

**MINUTES OF THE
CONNECTICUT AIRPORT AUTHORITY
FINANCE & OPERATIONS COMMITTEE
MONDAY, MAY 14, 2018, 11:00 AM
BRADLEY INTERNATIONAL AIRPORT – ADMINISTRATION CONFERENCE ROOM
WINDSOR LOCKS, CONNECTICUT**

MEMBERS PRESENT:

Brett Browchuk, Committee Chair
Peter McAlpine (Treasurer Nappier's Designee)
Comr. Catherine Smith (via conference call)

MEMBERS ABSENT:

Mary Ellen Jones

STAFF PRESENT:

Kevin A. Dillon, A.A.E.
Michael Shea
Sharon Traficante
Robert Bruno
Alex Peterson

1. Call to Order:

Chair Browchuk called the meeting to order at 11:09 AM and noted a quorum.

2. Approval of Minutes:

(a) April 2, 2018 Finance and Operations Committee Meeting Minutes.

Mr. McAlpine made a motion (Seconded: Comr. Smith) to approve the minutes from the April 2, 2018 Finance and Operations Committee Meeting. **Voice Vote – Motion passed unanimously.**

3. Discussion Item:

(a) Discussion of Monthly Financial Statements.

Mr. Shea reported on Bradley financials through March 2018, making budget vs. actual comparisons for key line items. General discussion ensued regarding maintenance and administration costs.

Mr. Shea also briefed the committee on GA airport system financials, making budget vs. actual comparisons for key line items. General discussion ensued regarding aviation fuel tax revenues, personnel costs, and the impact of a one-time payment related to developments at Waterbury-Oxford Airport.

4. Action Items:

(a) Consideration of and Action Upon Approval of Fiscal Year 2019 Operating and Capital Budgets – Bradley International Airport.

(b) Consideration of and Action Upon Approval of Fiscal Year 2019 Operating and Capital Budgets – General Aviation Airports.

Mr. Dillon noted that the Committee had a detailed discussion on both proposed budgets at the Committee's last meeting, and that staff had presented the draft budget to the airlines since that time. The budget was well-received by the airlines, and there had been no changes since the last meeting. Mr. Dillon and Mr. Shea provided an overview of the CAA rates and charges that would result from the budget. General discussion ensued regarding Bradley operating expenses and aviation fuel tax revenues as they pertain to the GA airport system.

Comr. Smith made a motion (Seconded: Mr. McAlpine) to recommend that the Board approve the FY 2019 operating and capital budgets for Bradley International Airport and the general aviation airports. **Voice Vote – Motion passed unanimously.**

(c) Consideration of and Action Upon Granting the CAA Executive Director the Authority to Reallocate FY 18 Bradley Budget Dollars Between Reporting Line Items.

(d) Consideration of and Action Upon Granting the CAA Executive Director the Authority to Reallocate FY 18 GA Airports Budget Dollars Between Reporting Line Items.

Mr. Dillon and Mr. Shea reported that, while the total FY18 Bradley and GA budgets are projected to come in under budget, certain line items may end the fiscal year slightly over budget. General discussion ensued regarding particular line items that may come in under and over budget.

Mr. McAlpine made a motion (Seconded: Comr. Smith) to recommend that the Board approve granting the executive director the authority to reallocate Bradley and GA Airports budget dollars between reporting line items. **Voice Vote – Motion passed unanimously.**

(e) Consideration of and Action Upon Authorizing the Issuance of Not Exceeding \$250,000,000 Special Purpose Facility Bonds, a Trust Indenture, Official Statement, Concession Agreement, Master Lease Agreement and Related Documents Regarding the CONRAC Project.

Mr. Dillon provided an overview of the status of the ground transportation center project. Mr. Dillon reported that staff is working towards issuing bonds, negotiating a concession agreement with the rental car companies, finalizing a master lease with CONRAC Solutions for the development of the facility, and discussing a potential loan from the CAA to the project to cover contingencies. Discussion ensued regarding key aspects of the master lease and concession agreements, bonding economics, and the legality of the proposed loan. The Committee also discussed the CFC rate, projected CFC revenues, and specific lease terms. Committee members expressed an interest in approving moving forward on the master lease, concession agreement, and project loan (pending legal review), with a desire to table action on bonding approval until more details are available at a future meeting regarding the project cost breakdown.

Mr. McAlpine made a motion (Seconded: Comr. Smith) to recommend that the Board approve authorizing the Executive Director to negotiate and execute a master lease, concession agreement, and project loan (contingent upon a positive ruling by Pullman & Comley) for the CONRAC project. **Voice Vote – Motion passed unanimously.**

(f) Consideration of and Action Upon Approval to Increase the Fiscal Year 2018 Capital Improvement Program Budget “Building Improvement” and “Airfield” Categories.

Mr. Dillon reported that increases to the “Building Improvement” and “Airfield” categories of the FY18 capital improvement program budget are necessary to fund improvements to the cargo facility, a new elevator near new Express Parking Lot 1, and an aboveground fuel station at Bradley.

Mr. McAlpine made a motion (Seconded: Chair Browchuk) to recommend that the Board approve increasing the FY 2018 capital improvement program budget “Building Improvement” and “Airfield” categories. **Voice Vote – Motion passed unanimously.**

5. Adjournment:

Chair Browchuk made a motion (Seconded: Mr. McAlpine) to adjourn the Committee meeting at 12:20 PM. **Voice vote – Motion passed unanimously.**