

MEETING MINUTES
October 16, 2023, 10:30 AM CT
University of Illinois-Willard
Airport Airport Advisory Board
Meeting

1.0 CALL TO ORDER

- A. Meeting called to order at 10:34 AM on Monday, October 16, 2023, by Chair McCrory-McKay.
- B. Roll Call: Carly McCrory-McKay, Jayne DeLuce, Karl Gnadt, Bruce Knight, Diane Wolfe Marlin, Sharee Robinson, Steve Summers, John Walsh, Christopher Walton
- C. Absent: None

2.0 APPROVAL OF MINUTES

- A. August 30, 2023, Minutes: Chair McCrory-McKay asked the Board for any edits, discussion, or comments regarding the minutes. There were none and Board Member Knight moved to approve the minutes with Board Member Walton seconded the motion. The vote was unanimously approved to approve the minutes as is. Motion carried.

3.0 PUBLIC COMMENT

- A. Policy Regarding Public Input: Chair McCrory-McKay asked if there were any public comment requests turned in. There were none. She reminded everyone about the public comment policy for future meetings as covered by the Bylaws.
- B. Public comment by members of the public shall be permitted at the designated public comment section(s) of the Advisory Board's agenda subject to the following rules and regulations:
 - a. Any person desiring to make a public comment will be requested to identify themselves and provide the Secretary, Tim Bannon, with their mailing address.
 - b. Public comment shall be limited to five (5) minutes per person, unless otherwise provided an extension by the Chair.
 - c. Public comment is reserved for comment on any item relating to the Board, the Airport, or agenda items.
 - d. The Chair shall have the authority to limit and terminate any public comment that becomes disruptive, obscene, unduly repetitive, or impedes the orderly progress of the meeting.
 - e. The total allotted time for public comment shall be limited to thirty (30) minutes.

4.0 REPORT OF THE EXECUTIVE DIRECTOR

- A. Chair McCrory-McKay turned the meeting over to Executive Director Bannon for the Director's Report. Director Bannon shared exciting news with the Board that University of Illinois Willard Airport was selected by the Illinois Department of Transportation as Primary Airport of the Year. Willard Airport was selected because of their accomplishments, including an outstanding

partnership with IDOT and a strong commitment to customer safety and satisfaction. Among the award considerations are cooperation and coordination with the state, safety record, maintenance of the facility, the promotion of aviation, and educational events. Director Bannon introduced the members of the Airport Leadership Team: Andrew Smith, Assistant Director of Airport Operations and Maintenance, Rebecca Martlage, Assistant Director of Finance and Administration, John Cumbee, Airport Fire Marshal and Kelly Dennemann, Executive Assistant. He thanked our maintenance team, fire department team and building service worker team for their contributions along with all our tenants, and our stakeholders who helped make it happen.

- B. Director Bannon presented the primary Director's Report. He reviewed the Operations Report by Month and Calendar Year to Date. (All numbers were as of August 2023):
- a. Airline Fuel (Gallons Sold): 92,000 Gallons up 17% Year over Year.
 - b. Jet A Fuel (Gallons Sold): 59,651 Gallons, down 11% Year over Year.
 - c. AVGAS (Gallons Sold): 4,659 Gallons, down 2% Year over Year.
 - d. Airline Enplanements: 5,821 up 15% Year over Year.
 - e. Rental Car Days: 4,748 up 17% Year over Year.
- C. Director Bannon reviewed the Operations Report - Projects Update.
- a. New Rental Car Wash: Project is funded with customer facility charges which is a \$3 per day fee on each rental car. The amount financed is \$2,300,000, via internal loan. Project is expected to be completed by the end of November of 2023.
 - b. Main parking lot system replacement: Willard put in a new system in 2017, that system is no longer being supported by the company managing the system. The airport is being forced to replace the system again with a project budget of \$100,000 and should be done in December of 2023. A new vendor has been selected.
 - c. Internal Terminal Derecho Repairs: Work in the terminal continues with repairs from the June 2023 derecho. The boarding area Gate 3 is the priority of the restoration, most of the area is closed currently. Gate 3 has limited space available until the restoration is completed and is currently operational. Restoration of the main lobby will commence in late 2023. All restoration is expected to be completed in early 2024. The overall budget is approximately \$750,000, which is being funded by local funds, insurance funds, and university funds.
 - d. Terminal Water Main Repairs: We had a water main break which was noted in the News Gazette recently. Our main road was impacted. Our water main service goes across the road under the main terminal into the basement. There was a leak there, so we had to replace the infrastructure underground and had to take up part of the terrazzo flooring and roadway. Those repairs have been completed. Replacing the 30 square feet of terrazzo was quite expensive - \$14,000. Overall, the budget for the repair is \$170,000.
 - e. Exterior Painting: The structural steel under the canopy has been painted Illini blue. It was a salmon color and it had faded over time. The fascia of the canopy and the walkway for the rental cars is also being repainted. Project budget of \$45,000 and expected to be completed in October 2023.

- f. Airport Concessions: The airport is in negotiations with a concessionaire to provide coffee, non-alcoholic drinks, and food items in the boarding terminal. The Illini Union is working with us as they manage all the contracts centrally at the university. We are hopefully close to a deal, however we don't have a timeline yet. We are looking at utilizing 500 square feet inside the passenger boarding area. Anticipated commencement date of February 2024. Once we have a deal, we will put out a press release and marketing push.
 - g. Rental Car Counter Rehabilitation: We will do a full replacement of the counters, ADA improvements for the circulation of the rental staff, improved lighting, and better visibility of the rental car branding. The project budget is \$175,000 and we anticipate completion in early 2024.
 - h. Main Terminal Public Address (PA) System Replacement: The current system has reached the end of its useful life and has failed. We are waiting for the design of the new PA system by utilizing as much of the current infrastructure to keep costs low, a new front-end system with improved zoning so that when you are making an announcement it goes to the appropriate area. Project budget is \$80,000 with an anticipated completion date of early 2024.
- D. Director Bannon presented the Financial Report.
- a. We are forecasted to take a \$117,000 operating loss this year. It would likely be worse if we didn't have COVID -19 relief grants and IDOT fuel tax returned to us.
 - b. Director Bannon discussed the Executive Summary of Fiscal Year 2024 Operating and Capital Budget, reviewing revenue and expense forecasts for the year.
 - c. Director Bannon reviewed Fiscal Year 2024 Capital Items List for a total of \$704,000.
 - i. Control Tower Upgrades, \$188,000 - Code Compliance and Lease Requirements. We own the tower, and the FAA leases it from the university. The lease has been historically underfunded, we haven't had the funds to update the facility. We have re-negotiated the lease and we have a lump sum in arrears that we are going to re-invest back into the facility to bring it up to compliance with fire code, painting, HVAC improvements, ceiling tiles, lighting, and other improvements.
 - ii. Repairs for the Down Escalator, \$120,000 – The escalator has been non-functional for over 1 ½ years as many of the needed parts are obsolete. Parts are on order, anticipated repairs by end of 2024. A question was raised by Board Member DeLuce about whether the up escalator could run into the same repair issues. Director Bannon summarized that the airport can continue to throw money at the escalators and repair as needed or we can rip out and replace with new which is a 3–4-month project. Currently the up escalator is being inspected and certified as compliant. The airport will likely continue with repairs unless we can get a grant from the FAA to replace the escalators.
 - iii. Main Terminal Public Address Systems and Parking System, \$80,000.

- iv. Administrative Vehicle with Light Bar, \$50,000 - took delivery of a new F150 as an administrative vehicle, replacing 2nd hand parking vehicle without back seats.
 - v. New Airline Marketing, \$50,000 - Our incentive program for new airlines includes waiving of all fees for a period of 2 years and includes marketing money. If we get a new airline, we will provide \$50,000 of marketing support in the first year (prorated), \$100,000 for the second year.
 - vi. Paint Main and South Entrance Canopy of the Terminal Building, \$45,000.
 - vii. Insurance Deductible for the Terminal Repairs, \$25,000.
 - viii. Terminal Electrical and Lighting Improvements, \$20,000 - Due to the water damage from the Derecho, we had to replace ceiling tiles and lighting fixtures in the boarding terminal, so we decided to retro fit/upgrade in the boarding terminal, improving efficiency and adding lighting in restroom entrances.
 - ix. Site Preparation for the New Airport Concessions, \$10,000 – Utilities improvements and flooring.
 - x. Repairs to the middle revolving door in the terminal building, \$10,000. Revolving doors are mid-life cycle. It will cost about \$500,000 to fully replace all 3 doors, for now we will continue to repair them.
 - xi. Temporary Fence Panels for Emergency Response, \$6,000 - TSA 1542 Compliance, use temporary panels to shore up perimeter fencing in case of damage.
- d. Board Member Gnadt asked a question regarding the budget loss of \$117,000, how is the loss covered? Director Bannon summarized our Operating Fund has a \$4,000,000 balance mostly due to Covid-19 Relief grants. Budgeting a loss was necessary, as we are operating as conservative as possible. We are at minimum staffing at 20 FTE which was trimmed down from 22 FTE, both cuts came from airport administration department to trim costs. We don't have enough revenue to cover the costs of the airport currently.
- e. A comment was made by board member Gnadt stating it's amazing that the airport does with this level of personnel.
- f. University Support was discussed regarding payroll, human resource services, employee benefits, IT, legal, contract, receivables, grant processes to the tune of Approximately \$1,000,000 per year.
- g. Federal Aviation Administration Grant History
- xii. Director Bannon stated the airport is in pursuit of FAA grant money. Compared to peers, Willard Airport is at the bottom of the list for receiving discretionary funds from the FAA historically. Willard Airport ranks 6 out of 10 in total federal grant funding in the state in the category of primary non-hub commercial, and last amongst our regional competitors, Bloomington, Springfield, and Peoria. There was a period of about 12 years, where there appears to be no receipt of discretionary funds from the FAA. Our peers secured discretionary funds during this time which puts us at the bottom of the list as far as fund totals since 2005.

xiii. Discretionary/Supplemental Allocations

1. Willard \$18.9M
2. Bloomington \$21.5M
3. Peoria \$37.6M
4. Springfield \$47.2M

h. Noteworthy Upcoming CMI Projects:

- Reconfigure Mid Taxiways-\$9.7M (\$5.5 Disc)
- Relocate TSA Checkpoint-\$4.0M (\$1.0 Ear)
- Request-Rehab Runway 14L/32R-\$10M-\$25M range
- Request-New ARFF Facility-\$5M
- Request-Rehab General Aviation Aprons-\$1.5M
- Request-Phase 3 Entrance Road-\$500K

- i. Special Funding- over the past 3 years, Willard Airport was granted \$5.15M in FAA funding through CARES, CRRSA and ARPA Acts. Willard used these funds for operational expenses including payroll, utilities, repairs, and maintenance. The Airport Administration intends to continuously utilize its Passenger Facility Charge (PFC) program for any necessary and eligible projects that will help the airport with its overall capital improvements. Willard Airport has recently submitted a new PFC application for reimbursement of past projects and collections for future projects, currently awaiting FAA approval. Once approved, Willard Airport will reimburse itself approximately \$100K for expenses already incurred. With the help of all funding sources discussed, Willard's forecasted ending operating fund balance will still be at a healthy and sustainable level at the FY24 year end.
- j. Director Bannon reviewed the Air Service Report for July-October 2023, which shows us compared to our regional competitors and showcases our routes. Bloomington just lost Frontier Airlines completely. Director Bannon reviewed our load factors have dipped from all-time highs. Our fares are the highest in the Midwest currently.

End of Report.

5.0 OLD BUSINESS

No old business was identified.

6.0 NEW BUSINESS


No new business was identified.

7.0 BOARD MEMBER COMMENT

- A. Board Member Walton commented that he wanted to thank the airport staff for all the hard work that they did and for successfully earning the IDOT award. It is a testament to how hard and how dedicated Director Bannon and his staff work. Board Member Walton stated if there is anything that we as Board Members can do to support, to advocate, or anything, please let us know. Despite what people might hear in the press or anywhere else, the airport is thriving, and the state of the airport is strong, that is due to Director Bannon’s leadership.
- B. There were no other comments.


8.0 ADJOURNMENT

- A. Chair McCrory-McKay asked for a motion to adjourn the meeting. Board Member Walton made the motion to adjourn the meeting and Board Member Knight seconded the motion. Motion to adjourn the meeting was approved at 10:55 AM.



Secretary

1/22/2024
Date



Chair

1-22-2024
Date