

**MINUTES OF THE
CONNECTICUT AIRPORT AUTHORITY
BOARD MEETING
MONDAY, JANUARY 13, 2014, 1:00 P.M.
BRADLEY INTERNATIONAL AIRPORT - ADMINISTRATION CONFERENCE ROOM
WINDSOR LOCKS, CONNECTICUT**

Members Present: Mary Ellen S. Jones, Chair
Robert J. Aaronson
Brett C. Browchuk
Charles R. Gray
J. Scott Guilmartin
Karen M. Jarmoc
Matthew J. Kelly (via conference call)
Michael T. Long, Vice-Chair
Peter McAlpine (Treasurer's Designee)
Cheryl Malerba (Commissioner of DOT's Designee)
Commissioner Catherine Smith

Staff: Kevin A. Dillon, A.A.E.
Robert J. Bruno
Barry Pallanck
Paul Pernerewski
Michael Shea
Jody Slayton
Sharon Traficante
Eric N. Waldron, A.A.E., ACE

1. **Call to Order:** Chair Jones called the meeting of the Connecticut Airport Authority to order at 1:03 p.m., and noted a quorum.

2. **Approval of Minutes – December 16, 2013 Board Meeting:**

Mr. Long made a motion (Seconded: Mr. Browchuk) to approve the minutes from the December 16, 2013 Board meeting. **Voice vote – motion passed unanimously.**

3. **Executive Director's Report:**

PASSENGER NUMBERS

<u>Airport</u>	<u>Nov 2013</u>	<u>YTD</u>
Bradley	+3.4%	-0.9%
MHT	-5.9%	-1.3%
PVD	+2.4%	+4.12%
Logan	-0.8%	+2.9%

Mr. Dillon reported that in terms of operations, the last two weeks have been challenging due to the inclement weather. To date, there have been seven snow events, with a total accumulation resulting in just under 20 inches. However, this last snow event was particularly challenging in that many of the cancellations were over a very protracted period of time with the storm lasting from January 2nd through January 5th. Many of the cancellations were not actually related specifically to the weather although it played a role. Mr. Dillon briefed the

Board on the new FAA rule concerning flight crew rest time. Chair Jones asked if this FAA rule was part of the reason why JetBlue decided to suspend service. Mr. Dillon reported that he had the opportunity to speak to JetBlue's CEO, Dave Barger, regarding this matter and the crew rest period issue factored into their decision to suspend some of their flights but it was not the only factor.

Mr. Dillon reported on air service development. Mr. Dillon noted that he and JetBlue's CEO, Dave Barger, had discussed potential new routes specifically to the West Coast. As a result of that conversation, a route planning meeting with JetBlue has been scheduled for January 22, 2014. On a further note, Mr. Dillon announced that Frontier will be commencing their seasonal service to Punta Cana which will run from February 1st through April 15, 2014. Mr. Dillon also reported that he will be traveling to Toronto on February 10, 2014 for a meeting with Porter Airlines, along with Congressman Courtney, to discuss air service at Bradley International Airport.

Mr. Dillon provided a legislative update noting that he has completed his scheduled meetings with all key legislators.

Mr. Dillon provided an update on community outreach noting that he had met with First Selectman St. John from Middlebury on December 17, 2013 to discuss promotion of the Waterbury-Oxford development zone. Mr. Dillon further reported that he had met with business leaders at a Corporate Attraction Meeting in Springfield, Massachusetts on January 10, 2014, to discuss the possibility of them joining forces with their counterparts in Connecticut on economic development initiatives. Mr. Dillon noted that he will be attending a meeting with the Business Council of Fairfield County (Transportation Committee) on January 21, 2014.

Mr. Dillon gave a media update, reporting that there had been positive coverage of the airport during the recent storms. Mr. Dillon reported that one interview had been picked up by the national media airing on the NBC Nightly News with Brian Williams.

Mr. Dillon reported that 2015 budget preparations are well underway. Mr. Dillon stated that he, along with Mr. McAlpine and Mr. Shea will be meeting with Wells Fargo and TD Bank on January 17, 2014 to discuss bond renewals.

Mr. Dillon reported that Faber's "InMotion" store opened on January 1, 2014, on the East Concourse in the former Sterling Works space.

Mr. Dillon reported that construction is underway at the Air Exchange Building and it is anticipated that staff will relocate to the new location on March 1, 2014. There was general discussion of the staff relocation project and future plans for the space on the third floor of the terminal building.

Mr. Dillon reported that there will be an overview of the CAA's Capital Development Plan at the Board Meeting in February.

Mr. Dillon reported that the Investment Committee met before the Board Meeting. Mr. Long was nominated as Chair Person. The Committee will meet annually to review the CAA's 401(a) plan.

Mr. Browchuk asked for an update on how the TSA Pre-Check lane is working out. Mr. Dillon indicated that it is working well. Mr. Dillon reported that the CAA would be very interested in

establishing Bradley International Airport as a sign up location, and this has been communicated to the TSA.

4. Committee Report: Human Resources Committee – Update on the January 7, 2014 Committee Meeting.

Mr. Long provided an update on the Human Resources Committee Meeting, which was held on January 7, 2014. Mr. Long reported that Chair Jones and Mr. Dillon attended. The Committee reviewed the proposed CAA Operating Procedures, specifically the section regarding Human Resource activities. The Committee also discussed potential items for the CAA Board Retreat. While the retreat will consider certain general governance issues, industry specific matters will be discussed as well. Also discussed was the 2013 Executive Director's performance appraisal and achievements versus objectives and metrics. Specific goals for 2014 were also discussed, and no action was taken. Also discussed was the Executive Director performance appraisal format and the need for more comprehensive criteria which is more appropriate for a CEO/Executive Director, including 360 degree reviews. Chair Jones will be following up for 2014 and beyond.

5. Action Items:

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

Mr. Dillon referred the Board to the Operating Procedures located in their Board packets. At the Human Resources Committee Meeting, Mr. Dillon was asked to consider several revisions. The Committee recommended (Page 2, Section B1, First Paragraph), that the number of positions be controlled through budget rather than through a menu of positions approved annually. After consulting with Mr. Pernerewski, the statute is very specific stating that the Board of Directors shall establish and approve a schedule of positions and total staffing levels for the Authority. Therefore, the Board will be asked on an annual basis to approve a schedule of positions as well as the budget. The second revision that was recommended (Page 2, Section B1, First Paragraph) was regarding the positions that are subject to the advice and consent of the Board before they are filled which has been added. The third revision that was recommended (Page 3, Section 3c) pertained to the performance evaluation system. A clause was inserted reflecting the Committee's recommendation to include timely feedback in regards to performance evaluations.

Mr. Long made a motion (Seconded: Mr. Guilmartin) to accept and approve **Resolution 2014 – 01 - Voice vote – motion passed unanimously. Mr. Kelly recused himself.**

(b) Consideration of and Action Upon Approval of a Term Sheet Between the General Service Administration (GSA) and the Connecticut Airport Authority (CAA) to Lease and Fit-Out Space in Terminal A at Bradley International Airport AND Consideration of and Action Upon Authorization to Allow the CAA Executive Director to Execute an Agreement with the GSA Based Substantially Upon the Terms of the Term Sheet AND Consideration of and Action Upon Authorization to Allow the CAA Executive Director to Execute a Construction Contract with the Lowest Responsive Bidder, for the Fit-Out of Space in Terminal A at Bradley International Airport.

Mr. Dillon reported that currently the TSA is located in Terminal B and in order to begin demolition of Terminal B in August of 2014, the TSA will need to be relocated. CAA has been

working with the TSA to find them suitable space. The space that the TSA will be leasing is located on the lower level in the United concourse and is approximately 3,822 sf. Total cost of improvements and fit-out of the space is estimated at \$1,077,460. As part of this agreement, the CAA would incur \$200,000 of this cost which is consistent with what has been done in past agreements with other tenants when there is demolition involved.

The recommendation is that the Board approve the Term Sheet between the GSA and the TSA for the lease and fit-out of space in Terminal A, authorize the Executive Director to execute an Agreement with the GSA based substantially upon the terms of the Term Sheet, and authorize the Executive Director to execute a construction contract with the lowest responsive bidder for the fit-out of the space.

Mr. Long asked if there would be any tenants that would be displaced as a result of this lease. Mr. Dillon replied that there would not be any displacement and that this is space that has been given back to the CAA from the airlines.

Comr. Smith made a motion (Seconded: Mr. Long) to accept and approve **Resolution 2014 – 02 - Voice vote – motion passed unanimously.**

(c) Consideration of and Action Upon a Subordination and Non-Disturbance Agreement with Signature Flight Support for Installation of a Solar Energy Project at their Bradley International Airport Facility AND Consideration of and Action Upon Authorizing the Executive Director to Execute Any Other Agreements to Carry Out the Intent of the Subordination and Non-Disturbance Agreement.

Mr. Dillon reported that the CAA was recently approached by Signature Flight Support who is working with a third party that has been able to obtain a grant for the installation of a solar array on the roof of their facility. Signature Flight Support has estimated their annual electrical savings would be approximately \$45,000 as a result of this installation. This action requires a Subordination and Non-Disturbance Agreement as Signature Flight Support only has ten years remaining on their lease and this project is over a 20-year period. This agreement assures that the system will be kept in place for a full 20 years so that the anticipated return on the system can be realized.

Mr. Dillon added that there is a high likelihood that the CAA will renegotiate the current lease with Signature Flight Support, because they are interested in making other improvements that would require a much longer lease term than in their current agreement. In the event that an agreement was not reached with Signature Flight Support for an extension of their lease, the CAA is agreeing that the system will remain in place.

Comr. Smith asked if the electricity cost is currently paid for by the CAA and then reimbursed to Signature Flight Support and who will receive the benefit as a result of the reduction in energy cost. Mr. Dillon replied that Signature Flight Support is directly responsible for their electricity costs and any benefits would go directly to them.

The recommendation is that the Board approve a Subordination and Non-Disturbance Agreement with Signature Flight Support for installation of a Solar Energy Project and authorize the Executive Director to execute any agreements to carry out the intent of the agreement.

Mr. Guilmartin made a motion (Seconded: Mr. Browchuk) to accept and approve **Resolution 2014 – 03 - Voice vote – motion passed unanimously.**

(d) Discussion of February, 2014 Board Meeting Date.

Mr. Dillon requested that the Board consider rescheduling the February 10, 2014 Board meeting to Wednesday, February 19, 2014 at 11:00 a.m. Mr. Dillon reported that he will be unavailable on February 10th due to a business travel commitment, and Chair Jones noted that she would also be on business travel on February 10th. As a result, a decision was made to move February's Board Meeting to February 19, 2014. **ACTION: Chair Jones asked for Mr. Dillon to issue a reminder notice to the Board.**

Chair Jones requested to add an additional item to the Agenda. Ms. Cheryl Malerba representing Comr. Redeker, gave an overview of TransFormCT which is a strategic planning process to transform transportation in Connecticut. Ms. Malerba addressed a recent comment regarding the difficulty of getting from Vermont to Bradley International Airport, noting that part of the TransFormCT initiative is to talk to businesses, the public and interested parties and discover what their vision is for transportation in the region. Ms. Malerba invited the CAA and any other organizations to meet with TransFormCT to share ideas regarding transportation. Ms. Malerba reported that more information on the initiative is available on www.TransformCT.org.

6. Executive Session:

Ms. Jarmoc made a motion (Seconded: Mr. Browchuk) to go into Executive Session at 1:38 p.m. for the purpose of discussing the Board Strategic Planning Session to include Air Service Development and Airline Lease Negotiating Strategy and a Personnel Matter. **Voice vote – motion passed unanimously. Mr. Kelly recused himself.**

(a) Discussion of Board Strategic Planning Session to include Air Service Development and Airline Lease Negotiating Strategy.

(b) Discussion of a Personnel Matter.

7. Adjournment:

Mr. Guilmartin made a motion (Seconded: Mr. Long) to adjourn the Board meeting at 3:06 p.m. **Voice vote – motion passed unanimously.**

Respectfully submitted,

Mary Ellen S. Jones
Chair