

**MINUTES OF THE MONTHLY MEETING OF THE
PUBLIC BUILDING COMMISSION OF ST. CLAIR
COUNTY, ILLINOIS, HELD ON MONDAY
FEBRUARY 22, 2016 AT 10:00 A.M. AT THE
ST. CLAIR COUNTY BUILDING, BELLEVILLE, ILLINOIS**

The Regular Monthly Meeting of the Public Building Commission of St. Clair County, Illinois was called to order by Chairman Richard Sauget at 10:00 a.m., on Monday, February 22, 2016 at the St. Clair County Building, Belleville, Illinois.

The following Commissioners answered present to roll call: Richard Sauget, James Nations, Luther Jackson, Daniel Polites, Charles Lee, and Richard Effinger. Commissioner Thomas Dinges was absent.

Also present for the meeting, or for a portion thereof, were the following: Debra Moore, County Administrator; Tim Cantwell, MidAmerica St. Louis Airport Director; Richard Watson, St. Clair County Sheriff; Tom Knapp, Sheriff's Department; Fred Boch, County Board Member; Dan Trapp, MidAmerica St. Louis Airport Engineering and Planning Director; Larry Taylor, Aziotics; Randy Pierce, Fairview Heights Tribune; Joseph Bustos, Belleville News Democrat; James Brede, Director of Buildings; Attorney Bernard Ysursa via telephone conference; and Vickie Boyde, Secretary.

Minutes of the January 21, 2016 Regular Monthly Meeting and Annual Meeting were reviewed. Commissioner Polites moved that the Regular Monthly Meeting and Annual Meeting Minutes, dated January 21, 2016 be approved as provided. Second by Commissioner Lee and carried.

Under Treasurer and Finance, Commissioner Polites, Treasurer, reviewed the Regular Expense Claims Report with Payroll Ledger Report for February 29, 2016, and moved to

approve payment of bills. Second by Commissioner Lee. Roll call as follows:

Commissioner Nations	: Aye
Commissioner Jackson	: Aye
Commissioner Lee	: Aye
Commissioner Polites	: Aye
Commissioner Effinger	: Aye
Commissioner Dinges	: Absent
Commissioner Sauget	: Aye
AYES: 6 ABSENT: 1	NAYS: None

Motion carried.

Commissioner Polites reviewed the Airport Expense Claims Report, dated February 29, 2016 and moved to approve payment of bills. Second by Commissioner Lee. Roll call as follows:

Commissioner Nations	: Aye
Commissioner Jackson	: Aye
Commissioner Lee	: Aye
Commissioner Polites	: Aye
Commissioner Effinger	: Aye
Commissioner Dinges	: Absent
Commissioner Sauget	: Aye
AYES: 6 ABSENT: 1	NAYS: None

Motion carried.

Commissioner Polites reviewed the Monthly Budget Analysis Report for February 2016, and asked that it be placed on file, stating that the 2016 Budget is in line with the projected percentage of 16.7% expenditures.

Commissioner Polites reviewed the Trial Balance Report for January 2016, and asked that it be placed on file. The Secretary has a copy available for review in the Public Building Commission Office.

Under Operations, James Brede, Director of Buildings, presented the County's Investment Policy for adoption by the Public Building Commission. Commissioner Lee asked if there have been any recent changes. Director Brede responded that there have not been any

recent changes. Commissioner Nations moved to adopt the County Investment Policy. Second by Commissioner Lee. Roll call as follows:

Commissioner Nations	: Aye
Commissioner Jackson	: Aye
Commissioner Lee	: Aye
Commissioner Polites	: Aye
Commissioner Effinger	: Aye
Commissioner Dinges	: Absent
Commissioner Sauget	: Aye
AYES: 6 ABSENT: 1	NAYS: None

Motion carried.

Under Airport Operation Business, Tim Cantwell, MidAmerica St. Louis Airport Director, proposed changing internet providers, as MidAmerica has not experienced the most reliable internet service. He elaborated that MidAmerica Airport resells the internet service to the Airport tenants. Director Cantwell reflected that there have been several extended outages with the current provider, Frontier, leading Frontier to acknowledge that another provider may be able to provide better service. Director Cantwell reported that he received three proposals for service, with varying costs, term lengths, and speeds. He stated that it was the Airport's recommendation to enter into a contract with Clearwave, as the lowest responsible bidder, at a cost of \$3,745.00 per month for a term of 3 years. Director Cantwell affirmed that Counsel will review the Contract, with the Chairman to sign after review. Commissioner Nations clarified that Clearwave will provide 10 times increase in bandwidth, and more reliable service, for approximately \$1,000.00 more per month. Director Cantwell responded affirmatively and added that the lessors have agreed to buy more with a provider change, though he does not have concrete figures on what that will be, and that the tenants including Allegiant Airlines, Boeing, AVMATS, Air Terminal Services, Illinois State Police, and North Bay are supportive of establishing a new provider. Commissioner Polites moved to approve the change of internet

provider to Clearwave provided that Counsel reviews and approves of the Contract, and Chairman Sauget signs the Contract. Commissioner Nations requested, with the permission of Commissioner Polites, to stipulate that Clearwave is the lowest responsible bidder. Commissioner Polites agreed with the stipulation. Second by Commissioner Nations. Roll call as follows:

Commissioner Nations	: Aye
Commissioner Jackson	: Aye
Commissioner Lee	: Aye
Commissioner Polites	: Aye
Commissioner Effinger	: Aye
Commissioner Dinges	: Absent
Commissioner Sauget	: Aye
AYES: 6 ABSENT: 1	NAYS: None

Motion carried.

Director Cantwell updated the Commission on a promotion for Allegiant's Punta Gorda service that took place during the previous week. He explained that about 100 people, who were dressed for a Florida vacation, arrived at MidAmerica to be entered into a drawing for two walk-on tickets on the inaugural flight to Punta Gorda, which departed that morning. Director Cantwell said that a resident of Mascoutah won, and that Allegiant was extremely happy with the response. He added that he spoke with a passenger that morning who bought a single walk-up, one hour from now take-off ticket at the cost of \$231.00 round trip to Punta Gorda. He highlighted that MAA will be up to five destinations in June. Director Cantwell cited a statement by County Board Chairman Mark Kern which forecasted 100,000 passengers using the terminal – 50,000 outbound, 50,000 inbound, with four definite destinations next year. Director Cantwell predicted that five destinations or an additional airline could increase the passenger volume further. According to Director Cantwell, some Federal Aviation Administration reporting is done by their fiscal year, which is October 1st to September 30th for the FAA, while

they use the calendar year for enplanements to apportion entitlement funds for the next fiscal year. He added that numbers can get mixed up because of the reporting times, as was the case for 2014, which was reported as 21,000 passengers when it was over 30,000 passengers for the calendar year. Director Cantwell clarified that anyone in or out as a passenger is counted as a passenger, even if it is a military charter at Scott AFB (but not the use of military aircraft). He explained that, for the FAA, military passengers are in the passenger count, but they are not in passenger facility charges. A general discussion was held about other airport volumes. He provided that, based on volumes, MidAmerica ranks 327 out of 550 passenger service airports in the United States, which is in the top two-thirds. Director Cantwell projected that, for the calendar year 2016 with five destinations beginning in June, increasing passenger volumes are expected to raise the Airport to a ranking of 260 out of 550, elevating it to the top half of all passenger airports in the United States. Commissioner Nations asked if any other airport has a higher percent increase in passengers than MidAmerica. Director Cantwell responded that there are a couple of airports with greater increases, and those airports are also influenced by Allegiant.

Director Cantwell presented the Passenger Parking Lot Expansion Project. According to Director Cantwell, the Passenger Parking Lot is a three destination parking lot. He noted that, since 75% of passengers at MAA are from this region, the usual design mindset for parking lots of "50% origination, 50% destination" would underestimate parking lot needs. He explained that, coinciding with the start of five destinations, there is an anticipated shortage of about 100 parking spaces beginning in June. As explained by Director Cantwell, Public Building Commission funds need to be utilized to allow MAA to retain the option to charge for parking in the future, as the use of FAA funds would prohibit that possibility. A general discussion was

held about the charging of parking fees. Director Cantwell emphasized that, currently, the plan is to continue to allow free parking, considering it is part of the character of the Airport. He stated that the calculations indicate that it is necessary to expand approximately 250 additional spaces. Director Cantwell added that the projected cost of \$575,000.00 is likely an overestimate. Commissioner Nations asked, if given the immediacy of the fifth destination coming up, along with current demand and the commitment to ensure top quality service, this would be a prime opportunity to utilize the design build arrangement with IMPACT Strategies for purposes of ease and speed in completing the expansion. Director Cantwell agreed that it would alleviate the time tension, and affirmed that IMPACT Strategies has bid out to known qualified companies in the area. Commissioner Nations remarked that using IMPACT Strategies has resulted in great pricing responses. Commissioner Polites asked which direction the parking lot expansion would occur. Director Cantwell replied that it would be straight out toward the road, as side expansion would increase the walking space too much. He added that the existing lot was sealed before adding the Las Vegas destination. Commissioner Nations commented that he was pleased that the proposal was for a modest increase, and it is his preference for expansion to be done incrementally. Commissioner Nations moved to authorize assignment of parking lot development of 250 plus additional spaces and, with the assignment, it requires urgent action. Second by Commissioner Polites. Director Cantwell elaborated that he expects to be back next month with the design from IMPACT Strategies for Commission approval. Commissioner Nations affirmed Director Cantwell's plan. Roll call as follows:

Commissioner Nations	: Aye
Commissioner Jackson	: Aye
Commissioner Lee	: Aye
Commissioner Polites	: Aye
Commissioner Effinger	: Aye

Commissioner Dinges : Absent
Commissioner Sauget : Aye
AYES: 6 ABSENT: 1 NAYS: None

Motion carried.

Larry Taylor, Aziotics, presented information on numerous topics in regard to China's economy and its effect on international cargo shipping. Mr. Taylor recalled that it has been previously discussed that a strategic long term possibility is live animal export, given the Airport's close proximity to where swine are raised. According to Mr. Taylor, currently, local exporters must transport swine to Chicago to be held overnight due to the long, stressing trip for the animals, incurring extra cost. He stated that the United States Department of Agriculture (USDA) requirement - to perform inspection service at a place where there is already an inspection station - has been an impediment. He explained that a leading live animal export player in Illinois, who wishes to use MAA, has continued to use his relationships with the USDA, Animal and Plant Health Inspection Service (APHIS), and other experts. Mr. Taylor announced that, on January 20, 2016, the USDA published a rule modification, reading, in part, that it now allows pre-export inspection of livestock at facilities other than export inspection facilities associated with a port of embarkation. He elaborated that this modification applies to MAA and is a breakthrough for this opportunity. According to Mr. Taylor, the rule change allows exporters more flexibility and is good for the United States economy, importers, as well as the animals due to decreased holding times.

Mr. Taylor reported on economic growth in international trade. He indicated that one of China's most fundamental requirements is to maintain economic growth. As reported by Mr. Taylor, Brazil, Russia, India, and China, collectively known as the BRICs, is the family of growing export markets which were expected to ramp up in growth and maybe even change the

way trade was going. Mr. Taylor reported that the BRICs trajectory has started to slow. He assessed that the BRICs still have a very large and permanent place in trade: China presents as the leading market, Brazil continues to maintain a large role, with Russia and India playing lesser roles. He clarified that the slowdown of growth is positive because it indicates China's establishment, with a decline in China's growth rate from 20.0% to 6.9%, where it is manageable. Mr. Taylor explained that there are two tracks in China's growth: manufacturing, their export engine, which is down; and, service and consumption, which are up.

According to Mr. Taylor, China's growing domestic consumption portends well for the products exported from the Midwest. He stated that China's exports are experiencing negative growth, due to the global economy slowing down. As explained by Mr. Taylor, China buys from the United States, but not in the decreasing area of commodities (nickel, tin, etc.). He elaborated that China's import volumes are actually up 7.5% in a shift to consumable goods that are used in domestic economy. He mentioned that, according to news reports, China's restructuring has been a difficult transition. According to Mr. Taylor, the Chinese strategy is to let market forces play a more decisive role.

Mr. Taylor assessed that state-owned enterprises, cash rich and with authority to buy, are on a spending spree and investing downstream. He predicted that relationships with both the government and the private sector should be expected.

Mr. Taylor clarified that, while publicity has been focused on political backlash over sensitive purchases such as buying IT technology, the actual priorities of China are to buy into agriculture, realty, and energy. He forecasted that partnerships should be expected, not just export sales.

Mr. Taylor offered that, in China, consumer confidence is still strong - #8 out of 61

countries and forecasts indicate that China's imports will continue to grow 1-2%. He suggested that MAA stands to benefit from China's continued growth of buying consumer goods, predominately refrigerated foods requiring cold chain service. A general discussion about exporting to China was held. Mr. Taylor confirmed that the Ningbo facility is operational but not in use yet. He asserted that it is important to maintain relationships, such as those established with China, Peru, and Colombia. Commissioner Nations asked if the strategy is on target, or if there is a need to re-evaluate or modify. Mr. Taylor responded that MAA is unique, so the strategy is on track. Mr. Taylor acknowledged that John Chang, MAA consultant, was working on licenses and trust with China.

There being no further business to come before the Public Building Commission, Commissioner Nations moved for adjournment. Second by Commissioner Effinger and carried.

Meeting adjourned at 11:10 a.m.

Respectfully submitted,



Vickie Boydte
Assistant Secretary

APPROVED:


CHAIRMAN