

**MINUTES
REGULAR BOARD MEETING
NOVEMBER 26, 2012**

CALL TO ORDER:

President Nathaniel Williams called the Regular Board Meeting to order at 10:40 a.m.

ROLL CALL:

Present: Silas Wilkerson, Attorney Collins, Pastor Johnson, Nathaniel Williams, Ross Amundson, Robert Poparad and Roosevelt Allen.

Absent: All Present.

Executive Session Attendance:

Silas Wilkerson, Attorney Collins, Pastor Johnson, Nathaniel Williams, Ross Amundson, Robert Poparad and Roosevelt Allen.

NATHANIEL WILLIAMS STATED THAT PURSUANT TO I.C. 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 PATRICK LYP

S. LANDRY
K. KURFMAN
C. KEITH
D. SCOTT

B. GYURKO – GYY PROJECT MANAGER
J. WARD – GYY MARKETING
SCOTT WHEELER - AECOM
RICK CORNETT – MILHOUSE ENGINEERING (AECOM)
MARGARET OLSEN - DLZ
AL STANLEY – JCLARK AVIATION GROUP
PAUL KARAS – GARY JET CENTER
RUFUS PURNELL – LIGHTHOUSE MARKETING
FELICIA WALLACE – GARY SANITARY DISTRICT
KEITH BENMAN – THE TIMES
MICHELLE QUINN – POST TRIBUNE
LT. BRUCE OUTLAW - GPD

Pastor Johnson led in Prayer. Robert Poparad led the Pledge of Allegiance.

MINUTES:

IT WAS MOVED AND SECONDED TO APPROVE THE REGULAR BOARD MEETING MINUTES OF NOVEMBER 13, 2012.

ROLL CALL

Mr. Wilkerson	Aye
Attorney Collins	Aye
Pastor Johnson	Aye
Mr. Williams	Aye
Mr. Amundson	Aye
Mr. Poparad	Abstain
Mr. Allen	Aye

MOTION CARRIED.

DIRECTOR'S REPORT:

Steve introduced and welcomed aboard the new Financial Manager, Carolyn Keith.

➤ **Attorney Status Report**

Attorney Lyp stated that Majestic Star Casino (MSC) requested additional provisions to be included in their agreement with GYY relative to the sewer line project. Patrick stated that he had some concerns regarding the additional language – specifically – the ‘hold harmless’ language. He added that this delay was causing some timeline issues.

Scott Wheeler provided additional clarification. The sewer line would pass beneath the new EJ&E relocated tracks and beneath the existing CSX tracks east of the proposed grade separation. Scott stated that the program was progressing well but was now at the point where the embankment needed to be built. The agreement was in place with Indiana American Water and their line was being installed. The sewer line should be installed at the same time. He added that the construction season was coming to an end and if a resolution was not reached then contractors would need to re-mobilize and return in the spring to complete this work.

Ross questioned if the airport had a signed agreement with MSC. Patrick replied yes but the problem was that the work could not be done without coordination with MSC. He added that the prior agreements did address ‘hold harmless and liabilities’. He felt that the additional language that MSC wanted added - put the airport at risk. Although he had discussions with MSC regarding alternatives, to date, they still wanted the additional language.

Patrick explained one of the Casinos biggest concerns regarding loss of revenue should they have to shut down during the switch over which would also cause the sewer line to be shut down. The issue was – who would be responsible for the cost, which could be expensive. Patrick felt that any contractor working on their sewer line should have a minimum of Five Million Dollars coverage.

Pastor Johnson expressed that he hoped the attorney and staff would use every avenue possible to resolve this problem. He suggested reaching out to our elected officials for support on this matter.

Silas did not understand the problem since contractors did this type of work on a regular basis. He felt that the airport should agree with MSC in order to complete the project.

Scott stated that the agreement between the airport and MSC only covered the work to be done by the contractor. There was also a need for MSC to come to an agreement with CSX for crossing of the lines underneath CSX itself. MSC had been quite clear that they did not want to be the responsible party for those lines. Scott stressed that the airport has no say in that matter.

Discussion ensued with the decision being to continue negotiations.

Commissioner Allen questioned the riskiness of the ‘hold harmless indemnification’ for the airport.

In terms of the work, Patrick replied, as did Silas, that the work to be completed was not difficult, but if something bad happened, the potential exposure was great. Therefore, Patrick suggested that the first Five Million dollars of the insurance come from the contractor.

Commissioner Allen questioned if MSC was willing to go 50/50 regarding the risk. Patrick responded with information relative to two proposals made by GYY to MSC.

Discussion continued focusing on: weighing the risk, considering the worst-case scenario, critical issues, original agreement between MSC & CSX and the main issue of liability.

In an effort to move the project forward, Patrick suggested a motion be made to approve the amendments as proposed by MSC.

IT WAS MOVED AND SECONDED TO APPROVE THE AMENDMENTS AS PROPOSED BY MAJESTIC STAR CASINO.

ROLL CALL

Mr. Wilkerson Aye
Attorney Collins Aye
Pastor Johnson Aye
Mr. Williams Aye
Mr. Amundson Aye
Mr. Poparad Aye
Mr. Allen Aye

MOTION CARRIED.

➤ **Runway Expansion Project Update**

Scott Wheeler, AECOM Project Manager, provided an update relating to the Runway Expansion Program. [See attached].

Scott recommended approval of the amended NIPSCO Overhead Electric Relocation Agreement. This amendment was necessary to advance work by the utility associated with Grounding Study for NIPSCO’s Gary Avenue Substation and reflected an increase to the agreement in the amount of \$39,230.00.

IT WAS MOVED AND SECONDED TO APPROVE THE AMENDED NIPSCO AGREEMENT IN THE AMOUNT OF \$39,230.00

ROLL CALL

Mr. Wilkerson Aye
Attorney Collins Aye
Pastor Johnson Aye
Mr. Williams Aye
Mr. Amundson Aye
Mr. Poparad Aye
Mr. Allen Aye

MOTION CARRIED.

Scott recommended approval of CM #005 (Contract REP002) in an amount not-to-exceed \$8,200.00 for saw cutting 1 inch off each side of the backwall openings in order to accommodate ballast pans.

IT WAS MOVED AND SECONDED TO APPROVE CM #005 (CONTRACT REP002) IN AN AMOUNT NOT-TO-EXCEED \$8,200.00.

ROLL CALL

Mr. Wilkerson	Aye
Attorney Collins	Aye
Pastor Johnson	Aye
Mr. Williams	Aye
Mr. Amundson	Aye
Mr. Poparad	Aye
Mr. Allen	Aye

MOTION CARRIED.

➤ **Marketing and Communications Update**

James highlighted the following:

1. Comcast Spotlight – running 30 second spots in Porter County, North Lake Indiana, South Lake Indiana and South Suburbs of Illinois
2. Radio One Communications of Indiana – running 12 days of Xmas commercial program
3. WJOB AM 1230 – Gary Airport recognized during half time show
4. Clear Channel – running 30 second spots on WGCI
5. View Outdoor Advertising
6. Lakeshore Public Television
7. Gary South Shore Railcats – out field bill board & flex tickets
8. Post Tribune – print ads
9. Work with Gary Career Center

Steve requested approval of the following six (6) contracts based upon James report and contingent upon attorney review plus requested authority to sign contracts once finalized.

Post Tribune
WJOB
Comcast Spotlight
Gary South Shore Railcats
Crawford Broadcasting
Clear Channel

Attorney Collins made 2 points regarding the contracts: review by airport staff and Attorney Lyp plus confirmation that this was a budgeted item.

IT WAS MOVED AND SECONDED TO APPROVE SIX (6) MARKETING CONTRACTS CONTINGENT UPON ATTORNEY AND STAFF REVIEW PLUS AUTHORITY FOR STEVE TO SIGN CONTRACTS ONCE FINALIZED.

ROLL CALL

Mr. Wilkerson	Abstain
Attorney Collins	Aye
Pastor Johnson	Aye
Mr. Williams	Aye
Mr. Amundson	Aye
Mr. Poparad	Aye
Mr. Allen	Aye

MOTION CARRIED.

➤ **Business Development Update**

Al Stanley requested approval of two (2) airport policies that were presented at the last meeting for review/consideration.

IT WAS MOVED AND SECONDED TO APPROVE THE AIR SERVICE DEVELOPMENT POLICY AND THE SELF-SUFFICIENCY POLICY.

ROLL CALL

Mr. Wilkerson	Aye
Attorney Collins	Aye
Pastor Johnson	Aye
Mr. Williams	Aye
Mr. Amundson	Abstain
Mr. Poparad	Abstain
Mr. Allen	Aye

MOTION CARRIED.

Mr. Stanley provided a brief follow up relative to communications sent to the FAA District Office requesting an amendment to the LOI to provide the airport additional funding of Twenty Four Million Dollars. He added that a meeting was scheduled for December 5, 2012 at the FAA headquarters in Washington, DC to ask that they expedite the request for funding. Further, conversations were continuing with East Lake Development (the company interested in building a second FBO at the airport). Also continuing conversation with Boeing since the proposed site for the second FBO is next to their property.

FINANCIAL REPORT:

Steve thanked Kathy Kurfman for all the extra work by her during the search for a new Financial Manager.

Kathy presented and requested approval of the Purchase Order Approval Lists and Register of Claims for all funds dated November 26, 2012. [See attached]. Kathy responded to questions.

IT WAS MOVED AND SECONDED TO APPROVE THE PURCHASE ORDER APPROVAL LISTS AND REGISTER OF CLAIMS FOR ALL FUNDS DATED NOVEMBER 26, 2012.

ROLL CALL

Mr. Wilkerson	Abstain
Attorney Collins	Aye
Pastor Johnson	Aye
Mr. Williams	Aye
Mr. Amundson	Aye
Mr. Poparad	Aye
Mr. Allen	Aye

MOTION CARRIED.

OLD BUSINESS:

None.

NEW BUSINESS:

Steve recommended approval to cancel the December 24, 2012 meeting since it was Christmas Eve, which means there would only be one meeting held in December on Dec. 10th.

IT WAS MOVED AND SECONDED TO APPROVE CANCELLATION OF THE DECEMBER 24, 2012 BOARD MEETING.

ROLL CALL

Mr. Wilkerson	Aye
Attorney Collins	Aye
Pastor Johnson	Aye
Mr. Williams	Aye
Mr. Amundson	Aye
Mr. Poparad	Aye
Mr. Allen	Aye

MOTION CARRIED.

President Williams announced that Robert Poparad was leaving the Airport Authority Board. Mr. Poparad was considered an asset to the Authority and all enjoyed working with him. He was also congratulated on his new position as Porter County Councilman.

PUBLIC INPUT:

None.

ADJOURMENT:

The meeting was adjourned at 11:40 a.m.

MINUTES TRANSCRIBED BY D. SCOTT

File: REGMIN.NOVEMBER 26, 2012

Attachments:

1. Scott Wheeler's status report dated November 26, 2012
2. Purchase Order Approval Lists/Register of Claims dated November 26, 2012

MINUTES APPROVED:

Ross E. Amundson, Secretary GCIAA