

**MINUTES OF THE
CONNECTICUT AIRPORT AUTHORITY
BOARD MEETING
MONDAY, JUNE 9, 2014, 1:00 P.M.
BRADLEY INTERNATIONAL AIRPORT – ADMINISTRATION CONFERENCE ROOM
WINDSOR LOCKS, CONNECTICUT**

Members Present: Mary Ellen S. Jones, Chair
Robert J. Aaronson
Brett C. Browchuk
J. Scott Guilmartin (via phone)
Karen M. Jarmoc
Matthew J. Kelly (via phone)
Michael T. Long, Vice-Chair
Peter McAlpine (Treasurer's Designee)

Members Absent: Charles R. Gray
Commissioner James Redeker
Commissioner Catherine Smith

Staff: Kevin A. Dillon, A.A.E.
Robert J. Bruno
Ron Frost
Paul Pernerewski
Alex Peterson
Mike Shea
Jody Slayton
Eric N. Waldron, A.A.E., ACE
John Wallace

1. **Call to Order:** Chair Jones called the meeting of the Connecticut Airport Authority to order at 1:05 p.m., and noted a quorum.

2. **Approval of Minutes – May 12, 2014 Board Meeting:**

Mr. McAlpine requested that the May 12, 2014 minutes reflect the accompanying table and the following footnote: That although CFC Revenues are in fact Pledged Revenues to the GARB's, they have been conservatively excluded for purposes of forecasting compliance with the Debt Service Coverage Requirements in CAA Resolution 2014-15 as it is anticipated that these revenues will eventually become Released Revenues to be used in support of a separate special facility bond issuance to fund the development of the Ground Transportation Center at BDL.

Ms. Jarmoc made a motion (Seconded: Mr. Aaronson) to approve the minutes from the May 12, 2014 Board meeting. **Voice vote – motion passed unanimously.**

3. **Executive Director's Report:**

PASSENGER NUMBERS – APRIL 2014

<u>Airport</u>	<u>April 2014</u>	<u>April 2013</u>	<u>% Increase/Decrease</u>
Bradley	523,519	459,677	+13.9
TF Green	305,453	330,423	-7.6
Logan	2,721,967	2,548,834	+6.8

PASSENGER NUMBERS – 2014/2013 YEAR-TO-DATE (JAN-APR)

Airport	2014	2013	% Increase/Decrease
Bradley	1,849,745	1,660,994	+11.4
TF Green	1,092,419	1,167,346	-6.4
MHT	462,555	538,996	-14.2
Logan	9,229,498	8,914,337	+3.5

Mr. Dillon reported that Bradley Airport's passenger numbers have increased for the third month in a row.

Mr. Dillon reported on air service development efforts noting that new, daily nonstop Houston service with United Airlines will begin on October 15, 2014. Mr. Dillon further reported that an inaugural celebration for the new JetBlue flights to Washington, D.C. will take place on Thursday, June 19, 2014 at Gate 5 at 4:30 p.m. Mr. Dillon asked for any Board members that would like to attend, to please let him know. Additionally, American Eagle will have a series of four charters, two in June and two in July, from Bradley Airport to Atlantic City.

Mr. Dillon noted that he will be attending the ACI Jumpstart Conference at the end of June which will allow him to meet with a number of carriers with a continued focus on securing additional air service.

Mr. Dillon gave a government affairs update reporting that on May 29, 2014, the CAA hosted an event with Federal legislative staff which provided an opportunity to talk about the new JetBlue service as well as the CAA's legislative agenda for next year.

Mr. Dillon gave a finance update noting that he, along with Mr. Shea and Mr. McAlpine had the opportunity to participate in an annual finance review with Fitch Ratings on May 28, 2014.

Mr. Dillon gave an operations and terminal update reporting that Bradley Airport will be featured in a portion of an upcoming Bollywood film.

Mr. Dillon reported that on May 17, 2014, the CAA and Windham Airport had the opportunity to work with the Town of Windham on an emergency exercise at Douglas Manor Senior Citizen Home.

Mr. Dillon reported that on May 28, 2014, the CAA held its Annual Table Top review to test the airport's emergency plan.

Mr. Dillon reported that on June 4, 2014, the TSA implemented a new program called the "Known Crew Member" which is a security program aimed at improving checkpoint wait times by removing pilots and flight attendants from security lanes.

Mr. Dillon reported that a pre-proposal meeting and walk-through will be held on June 12, 2014 for those interested in developing a lounge club at Bradley Airport. An RFI was issued on April 30, 2014 with proposals due on July 1, 2014.

Mr. Dillon reported that the Travelers Championship Golf Tournament will be held June 16-22, 2014, and the CAA will once again be partnering with Travelers to highlight the annual

Tournament in the terminal, as well as providing a special pick up area for the tour golf professionals.

Mr. Dillon reported that Gineva Murano Glass Jewelry which opened on May 12, 2014, is proving to be very successful. Unfortunately, the sunglass kiosk has been postponed due to an issue with the fabrication of the kiosk.

Mr. Dillon provided an update on the general aviation airports reporting that the Groton New London certification inspection is scheduled for July 28-30, 2014. The MDC has begun clean-out of the lagoons adjacent to Brainard Airport and this work is expected to last four months. At Windham Airport, a firm has been selected to design an above-ground self-service fuel complex. The CAA is hopeful that the design will be completed by the end of July with construction commencing in the fall. The EMAS project at Groton-New London Airport has been completed and the runway was reopened for activity.

Mr. Dillon gave a communications and marketing update reporting that the CAA has made significant improvements to the Bradley website and feedback is welcome. The improved site can be accessed at: www.bradleyairport.com.

Mr. Dillon gave an outreach update reporting that on May 18-21, 2014, he attended the AAAE conference where discussion was focused on FAA reauthorization. Mr. Dillon has agreed to serve on an FAA reauthorization task force for AAAE.

Mr. Dillon further reported that CAA staff attended the Discover New England Conference which was held May 18-21, 2014 in Mystic, Connecticut.

Mr. Dillon reported that several Board members are attending the ACI Board Member and Commissioner conference in Montana, which started on June 8th.

On June 10, 2014, Mr. Dillon reported that he will be attending a meeting in Burlington which is an opportunity for the New England State aviation directors to interact directly with the FAA.

On June 11, 2014, Mr. Dillon will be meeting with management of Mohegan Sun Casino. The focus will be on ground transportation for a potential large conference in 2018.

On June 13, 2014, the Knowledge Corridor State of the Region Conference will be held at the Sheraton Hotel where Mr. Dillon will have the opportunity to make a presentation on airport improvements.

Mr. Dillon reported that on Saturday, June 14, 2014, the Angel Flight New England Fly-In will take place at the New England Air Museum.

Mr. Dillon reported that a number of internal policies have been implemented. Although they did not require Board approval, he wanted to make the Board aware of them. They are as follows: Tuition Reimbursement/Payment Policy, Membership Dues and Professional Licenses and Certification Fee Reimbursement Policy, Employee Responsibility Concerning Ability to Perform Duties of Job Policy, Controlled Substances and Alcohol Policy for Employees, Pre-Employment Drug Testing Policy.

Mr. Dillon discussed the Board meeting schedule noting that the July 14, 2014 Board meeting has been canceled. Therefore, the next Board meeting will be August 11, 2014. Mr. Dillon asked Chair Jones to consider rescheduling the September 8, 2014 Board meeting to September 15, 2014 as the ACI Annual Conference falls during that week. Additionally, Mr. Dillon stated that

there is currently not an October Board meeting on the schedule as it falls on the Columbus Day holiday. Therefore, Mr. Dillon requested Chair Jones consider holding the October Board meeting on October 20, 2014.

Chair Jones asked for a status update regarding the responsibility of staffing the TSA exit lanes. Mr. Dillon replied that this matter has been tabled for the time being. However, he will continue to monitor the issue.

4. Action Items:

(a) Consideration of and Action Upon Approval of the Application and Issuance of a Certificate of Eligibility for the Waterbury-Oxford Airport Development Zone – Autonomy Technology, Incorporated.

Mr. Dillon reported that the CAA is seeking Board approval for Autonomy Technology Inc's application for a Certificate of Eligibility for benefits of the Waterbury-Oxford Development Zone. The Board previously approved Autonomy's preliminary application at its April meeting. Autonomy Technology manufactures cable assemblies and portable power units for distribution. They currently have facilities located in Oregon, Alaska, and Nevada. They recently expanded into the Northeast with their Oxford site. They are leasing a facility on Christian Street in Oxford, Connecticut which was idle. Autonomy Technology plans to add 18-20 new full-time positions over the next two years. Considering they have met the requirements for benefits, the CAA is recommending the Board approve Autonomy's Application.

Mr. Aaronson made a motion (Seconded: Mr. Browchuk) to accept and approve **Resolution 2014 – 21 - Voice vote – motion passed unanimously.**

(b) Consideration of and Action Upon Approval to Reallocate Capital Improvement Program Funds for the Purchase and Installation of Fire Communication Radios and a Federal Aviation Administration Alert System for Bradley International Airport.

Mr. Dillon reported that the CAA is seeking authorization to reallocate up to \$40,000 within the approved FY 2014 Capital Improvement Program for the purchase and installation of fire communication radios and an FAA emergency alert system in the dispatch area of the new security building. The existing equipment is not compatible with the new electrical and grounding system in the building. Considering the importance of these systems, the recommendation is that the Board authorize the reallocation of the funds.

Ms. Jarmoc made a motion (Seconded: Mr. Aaronson) to accept and approve **Resolution 2014 – 22 - Voice vote – motion passed unanimously.**

(c) Consideration of and Action Upon Approval to Increase the CAA Fiscal Year 2014 Capital Improvement Program for the Terminal Demolition Project at Bradley International Airport.

Mr. Dillon reported that the CAA is requesting authorization to increase the FY 2014 capital improvement program by \$7,180,443 for the Terminal B Demolition Project bringing the new budget to \$19,585,443. As the CAA advised the Board in February, the original budget for this project increased significantly based on preliminary estimates representing approximately 30% design plans. The new budget takes into account design refinement as well as a substantial increase of \$2 million for additional environmental remediation costs. Approximately \$6.6 million of the increase will come from passenger facility charges. The remainder, approximately

\$568,000, will come from the Bradley share. Considering the importance of this project, the recommendation is that the Board approve the budget adjustment.

Chair Jones asked if the CAA is still targeting August for the official demolition start date. Mr. Dillon stated that due to the amount of remediation required, the time frame for the work will be extended but the project is still slated to commence in August. The project is currently on an eighteen month time line to complete the demolition and sections of the building should be demolished by the end of the year

Mr. Long made a motion (Seconded: Mr. McAlpine) to accept and approve **Resolution 2014 – 23 - Voice vote – motion passed unanimously.**

(d) Consideration of and Action Upon Granting the CAA Executive Director the Authority to Reallocate FY 14 Budget Dollars Between Reporting Line Items.

Mr. Dillon reported that the CAA is seeking authorization to reallocate FY 2014 budget dollars between operating budget lines for both Bradley and the GA Airports. The general statutes require the Board to approve all non-budgeted expenditures in excess of \$5,000. The CAA has taken a conservative approach to this and has interpreted the statute to apply to budget line overruns even though the items were contemplated as part of the budget process. The CAA has had some lines come in under budget and some lines come in over budget. In the case of Bradley, the total operating budget, accounting for overages and underages, is forecast to come in approximately \$740,000 under budget. In regards to the GA Airports, the CAA is forecasting to be approximately \$65,000 below the Board approved budget. Accordingly, the CAA is seeking Board approval to reallocate funds among budget lines for both the Bradley and GA budgets.

Ms. Jarmoc made a motion (Seconded: Mr. Long) to accept and approve **Resolution 2014 – 24 and Resolution 2014 – 25 - Voice vote – motion passed unanimously.**

(e) Consideration of and Action Upon Approval of Payment of Legal Fees Related to the April 2014 General Airport Revenue Bonds (GARB) Renewal.

Mr. Dillon reported that the CAA is seeking authorization to pay \$63,209.01 of unbudgeted legal fees related to the bond document review in reference to the April 2014 General Airport Revenue Bond (GARB) renewal. The CAA elected to renew the outstanding 2011 bond issues with Wells Fargo and TD Bank. As part of that renewal, bond document review was required by counsel for the Treasurer's Office (Squire, Sanders), counsel for Wells Fargo (Chapman & Cutler), and counsel for TD Bank (Harris Beach). The approximate \$63,000 in fees from the firms is considered a non-operating expense of the Bradley Enterprise Fund. The fees will be funded from the Bradley Airport General Fund. Considering the importance of the bond renewal, the CAA recommends the Board authorize the payment of these fees.

Mr. Long made a motion (Seconded: Mr. Browchuk) to accept and approve **Resolution 2014 – 26 - Voice vote – motion passed unanimously.**

5. Executive Session:

Mr. Aaronson made a motion (Seconded: Ms. Jarmoc) to go into Executive Session at 1:48 p.m. for the purpose of discussing Air Service Development (Airline Recruitment), Acquisition of Property (Potential Acquisition of Other Airports), and Discussion of Personnel. **Voice vote – motion passed unanimously.**

(a) Discussion of Air Service Development (Airline Recruitment).

(b) Discussion of Acquisition of Property (Potential Acquisition of Other Airports).

(c) Discussion of Personnel.

The Board of Directors came out of Executive Session at 3:20 p.m.

6. Action Item:

(a) Consideration of and Action Upon a Fiscal Year 2015 Air Service Development Incentive Program.

Mr. Browchuk made a motion (Seconded: Ms. Jarmoc) to accept and approve **Resolution 2014 – 27 - Voice vote – motion passed unanimously.**

7. Adjournment:

Mr. Long made a motion (Seconded: Mr. McAlpine) to adjourn the Board meeting at 3:24 p.m. **Voice vote – motion passed unanimously.**

Respectfully submitted,

Mary Ellen S. Jones
Chair