



**GaryChicago**  
International Airport

**MINUTES  
REGULAR BOARD MEETING  
OCTOBER 27, 2014**

**CALL TO ORDER:**

Vice-Chairman Cooper called the Regular Board Meeting to order at 9:07 a.m.

**PLEDGE OF ALLEGIANCE:**

Vice-Chairman Cooper led the Pledge of Allegiance.

**ROLL CALL:**

Present: James Cooper, Shontrai Irving, Alesia Pritchett, David Fagan.

Absent: Denise Dillard.

Four of the seven member board present, which represented a quorum.

**Executive Session Attendance:**

James Cooper, Shontrai Irving, Alesia Pritchett and David Fagan

**VICE-CHAIRMAN COOPER STATED THAT PURSUANT TO LC.5-14-1.5-6(D) THE BOARD OF DIRECTORS OF GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY HEREBY CERTIFIES THAT IT DISCUSSED NO SUBJECT MATTER IN THE EXECUTIVE SESSION OTHER THAN THE SUBJECT MATTER SPECIFIED IN THE PUBLIC NOTICE.**

**ATTENDEES:**

ATTORNEY LEE LANE

B. R. LANE

DELBERT BROWN

BILL OUTLAR

D. SCOTT

PEACHES

CIBA WILLIAMS

MAYOR KAREN FREEMAN-WILSON

KEN ROSS, NGC

DAN VICARI, Gary Sanitary District

FELICIA WALLACE, Gary Sanitary District

ALLISON BERGMAN, Hardwick Law Firm

RANDY RAMPOLA, Faegre Baker Daniels

MELANIE SHAKER, Sycamore Advisors

DIANE HAMILTON, Sycamore Advisors

PATRICIA VISE, Sycamore Advisors

JUSTIN MOUNT, Senator Joe Donnelly's Office  
DAVID CASTELLANOS, 1<sup>st</sup> American Construction  
JIM NOWACKI, Citizen  
KEITH BENMAN, The Times  
CHRISTIN LAZERUS, Post-Tribune  
CPL. T. LEE, GPD

James Cooper stated the following:

“New business items on today’s agenda include a Public Hearing concerning the issuance of airport exempt facility bonds and board consideration of its associated Resolution No. 2014-6. The publication notice listed 11:00 a.m. as the time of the Public Hearing – as such – it is anticipated that this meeting will recess and reconvene at 11:00 a.m. This recess will ensure that those wishing to do so may speak at the Public Hearing and allow the board attendance at a short media event concerning the CN track relocation cut over. A staff member will stand watch to advise anyone arriving at the meeting during this recess period that the session will reconvene at 11:00 a.m. for the Public Hearing and other agenda items.”

#### **MINUTES:**

**IT WAS MOVED AND SECONDED TO APPROVE THE BOARD MINUTES OF SEPTEMBER 22, 2014 AND OCTOBER 6, 2014.**

#### **ROLL CALL**

Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

**MOTION CARRIED.**

#### **DIRECTOR'S REPORT:**

##### **► Runway Expansion Project Update**

B. R. stated, “We have finally been able to resolve railroad issues relative to the new alignment, which now brings the environmental piece of the project to the forefront. CN and AECOM have developed a plan to start testing. The deal was officially consummated on Friday and the required documents recorded in the Lake County Recorder’s Office, which allows the cut over to begin today.”

Relative to the Signals and Trackwork Project (Contract REP016) with Rail Works, Dan highlighted Proposed Contract Modification No. 5. This PCM is estimated to increase the contract value by \$470,000.00. The Program contingency budget will be reduced with allocation from the PI&I Remediation budget and Program Wide Environmental Removal to fund this contract increase.

**IT WAS MOVED AND SECONDED TO APPROVE PCM NO. 5 IN THE AMOUNT OF \$470,000.00.**

**ROLL CALL**

Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

**MOTION CARRIED.**

Ken Ross presented and provided explanation of (Contract REP007). This *Airfield-Electrical & Pavement Marking ReBid* will perform electrical work, glide slope facility construction, pavement markings and erosion control activities necessary for construction of the runway extension.

Ken recommended acceptance of the bid proposal from Midwestern Electric in the amount of \$3,159,433.75. And explained the 'partial notice to proceed'.

**IT WAS MOVED AND SECONDED TO APPROVE CONTRACT AWARD (CONTRACT REP007) TO MIDWESTERN ELECTRIC IN THE AMOUNT OF \$3,159,433.75.**

Ken responded to questions from Mr. Fagan, Mr. Cooper and Ms. Pritchett. After this brief discussion it was determined to amend the above motion.

**IT WAS MOVED AND SECONDED TO AMEND THE MAIN MOTION TO READ "IT WAS MOVED AND SECONDED TO APPROVE CONTRACT AWARD (CONTRACT REP007) TO MIDWESTERN ELECTRIC IN THE AMOUNT OF \$3,159,433.75 SUBJECT TO VALUE ENGINEERING NEGOTIATIONS OR DELETION OF THESE RELATED ITEMS FOR SUBSEQUENT REBIDDING".**

**[Mr. Cooper called for a vote on the overall main motion as amended.]**

**ROLL CALL**

Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

**MOTION CARRIED.**

Regarding the Airfield-Paving Project (Contract REP009) with Reith-Riley, Dan provided a description of the work and reason for the change to PCM #18 in the amount of \$39,958.00, PCM #19 in the amount of \$85,000.00 and PCM #20 in the amount of \$332,750.00.

**IT WAS MOVED AND SECONDED TO APPROVE PCM #18 \$39,958.00, PCM #19 \$85, 000.00, AND PCM #20 \$332,750.00.**

B. R. provided further clarification.

**ROLL CALL**

Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

**MOTION CARRIED.**

**FINANCIAL REPORT:**

**NOTE: Arrival of Ms. Dillard.**

Bill presented and requested approval of the Purchase Order Approval Lists and Register of Claims for all funds dated October 27, 2014.

**IT WAS MOVED AND SECONDED TO APPROVE THE PURCHASE ORDER APPROVAL LISTS AND REGISTER OF CLAIMS FOR ALL FUNDS DATED OCTOBER 27, 2014.**

**ROLL CALL**

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

**MOTION CARRIED.**

**NEW BUSINESS:**

► **Resolution No. 2014-7**

Mr. Cooper presented Resolution No. 2014-7 for adoption.

A Resolution of Gary/Chicago International Airport Authority Acting on Behalf of Itself and the Gary Redevelopment Commission Regarding the Disposition of Real Estate and Matters Related Thereto.

**IT WAS MOVED AND SECONDED TO ADOPT RESOLUTION NO. 2014-7.**

**ROLL CALL**

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

**MOTION CARRIED.**

**[Mr. Cooper called for a motion to recess.]**

**IT WAS MOVED AND SECONDED TO RECESS THIS MEETING UNTIL 11:00 A.M. TODAY.**

**ROLL CALL**

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

**MOTION CARRIED.**

**RECESS / RECONVENE**

Alesia announced that today was scheduled as the Bond Issue Public Hearing for the Runway Extension Project. She expressed that the required proofs of publication were filed. The presence of Randy Rampola (Faegre Baker Daniels Bond Council), Deidre Monroe (Co-Bond Council) and Diana Hamilton (Sycamore Advisors) was acknowledged. Alesia asked Randy to speak first to explain the need for a Public Hearing and then Diana to speak relative the bonds.

Randy explained the requirements / benefits of the Public Hearing and the difference between tax exempt bonds and tax exempt facility bonds. He added that this Public Hearing would give the public opportunity to speak on the benefits of or opposition to issuance of the bonds. Finally, he stated that this Hearing was similar to the one conducted previously but was not being done in accordance with the federal internal revenue. Diana provided an update on financing and anticipated dates for the sale/closing of the Bonds.

Mr. Cooper called for questions from the Board.

**~ Vice-Chairman Cooper opened the Public Hearing ~**

Mr. Cooper extended the opportunity to anyone who wished to speak for or against.

Jim Nowacki, 740 Broadway began his comments, "I attend a lot of these meetings and pay a lot of attention to airport matters.

Regarding the issuance of bonds, I heard earlier in the meeting that the bonds would not only take care of the runway expansion but would leave an excess 'chunk of money'. That chunk of money is very important because that's the chunk of money that will be paid to consultants and others who have had their hooks into this airport for the past fifteen years. Although you'll have no trouble financing these bonds. These bonds are secured by over ten square miles of the City of Gary (in the Airport Development Zone). This is a unique ADZ, a unique TIF District – the largest in the state and it's the only one that includes residents who pay their taxes assuming that they are going to receive services, which they will not get. Instead, this airport will collect all of that TIF money for the expansion project because the expansion is really what it's all about. Nobody cares that there is no airline service. These bonds are not secured by airport revenue, if it was secured by revenue generated at this airport then this airport would be a laughing stock. **NO WAY THIS AIRPORT WILL EVER MAKE A NICKLE.** But, if you take 20% of the square area of the city (10 square miles) and all of the revenue generated from the TIF District – that would be enough to float this bond. But that 'chunk of money' will go toward consultants, experts, professionals, kickbacks and payoffs. I'm disappointed that this Board doesn't show a little integrity and vote this down. But I guess it's too late for that – it's going to happen – and the city is going to pay for it for 25 years." [Time called].

Dave Castellanos, resident of Gary and business owner, commented that he was supportive of the job the airport was doing. He felt the bond aspect was good for the City of Gary because it would create jobs. He asked that bonding council include minority participation. He stressed that there were excellent attorney and professional people in Gary. As the airport grows, individuals who live and practice in the city should be a part of the success. Basically, he felt the airport was doing a good job and added that the majority of Gary was behind the airport 100%.

Mr. Cooper called for additional comments. There were none.

**[Vice-Chairman Cooper called for a motion to close the Public Hearing.]**

**IT WAS MOVED AND SECONDED TO CLOSE THE PUBLIC HEARING.**

**ROLL CALL**

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

**MOTION CARRIED.**

► **Resolution 2014-6**

Mr. Cooper presented Resolution 2014-6 for adoption.

A Resolution of the Gary/Chicago International Airport Authority regarding the issuance of Airport Exempt Facility Bonds and ratifying action to conduct a Public Hearing.

**IT WAS MOVED AND SECONDED TO ADOPT RESOLUTION NO. 2014-6.**

**ROLL CALL**

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

**MOTION CARRIED.**

Mr. Cooper read the following statement: "I appreciate this matter being brought before the Board. From my perspective, it permits the airport to receive the maximum potential benefit of the Runway Expansion, while at the same time benefiting from a management agreement that provides a positive incentive to AFCCO AvPORTS to produce profits from the airport operations. Thank you again."

Mr. Cooper stated that now we could move to the standard public input as part of the public meeting.

**PUBLIC INPUT:**

Dave Castellanos, 1<sup>st</sup> American Construction requested the board allow minority participation in all contracts bid. He recalled that there was no mention of minority participation today. He offered his services, free of charge, to convene a meeting with contractors and all other relevant parties so that contractors could prepare in the development of this airport. He thanked the board for allowing him to comment.

Jim Nowacki, 740 Broadway commented. "This airport started in 1948 under Mayor Mandich. When you look at old newspaper clippings and read the quotes from the Mayor and others involved in starting this airport, it's the same thing we're hearing now. But it's now sixty-five years later. That means if you were twenty years old and excited about aviation in Gary – you'd now be eighty-five years old. And you would still hear us talking about the same things we were talking about in 1948: this airport is going to be an asset, it's going to put Gary on the map, it's going to be an engine for economic development. Instead, what we see is an airport that is underutilized and an expensive albatross around the neck of the City of Gary. When we talk about a Hundred Seventy-Five Million Dollar investment plus all of the money the city has been putting into this airport since 1948 we wonder WHAT WERE THEY THINKING? Of course that was back when the city was thriving and growing. But for the last 50 years city has not been thriving and growing. This airport sucks up more assets and more resources from the City of Gary. The city has become a dumping ground for dead bodies. For the last ten years it appears that we've had a serial killer in our city – but we've been too busy with idiotic projects (like this airport expansion) to worry about the simple necessary projects like public safety-cutting grass in our parks-how about cutting grass in city owned vacant properties. This city has between eight and ten thousand vacant abandon homes. They are vacant and abandon for one reason – people have left. They left because taxes are too high and services are too little. For all the money that has been invested into this airport it has not attracted one new resident. Not one resident has moved into the city because of this airport." [Time called].

Relative to the comment made by Dave Castellanos, Alesia stressed that the board does look at minority participation, which is part of the requirement and a big part of the review process.

Denise Dillard commented regarding minority inclusion. She referred to a conference she attended in Atlanta in which Atlanta airports volunteered to come here and host a MBE/MWE/DBE, which were the kinds of certifications that would be needed as GYY moved forward. She encouraged anyone interested to be a part of that upcoming meeting.

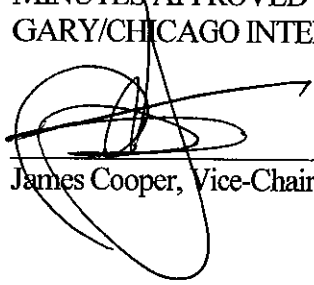
**ADJOURNMENT:**

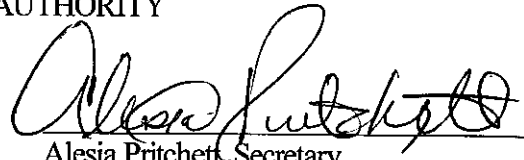
The meeting was adjourned at 11:32 a.m.

**MINUTES TRANSCRIBED BY D. SCOTT**

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MINUTES APPROVED BY  
GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY

  
James Cooper, Vice-Chairman

  
Alesia Pritchett, Secretary