

**CHICAGO EXECUTIVE AIRPORT  
BOARD OF DIRECTORS  
REGULAR MEETING MINUTES  
WEDNESDAY, APRIL 17, 2019  
1020 S PLANT ROAD  
WHEELING, IL 60090  
6:00 PM**

**I. Call to Order and Roll Call**

Acting Chairman Kearns called the meeting to order at 6:00 PM. Roll call confirmed the following present: Directors Donohue, Katz, Kearns, Kiefer, Lang and Saewert. Absent: None.

Also in Attendance:     Jamie Abbott – Executive Director  
                                  George Sakas – Director of Economic Development  
                                  Jason Griffith – Director of Finance  
                                  Jennifer Pfeifer- Recording Secretary  
                                  Tom Lester – Attorney

**II. Pledge of Allegiance**

Acting Chairman Kearns led those in attendance in the Pledge of Allegiance.

**III. Approval of Minutes**

A motion was made by Director Lang and seconded by Director Katz to approve the minutes from the March 14, 2019 Budget Workshop Meeting. The motion was approved by voice vote. Ayes: Directors Donohue, Katz, Kearns, Kiefer, Lang and Saewert. Nays: None. Abstain: None. Absent: None.

A motion was made by Director Kiefer and seconded by Director Saewert to approve the minutes from the March 20, 2019 Regular Board Meeting. The motion was approved by voice vote. Ayes: Directors Donohue, Katz, Kearns, Kiefer, Lang and Saewert. Nays: None. Abstain: None. Absent: None.

**IV. Changes to the Agenda**

None

**V. Public Comments**

Arthur Gunn is the president of Chicago Executive Pilots Association (CEPA). He spoke about the recent t-hangar rent increase and even though he is not a t-hangar tenant he has heard the concerns of several CEPA members. He suggested the Board consider a phased

increase over several years, set up a pilot lounge at the SW T-hangars for added benefit and create a committee of stakeholders that includes the tenants for the Airport to communicate with. He would like to see an event space built someday at the Airport. He shared that he met with the District 214/Lewis University Aviation Academy who wants to be involved with CEPA.

Henry Fiorentini, president of Executive Tenants Club (ETC) spoke about numerous emails he has received from members regarding the rent increase. He protested the 17% rate increase at the SW t-hangars, spoke about the past increases linked to the CPI and said he has always spoken positively about PWK and the FBOs. He asked the directors to vote against any increase of over 3%.

Gary Pivar has been a SW t-hangar tenant for four years, spoke about the rent increase and hopes there will be an adjustment and reconsideration.

Rogers Faden is a 20-year tenant and now in the NE t-hangars. He spoke about the annual CPI linked rent increase and how this year was different. His increase was only 3% but he sympathizes with the SW t-hangar tenants and asked the board of directors to please reconsider.

Richard Andrews started flying at PWK in the 1960s. He originally parked his airplane in the grass, then moved into the old t-hangars and now into the SW t-hangars. He does not think the rent increase is fair.

Rhett Dennerline first flew here in 1988 and has been a NE t-hangar tenant since 2007. He spoke about the importance of trust between the airport and tenants, that he sympathizes with the SW t-hangar tenants, thinks the airport should follow the governing documents and the rent should follow the CPI.

Phil Mader responded to last month's board of directors' comments about runway expansion. He spoke about the combative nature of the board, said he wants a peaceful relationship and said the noise has not gotten better. He spoke about the sound improvement project and that none of the positive things that could have happened with expansion were communicated to the public. He spoke about Director Donohue and pilots at PWK.

Steve Neff, a Wheeling resident, said he sympathizes with the SW t-hangar tenants. He spoke about airport property that is being leased to a trucking company and landing fees.

## **VI. Hearing and Reports**

### **A) Treasurer's Report**

Director Saewert thanked the board for appointing him as treasurer. He spoke about the Master Plan and the Capital Plan. He said that next year the budgeting process will begin earlier in the year and he shared that the Village of Wheeling approved our budget. He congratulated Jason and Jamie for receiving the Government Finance Officer's Award (GFOA) award.

Jason Griffith gave the operations portion of the treasurer's report. Last month there were 5,500 total flight operations which was up from February, the 12-month rolling total is 75,704 operations which is down, 529,624 gallons of fuel sold which was up from February. The twelve-month rolling total is 6,391,451 gallons of fuel which is up from the prior twelve-months. Customs operations for February were 37 which is up five for the month and the twelve-month rolling total is 462, which is down. Operating income was \$151,509; after transfers net income was \$89,490.

**B) Executive Director's Report.**

Executive Director, Jamie Abbott, reported on the following:

- ➔ Residential Sound Insulation Program contract will be signed tonight.
- ➔ U.S. Customs – Met with CMT and 845 Design regarding the facility layout, design and location. Met with the bank about financing options. There will be a more detailed update next month.
- ➔ Master Plan – Had meetings with CMT to look at hangar, taxiway and other developmental ideas. The next public open house will be on July 11<sup>th</sup>.
- ➔ Budget – The Village of Wheeling passed our budget and the City of Prospect Heights will consider our budget on Monday, April 22<sup>nd</sup>. Next year's budget will be kicked off in January.
- ➔ The new PCL system will be installed later this month.
- ➔ Runway 12/30 rehabilitation will begin mid-June.
- ➔ Congratulations to Jason for winning the GFOA.
- ➔ Discussed March noise complaints and showed graphics.
- ➔ Upcoming Events
  - Job Fair – April 26<sup>th</sup>
  - Young Eagles – April 27<sup>th</sup>
  - Corporate Users Meeting – May 13<sup>th</sup>
  - Rock 'n' Run the Runway – June 29<sup>th</sup>
  - Master Plan Open House – July 11<sup>th</sup>
  - Collings Foundation WWII Airplanes – July 26-28

Director Donohue asked if the Runway 12/30 will have to be closed during the work. Jamie said yes Runway 12/30 will be closed and there will be a total airport closure at some point this summer, too.

Director Katz asked if Runway 12/30 will be widened this summer and Jamie said no that is not part of the approved project.

### **C) Director of Economic Development – George Sakas**

- ❖ The Economic Impact Study is complete.
- ❖ A preferred Public Relations vendor has been chosen.
- ❖ The Aviation Academy was featured on WGN-TV and there is now new interest in the program from District 207 schools. District 214 students are working on the building that will be used for classrooms.
- ❖ Master Plan input – a brief online survey was sent out to the board of directors. Director input meetings will be scheduled.
- ❖ A general information brochure has been created to be reviewed by the new public relations firm.
- ❖ New legislator outreach – scheduling a meeting to acquaint them with the Airport.
- ❖ Attended the Urban Air Mobility conference about vertical takeoff and landing vehicles.
- ❖ Scheduled to attend the AAAE Airport Economic Development conference in May.
- ❖ Fly There is celebrating eight years in business and will be recognized by the Airport.

### **D) CMT – Dan Pape**

- PLC and electrical work will start on Monday.
- Final plans for pavement repairs and markings will be presented for approval next month.
- Master Plan – meetings with staff and directors – surveys were sent to the directors for feedback.
- Runway 12/30 – Pre-construction meeting is completed but still working on shop drawings. Electrical and paving work will be done at the same time. Start date probably in July.
- East quad road – paperwork to be completed.

Director Lang asked if Runway 12/30 will ever be widened? Dan said the FAA will announce more grant opportunities and he will continue to resubmit for funding.

Director Saewert asked if the widening of Runway 12/30 is awarded what will happen. Dan said it will be a new construction project after the current project is finished and he explained the process.

Director Kiefer asked if the new work on Runway 12/30 would have to be torn up when the widening project happens. Dan said no but the lights would have to be moved and he further explained the process.

Director Donohue asked what the maximum load on Runway 12/30 is and Craig Loudon from CMT said it is classified as a B2 runway with a maximum load of 45,000 pounds.

#### **E) Board Member Comments**

- Director Kiefer introduced himself and thanked the pilots for reaching out. He said the Board of Directors does not take decisions lightly and appreciates their patience.
- Director Katz thanked Richard Andrews and Aurthur Gunn for their comments and explained his prior comments to Phil Mader. He spoke about the tenant rent increase, thanked everyone for their comments and said the Board of Directors is listening.
- Director Lang said all the emails about the rent increase were read and the topic will be looked at. He congratulated Jason for achieving the GFOA award and Jennifer for receiving an award from Prospect Heights.
- Director Donohue said he flew out of PWK professionally and loves this airport. He hears what the tenants are saying, there are things to consider, the pilots will be respected and the news that was broken to the tenants was not communicated well.
- Director Saewert agreed with prior comments and said the Airport must work with its clients. The rent increase should have been handled differently and communications will be better in the future.

#### **F) Correspondence and Chairman's Comments**

Acting Chairman Kearns thanked everyone for the emails. He spoke about the State House of Representatives that passed a fuel sales tax revenue bill and has passed it on to the Senate. He encouraged everyone to contact government representatives to keep local revenues local.

## VII. New Business

A. Presentation – Economic Impact Study – George introduced Aaron Gruen and Debra Jeans from Gruen + Gruen & Associates. They explained how the study was structured and conducted. There are direct and indirect impacts and local tax revenues (property and sales taxes) to consider. Debra recommends that annual business surveys be done, the study report should be posted on the Airport website and shared with the municipalities. They do an economic impact study for DuPage Airport every five years.

Director Lang asked what part of Cook County is in the study and if they considered Allstate Insurance, permits, property taxes, hotels and restaurants. Debra responded that Chicago Executive Airport is part of the reason large corporations choose to be in this area and yes, all the businesses were interviewed. Aaron explained that the direct impacts are on the airport, the indirect impacts are to the entire Cook County. Some businesses do not know the impact of the airport because customers do not tell the businesses they are from the airport.

Director Katz asked what the tolerance on accuracy is for the report? Debra said the direct employment numbers are very accurate. The rest of the figures are a conservative estimate.

Director Saewert asked how they chose the model to derive the final numbers. Aaron explained the business linkages that are taken into account in the study. Debra explained the process and said the model is assigned to a specific industry.

B. Presentation – Public Relations – George introduced Cody Rogers from Insight PR. Cody spoke about his background, philosophy, goals, strategic planning proposal, crisis communication plan, digital presence assessment, communications policy document, earn/owned media and senior leader support.

Director Lang asked Cody if he would present to the communities at their board meetings and Cody said yes, that is essential.

Director Katz asked if he is a sole operator, how many clients he has, and does he have an aviation knowledge. Cody said the Airport would be his first full-time client and he does not have any aviation knowledge but understands the importance of learning.

Director Saewert asked how many dedicated hours he predicts working per day. Cody said to start he would devote extensive time and will build processes. His goal is to be the strategic counsel. He estimated in the first 90 days he would be working full-time on Airport business.

Director Donohue asked Cody if he lives downtown and emphasized that learning about the community and Airport is essential and be in the environment. Cody lives on the northwest side of the city and agreed with Director Donohue's comments.

C. Resolution 19-008 – A Resolution Authorizing the Payment of Claims;

A motion to approve was made by Director Lang and seconded by Director Saewert. The motion was approved by roll call. Ayes: Directors Donohue, Katz, Kearns, Kiefer, Lang, and Saewert. Nays: None. Absent: None.

D. Resolution 19-009 – A Resolution Approving an Agreement with C&S Companies for a Residential Sound Insulation Program;

A motion to approve was made by Director Kiefer and seconded by Director Lang. The motion was approved by voice vote. Ayes: Directors Donohue, Katz, Kearns, Kiefer, Lang, and Saewert. Nays: None. Absent: None.

John Pearson from C&S Companies was at the meeting to answer questions.

Director Lang asked if Chicago Executive Airport will have a project report similar to the examples that were sent from past projects, if so, will it be printed or online? John said yes, each project has a report and it will be available in any format requested.

Director Kiefer asked when residents will know if their house qualifies for the sound insulation. John said the testing plan starts in October and after FAA approval homes will be tested.

Director Katz asked who the subcontractors are and who vets them. John said C&S is the project manager, they vet the subcontractors who do the specialized work. Director Katz said the Airport always tries to use local companies and would like C&S to also use local. He spoke about 845 Design Group. John said the architectural firm can be changed after the pilot program of ten homes is completed.

Director Donohue asked how people who do not qualify for the program are informed and who defends the Airport if the customer is not satisfied. John said that C&S often tells homeowners they do not qualify, and the Airport is in control of the message. Jamie said that the Airport legal counsel, Hinshaw, will defend the Airport in case of any issues.

Director Saewert said he is concerned about the initial contact with homeowners and their expectations. He asked how the dispute process works and what happens in the case of accidents or mistakes, what is the warranty process and an estimate of the work per house would be. Director Saewert re-emphasized the use of local contractors and asked about the policy manual, hourly billing and what the architectural firm does. John explained the initial contact, dispute, accident and mistake processes. Warranty questions are handled through C&S and the manufacturer of the doors and windows. He estimated the work on each house will cost between \$50,000 to \$65,000. John described the policy manual and said the design firm visits the homes to determine the architecture of the home, make conditions reports, update architectural specs and review shop drawings.

Acting Chairman Kearns asked if the board agrees to use 845 Design and the majority opinion was to use 845 Design for the pilot program only.

E. Resolution 19-010 – A Resolution Approving the Agency Agreement with the State of Illinois for Rehabilitation of the East Access Road (Tower Road) Ratifying the Chairman’s Execution of the Same;

A motion to approve was made by Director Lang and seconded by Director Donohue. The motion was approved by voice vote. Ayes: Directors Donohue, Katz, Kearns, Kiefer, Lang, and Saewert. Nays: None. Absent: None.

F. Resolution 19-011 – A Resolution Approving Authorized Signers for the Chicago Executive Airport Financial Institutions;

A motion to approve was made by Director Katz and seconded by Director Kiefer. The motion was approved by voice vote. Ayes: Directors Donohue, Katz, Kearns, Kiefer, Lang, and Saewert. Nays: None. Absent: None.

G. Resolution 19-012 – A Resolution Recommending Approval of a Rates and Charges Schedule for Chicago Executive Airport;

A motion to approve was made by Director Katz and seconded by Director Donohue. A motion to approve the amended resolution was made by Director Donohue and seconded by Director Katz. The motion was approved by voice vote. Ayes: Directors Donohue, Katz, Kearns, Kiefer, Lang, and Saewert. Nays: None. Absent: None.

Director Saewert started by saying that further discussion about the purpose of the increase is needed.

Jamie explained the new t-hangar rate changes were based on how regular hangar charges are set and he spoke about the differences. He said communication of the changes could have been done better.

Acting Chairman Kearns said the directors support a phased in increase over a number of years. He would like to investigate a pilot lounge for the SW t-hangars, and he spoke about how the airport makes money to cover costs.

Director Donohue said communication with tenants needs to be better and thinks a phased in rate increase approach would be the best idea and he would like to address pilots’ concerns.

Director Lang agreed that the increased rate should be phased in, that a 17% increase is too much in one year and he pointed out that the amenities at the NE and SW t-hangars are different.

Director Katz spoke about the mis-communication, said tenants should be treated as partners and suggested a phased in increase. He said tenants want to be assured the Airport is using the CPI.

Director Kiefer said to phase in the increase and then increase according to the CPI.

Director Saewert asked how a new tenant would be charged and said new tenants should be informed of the phased in increase. Director Kiefer said that new and existing tenants should be charged the same rate.

Attorney Tom Lester said an amendment is not necessary because it is not an increase in expenses, and it is a relatively small decrease in revenue.

Jamie concluded that after all the hangars are standardized, then increases will follow the CPI and he spoke about the lease rate policy.

H. Resolution 19-013 – A Resolution Approving a Professional Services Agreement with Level 4IT, Inc.;

A motion to approve was made by Director Lang and seconded by Director Donohue. The motion was approved by voice vote. Ayes: Directors Donohue, Katz, Kearns, Kiefer, Lang, and Saewert. Nays: None. Absent: None.

Jamie explained that this resolution is to renew the contract for IT services.

### **VIII. Executive Session**

At 8:37 p.m. a motion was made by Director Donohue and seconded by Director Kiefer to go into executive session pursuant to 5 ILCS 120/2(c) (1) to discuss approval of executive session minutes. The motion was approved by roll call. Ayes: Directors Donohue, Katz, Kearns, Kiefer, Lang and Saewert. Nays: None. Absent: None.

At 8:46 p.m. a motion was made by Director Donohue and seconded by Director Saewert to adjourn Executive Session and the meeting returned to regular session. Ayes: Directors Donohue, Katz, Kearns, Kiefer, Lang and Saewert. Nays: None. Absent: None.

### **IX. Action Taken from Executive Session, if required**

A motion to approve and release Executive Session Minutes dated March 15, 2017, April 19, 2017, June 28, 2017, July 19, 2017, September 20, 2017, October 18, 2017, and November 15, 2017 was made by Director Kiefer and seconded by Director Donohue. The motion was approved by voice vote. Ayes: Directors Donohue, Katz, Kearns, Kiefer, Lang, and Saewert. Nays: None. Absent: None.

A motion to approve but not release Executive Session Minutes dated May 17, 2017, December 20, 2017 and March 20, 2019 was made by Director Katz and seconded by Director Donohue. The motion was approved by roll call. Ayes: Directors Donohue, Katz, Kearns, Kiefer, Lang, and Saewert. Nays: None. Absent: None.

**X. Adjournment**

At 8:50 p.m. a motion was made by Director Saewert and seconded by Director Katz to adjourn the meeting. The motion was approved by voice vote. Ayes: Directors Donohue, Katz, Kearns, Kiefer, Lang and Saewert. Nays: None. Absent: None.

Respectfully submitted,

A handwritten signature in cursive script that reads "Vince Donohue". The signature is written in black ink and is positioned below the text "Respectfully submitted,".

Vince Donohue  
Secretary