

**MINUTES OF THE
CONNECTICUT AIRPORT AUTHORITY
FINANCE, OPERATIONS & GOVERNANCE COMMITTEE
MONDAY, DECEMBER 16, 2013, AT 10:30 AM
Bradley International Airport
Administration Conference Room
Windsor Locks, CT**

MEMBERS PRESENT:

Charles Gray, Chairman
Brett Browchuk
Scott Guilmartin
Matthew Kelly
Michael Long

STAFF PRESENT:

Robert Bruno
Barry Pallanck
Paul Pernerewski
Michael Shea
Jody Slayton
Sharon Traficante
Eric Waldron

MEMBERS PRESENT BY STATUTE:

Kevin Dillon, CAA

INVITEES:

Reed Risteen, Blum Shapiro

1. Call to Order:

Committee Chairman Gray called the meeting to order at 10:30 a.m.

2. Approval of Minutes: - October 17, 2013:

Mr. Browchuk made a motion (Seconded: Mr. Gray) to approve the minutes from the October 17, 2013 Committee Meeting. **Voice Vote – motion passed unanimously.**

The Committee moved the action on the Audited Financial Statements to the first item on the agenda.

3. Action Items:

(a) Consideration and Acceptance of the Fiscal Year 2013 Audited Statements of the Bradley Enterprise Fund.

Mr. Dillon asked Mr. Risteen to give a brief review of the audit results. Mr. Risteen reported that there was an unmodified or (clean) opinion expressed on the financial statements for the first quarter. In terms of operating results, overall revenue categories were budget favorable. There was an unmodified or (clean) opinion expressed on compliance with FAA requirements. Looking ahead to CAA Fiscal 2014, GASB Statement No. 69 provides guidance for this “transfer of operations”. Bradley accounts will transfer to CAA at their book value and present accounting basis.

Mr. Kelly made a motion (Seconded: Mr. McAlpine) to accept and approve, and forward onto the full Board for approval, **Action Item (a) - Voice vote – motion passed unanimously.**

4. Discussion Item:

(a) Review of First Quarter FY 2014 Budget Performance.

Mr. Dillon asked Mr. Shea to report on the budget results for the first quarter of the fiscal year through September 30, 2013. Mr. Dillon pointed out that the CAA is going to realize greater returns and an increase in passenger numbers due to additional airline services which started in the second quarter.

5. Action Items Continued:

(a) **Consideration of and Action Upon Approval of a Term Sheet Between DEBO Food Service and the Connecticut Airport Authority (CAA) to Lease Office Space and to Lease and Operate the Former Restaurant at the Groton-New London Airport AND Consideration of and Action Upon Authorization to Allow the CAA Executive Director to Execute an Agreement Based Substantially Upon the Terms of the Term Sheet.**

Mr. Dillon reported that the recommendation is that the Committee recommend to the full board approval of the Term Sheet between DEBO Food Service and the Connecticut Airport Authority (CAA) and authorize him, as the CEO, to enter into an agreement with DEBO Food Service. This was an unsolicited proposal. An RFP was issued six months ago for Groton/New London and one proposal was received, but the CAA was not able to reach an agreement. DEBO Food Service has been in business since approximately 1990 and the owner is a graduate of Johnson and Wales University. DEBO proposed to come in on a one-year basis and is willing to make between \$10K-15K worth of capital improvements into the existing equipment. DEBO is going to start with breakfast and lunch service, but intends to apply for a liquor license. They could add dinner service and catering as well. The CAA proposes to set a 4% return in gross revenues for the first year. If the business is viable, the CAA would then set a 4-10% return beyond the first year.

Mr. Long asked if DEBO is interested in utilizing office space. Mr. Dillon reported that DEBO is interested in taking office space, but the square footage has not been determined.

Mr. Kelly made a motion (Seconded: Mr. McAlpine) to accept and approve, and forward onto the full Board for approval, **Action Item (a) - Voice vote – motion passed unanimously.**

(b) **Consideration of and Action Upon Operating Procedures for the Connecticut Airport Authority (CAA) Pursuant to Section 15-120cc of the Connecticut General Statutes.**

Mr. Dillon reported that the enabling statute for the CAA requires the Board to develop and create written operating procedures in seven specific categories that are stipulated in the Connecticut General Statutes Section 15-120dd.

Mr. Gray asked in reference to Section B. 1. The Hiring and Promoting of Non-Bargaining Unit Employees, whether Mr. Dillon anticipates clarifying these positions annually. Mr. Dillon replied that he sees the approval of positions as part of the budget process, and as we go forward, a schedule of positions will be provided. If during the year, there is a need to add positions, Mr. Dillon noted that he will bring them to the Board for approval.

Mr. Long asked if this item could be reviewed by the Human Resource Committee. This item will be added to the Human Resources Committee agenda.

Mr. Gray asked for an amendment to item six in the Operating Procedures, noting that the reference should be gender neutral.

Mr. Gray made a motion (Seconded: Mr. Kelly) to accept and approve, and forward onto the Human Resource Committee for review, **Action Item (b) - Voice vote – motion passed unanimously.**

(c) **Consideration of and Action Upon Approval of the 2014 Finance, Operations and Governance Committee Meeting Schedule.**

Mr. Gray noted that this item may make more sense to defer until January depending on the structure of the FOG Committee at that time. Mr. Dillon reported that a second meeting will be scheduled for the end of January with Stephen Van Beek from Leigh Fisher to discuss staff responsibilities versus Board responsibilities, as well as committee structure. Mr. Dillon asked the Committee to approve the 2014 FOG schedule, as this meeting will not take place until the end of January.

Mr. Kelly made a motion (Seconded: Mr. Guilmartin) to adopt the 2014 Finance, Operations and Governance Committee meeting schedule as presented. **Action Item (c) - Voice vote – motion passed unanimously.**

6. Executive Session:

Mr. Kelly made a motion (Seconded: Mr. Guilmartin) to go into Executive Session at 11:35 a.m. for the purpose of discussing a parking agreement (Negotiating Strategy). **Voice vote – motion passed unanimously.**

(a) Discussion of Parking Agreement (Negotiating Strategy).

Mr. Guilmartin made a motion (Seconded: Mr. Kelly) to come out of Executive Session at 12:08 p.m. **Voice vote – motion passed unanimously.**

7. Next Meeting:

The next Finance, Operations and Governance Committee Meeting is scheduled for Monday, January 13, 2014, at 10:30 am in the Third Floor Conference Room at Bradley International Airport.

8. Adjournment:

Mr. Guilmartin made a motion (Seconded: Mr. Kelly) to adjourn the Committee meeting at 12:09 p.m. **Voice vote – motion passed unanimously.**

Respectfully submitted,

Charles Gray
Chair