 2023 Salary Resolution being proposed.

Board Action – Mr. Timothy Haffner made a motion to adopt Resolution 23-05: Amended 2023 Salary Resolution. Mr. Jerry Henry seconded the motion.

Mr. Sturges called for a roll call vote. Below is a tally of the votes:

Mr. Jerry Henry – Aye

Ms. Kimberly Grannan – Aye

Mr. Barry Sturges – Aye

Mr. Tim Haffner – Aye

Ms. Réna Bradley – Absent

Mr. Gregg Sengstack -Aye

The motion carried.

On a final note Mr. Hinderman noted that the our Controlled Mr. Doug Robertson and his accounting team had achieved for the 33rd consecutive year, the Award for Excellence in Financial Reporting from the GFOA – Governmental Finance Officers Association. Board members commended Mr. Robertson and his team for their fine efforts.

Mr. Sturges congratulated the Airport Authority staff on the outstanding ground breaking ceremony which took place earlier in the month; commemorating the start of the Project Gateway East Terminal Expansion Project.

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11. ADJOURNMENT

Mr. Haffner moved to adjourn the June 20, 2023 Regular Session Board Meeting at 4:30 PM.

Mr. Sturges adjourned the meeting.

EXECUTIVE SESSION:

An Executive Session was held prior to the regular session board meeting on June 20, 2023 at 3:00 p.m. at the Fort Wayne International Airport, 3801 W. Ferguson Rd., Fort Wayne, Indiana 46809, pursuant to proper legal notice, to discuss Personnel (pursuant to IC 5 14 1.5 6.1(b)(5) or (b)(6) or (b)(9), Lease Negotiations (pursuant to IC 5 14 1.5 6.1(b)(2)(D), pending or threatened litigation which is pursuant to IC 5 14 1.5 1(b)(2)(B), and confidential records which is pursuant to IC 5 14 1.5 6.1 (b)(7).

Attendance:

Richard B. (Barry) Sturges, Jr., President; present

Gregg Sengstack, VP; present

Timothy T. Haffner, Secretary; present

Jerome F. (Jerry) Henry, Jr.; present

Kimberly Grannan; present*

Réna Bradley; absent

Mr. Mike Deam; present

Mr. Scott Hinderman; present

Mr. Joe Marana; present

Mr. Ryan Bauer; present

Mr. Doug Robertson; present

Ms. Mary Easterday; present

**electronic participation*

By signing the minutes of the June 20, 2023, board meeting, it is hereby certified that nothing other than the topics, as noted above, were discussed during the Executive Session.

Signatures on File

Mr. Richard (Barry) Sturges
Board President

Mr. Timothy Haffner
Board Secretary