

**MINUTES OF THE
CONNECTICUT AIRPORT AUTHORITY
BOARD MEETING
MONDAY, MAY 14, 2018, 1:00 P.M.
BRADLEY INTERNATIONAL AIRPORT – ADMINISTRATION CONFERENCE ROOM
WINDSOR LOCKS, CONNECTICUT**

Members Present:

Charles R. Gray, Chair
Michael T. Long, Vice Chair
Brett C. Browchuk
Robert J. Aaronson
J. Scott Guilmartin
Karen M. Jarmoc
Peter B. McAlpine (Treasurer's Designee)
Comr. Catherine Smith (via conference call at 1:05 PM)
Matthew J. Kelly (via conference call)

Staff Present:

Kevin A. Dillon, A.A.E.
Sharon Traficante
Michael Shea
Paul Pernerewski
Ben Parish
Robert Bruno
Barry Pallanck
James Campbell
Al Gavelek
Alex Peterson

Members Present:

Comr. James Redeker
Mary Ellen S. Jones

Invited Guest:

Tony Sheridan, future Board member

1. Call to Order:

Chair Gray called the meeting of the Connecticut Airport Authority Board of Directors to order at 1:02 PM and noted a quorum.

2. Approval of Minutes:

(a) April 2, 2018 Board Meeting.

(b) April 26, 2018 Board Meeting.

Mr. McAlpine made a motion (Seconded: Mr. Guilmartin) to approve the minutes from the April 2, 2018 and April 26, 2018 Board meetings. **Voice vote – motion passed unanimously.**

3. Executive Director's Report:

PASSENGER NUMBERS

<u>Airport</u>	<u>February 2018</u>	<u>February 2017</u>	<u>% Increase/Decrease</u>
Bradley	464,795	437,459	+ 6.2
MHT	132,141	126,673	+ 4.3
PVD	295,542	236,582	+24.9
Logan	2,605,207	2,369,960	+ 9.9

<u>Airport</u>	<u>March 2018</u>	<u>March 2017</u>	<u>% Increase/Decrease</u>
Bradley	548,408	529,745	+ 3.5
MHT	150,733	157,671	- 4.4
PVD	347,598	309,485	+ 12.3

Airport	JAN-MAR 2018	JAN-MAR 2017	% Increase/Decrease
Bradley	1,482,408	1,428,286	+ 3.8
MHT	410,308	412,938	- 0.6
PVD	935,743	796,447	+ 17.5

Mr. Dillon reported on passenger traffic, a recent meeting with Aer Lingus executives, terminal enhancement projects, the upcoming restroom renovation project, renovations to the Dunkin' Donuts location in the east concourse, the airport's upcoming annual Part 139 inspection, an upcoming annual airport emergency plan review, planning for a triennial emergency response drill, and an upcoming ratings call with Fitch Ratings. Mr. Dillon also recognized Catherine Young for her recent AAAE accreditation.

Mr. Dillon noted that staff has drafted an orientation document to be provided to new Board members, and Mr. Aaronson and Mr. Long are helping revise and finalize the document. Mr. Dillon introduced Mr. Tony Sheridan, who was recently appointed by Governor Malloy and approved by the Connecticut General Assembly to start as a new CAA Board member, effective July 1, 2018.

4. Discussion Item:

(a) Discussion of Legislative Updates.

Mr. Peterson briefed the Board on the final outcomes for CAA proposals in the 2018 legislative session, as well as the outcomes of a number of other bills that could impact the Authority. Mr. Peterson recognized the particularly strong support provided by Senator Witkos, Senator Larson, Representative Zawistowski, Representative Storms, Representative Verrengia, Representative Perone, and Representative Guerrera during the legislative session.

5. Finance and Operations Committee Report:

Consent Items:

(a) Consideration of and Action Upon Approval of Fiscal Year 2019 Operating and Capital Budgets – Bradley International Airport.

(b) Consideration of and Action Upon Approval of Fiscal Year 2019 Operating and Capital Budgets – General Aviation Airports.

Mr. Browchuk reported that the Committee met and reviewed the proposed FY19 operating and capital budgets for Bradley and the general aviation airports, and also noted the extensive discussion that had been held in April. Since that conversation, the draft Bradley budgets were well-received by the airlines at the annual review meeting. General discussion ensued regarding aviation fuel tax revenues and the emphasis staff has made on increasing CAA revenues at the GA airports. Mr. Browchuk reported that the Committee recommended approval of the budgets.

(c) Consideration of and Action Upon Granting the CAA Executive Director the Authority to Reallocate FY 18 Bradley Budget Dollars Between Reporting Line Items.

(d) Consideration of and Action Upon Granting the CAA Executive Director the Authority to Reallocate FY 18 GA Airports Budget Dollars Between Reporting Line Items.

Mr. Browchuk recommended that the Board authorize the executive director to reallocate budget dollars between line items for the FY18 Bradley and GA budgets. While both the Bradley and GA budgets are

expected to finish the fiscal year under budget in total, both budgets may have a limited number of specific line items that could have minor overages. The Committee recommends giving the executive director the authority to reallocate funds from under-budget line items to cover the specific line items that may end the fiscal year over budget.

(e) Consideration of and Action Upon Authorizing the Issuance of Not Exceeding \$250,000,000 Special Purpose Facility Bonds, a Trust Indenture, Official Statement, Concession Agreement, Master Lease Agreement, and Related Documents Regarding the CONRAC Project.

Mr. Browchuk reported that the Committee reviewed the item, which originally sought approval to finalize the bonding documents, concession agreement, master lease agreement, project loan, and other related documents regarding the CONRAC project. The Committee recommends deferring the approval of the bonding documents until the final project budget has been progressed further. Further discussion ensued regarding the specific terms of the master lease, concession agreement, and potential project loan. Mr. Browchuk recommended amending the resolution to authorize the Executive Director to negotiate and execute a master lease, concession agreement, and project loan (contingent upon a positive ruling by Pullman & Comley) for the CONRAC project.

(f) Consideration of and Action Upon Approval to Increase the Fiscal Year 2018 Capital Improvement Program Budget “Building Improvement” and “Airfield” Categories.

Mr. Browchuk reported that the Committee met and recommends that the Board approve increasing the FY 2018 capital improvement program budget “Building Improvement” and “Airfield” categories to fund improvements to the cargo facility, a new elevator near new Express Parking Lot 1, and an aboveground fuel station at Bradley.

Ms. Jarmoc made a motion (Seconded: Mr. Kelly) to approve CAA Resolution 2018-7, CAA Resolution 2018-8, CAA Resolution 2018-9, CAA Resolution 2018-10, CAA Resolution 2018-12, and a revised CAA Resolution 2018-11 authorizing the Executive Director to negotiate and execute a master lease, concession agreement, and project loan (contingent upon a positive ruling by Pullman & Comley) for the CONRAC project. **Voice vote – motion passed unanimously.**

6. Executive Session:

Mr. Aaronson made a motion (Seconded: Mr. Long) to go into Executive Session at 1:39 p.m. for the purpose of discussing the items listed below. **Voice vote – motion passed unanimously.** Mr. Dillon asked Mr. Sheridan, Ms. Traficante, Mr. Shea, Mr. Pernerewski, and Mr. Peterson to remain for all items, and for Mr. Gavelek and Mr. Pallanck to remain for items (d) and (e).

(a) Discussion of Air Service Development (Negotiating Strategy Regarding Potential Acquisition or Lease of Property).

(b) Discussion of Potential Acquisition of Other Airports (Negotiating Strategy Regarding Potential Acquisition or Lease of Property).

(c) Discussion of Potential Tenant at Bradley International Airport (Negotiating Strategy Regarding Potential Acquisition or Lease of Property).

(d) Discussion of Way-Up Skydiving Danielson Agreement (Lease Negotiating Strategy).

(e) Discussion of Windham Air Services Agreement (Lease Negotiating Strategy).

The Board of Directors came out of Executive Session at 2:12 PM.

7. **Action Item:**

(a) Consideration of and Action Upon Approval to Authorize a Housing Stipend for the CAA Internship Program.

Mr. Dillon recommended that the Board approve offering a housing stipend to CAA interns who are matriculated in an aviation-related major course of study to help enhance the CAA's recruitment of such interns. Discussion ensued regarding the potential to work with in-state colleges to develop programs.

Mr. Aaronson made a motion (Seconded: Ms. Jarmoc) to approve CAA Resolution 2018-13. **Voice vote – motion passed unanimously with Mr. Guilmartin abstaining.**

8. **Economic Asset Development Committee Report:**

Consent Items:

(a) Consideration of and Action Upon Approval of a Term Sheet with Way-Up Skydiving Danielson for Development at Danielson Airport.

(b) Consideration of and Action Upon Approval of a Term Sheet with Windham Air Services for Development at Windham Airport.

Mr. McAlpine made a motion (Seconded: Mr. Kelly) to approve CAA Resolution 2018-14 and CAA Resolution 2018-15. **Voice vote – motion passed unanimously.**

9. **Adjournment:**

Mr. Long made a motion (Seconded: Ms. Jarmoc) to adjourn the Board meeting at 2:17 PM. **Voice vote – motion passed unanimously.**