

Public Building Commission Meeting Minutes

February 15, 2024

The Public Building Commission of St. Clair County met in the County Board Conference Room on February 15, 2024. The meeting was called to order by Chairman Richard Sauget at 10:01 a.m.

Members Present:

Richard Sauget, Chairman
Thomas Dinges
Richard Effinger
Edmond Brown
Kevin Bouse
Terry Beach

Members Absent:

Charles Lee

Others Present:

Mark Kern, Chairman
Debra Moore, Director of Administration
James Brede, Director of Buildings
Darren James, MidAmerica St. Louis Airport Director
Thomas Knapp, St. Clair County Sheriff's Department
Monica Taylor, St. Clair County Financial Analyst
Attorney Bernard Ysursa
Jack Penning, Volaire Aviation Consulting
Alexis Cortes, Belleville News-Democrat
Randy Pierce, The Fairview Heights Tribune
Traci Firestone, Secretary
Natalie Birk, Executive Assistant

The Pledge of Allegiance was recited.

There were no Public Comments made or Questions asked at this Meeting.

Upon a motion by Commissioner Effinger and second by Commissioner Dinges, it was unanimously agreed to approve the Annual Meeting Minutes of January 18, 2024. Motion carried.

Public Building Commission Meeting Minutes

February 15, 2024

Page 2

Upon a motion by Commissioner Dinges and second by Commissioner Effinger, it was unanimously agreed to approve the Regular Monthly Meeting Minutes of January 18, 2024. Motion carried.

Upon a motion by Commissioner Dinges and second by Commissioner Effinger, it was unanimously agreed to approve the **Regular Expense Claims Report with Payroll Ledger Report** of February 29, 2024. Motion carried.

Upon a motion by Commissioner Dinges and second by Commissioner Effinger, it was unanimously agreed to approve the **Airport Expense Claims Report** of February 29, 2024. Motion carried.

Commissioner Dinges reviewed the **Monthly Budget Analysis Report for February 2024** and stated the Operations and Maintenance 2024 Budget is in line with the projected percentage of 16.7% expenditures.

Commissioner Dinges reviewed the **Trial Balance Report for January 2024** and it can be available when requested in the Public Building Commission Office.

Upon a motion by Commissioner Effinger and second by Commissioner Brown, it was unanimously agreed to approve the Resolution adopting to increase the annual retainer for Attorney Bernard J. Yursa. Motion carried.

PUBLIC BUILDING COMMISSION OPERATIONS

Upon a motion by Commissioner Effinger and second by Commissioner Dinges, it was unanimously agreed to approve the Adoption of Personnel Codes adopted by County Board in January for PBC employees. Motion carried.

FAIRGROUND OPERATIONS

Upon a motion by Commissioner Effinger and second by Commissioner Bouse, it was unanimously agreed to approve the Millennia Professional Services Proposal in the amount of \$21,480.00. Motion carried.

Public Building Commission Meeting Minutes

February 15, 2024

Page 3

Upon a motion by Commissioner Brown and second by Commissioner Effinger, it was unanimously agreed to approve the Hurford Architects, Inc. Exhibit 005 not-to-exceed \$585,000.00. Motion carried.

AIRPORT OPERATIONS

Upon a motion by Commissioner Bouse and second by Commissioner Effinger, it was agreed to unanimously approve the Terminal Lease Agreement with General Services Administration. Motion carried.

Upon a motion by Commissioner Effinger and second by Commissioner Brown, it was agreed to unanimously approve the Terminal Lease Agreement Amendment #1 with Holland Construction. Motion carried.

Upon a motion by Commissioner Beach and second by Commissioner Effinger, it was agreed to unanimously approve the Ground Services Amendment #3 with Airport Terminal Services, Inc. The cost is approximately \$305,000.00. Motion carried.

Upon a motion by Commissioner Brown and second by Commissioner Effinger, it was agreed to unanimously approve the Building 8830 (Boeing St. Clair) Emergency HVAC Replacement at a cost of approximately \$98,750.00. Motion carried.

Upon a motion by Commissioner Effinger and second by Commissioner Dinges, it was agreed to unanimously approve the Tree Obstruction Removal Amendment with Horner & Shifrin in the amount not-to-exceed \$27,840.00. Motion carried.

Upon a motion by Commissioner Brown and second by Commissioner Bouse, it was agreed to unanimously approve the Sustainability Management Plan Agreement with WSP, Inc. in the amount of \$334,950.00. The proposed breakdown is \$297,000.00 (FAA) and \$37,950.00 (Local match). Motion carried.

For updates on Enplanements and Terminal Modification Renovation, please see the attached documents. Also attached is the Air Service Development Update by Jack Penning of Volaire Aviation Consulting.

Public Building Commission Meeting Minutes

February 15, 2024

Page 4

Upon a motion by Commissioner Beach and second by Commissioner Dinges, it was agreed unanimously to leave the open session and go into executive session to discuss real estate – acquisition of property. Motion carried.

Return to open session at 11:30 a.m.

Upon a motion by Commissioner Beach and second by Commissioner Effinger, it was agreed unanimously to approve the purchase of property located at 1132 S. Church for \$100,000.00 and also to purchase the Auffenberg Used Car Lot for \$730,000.00 on South Illinois for Fairground Operations. In addition to those amounts will be the closing and real estate costs. Motion carried.

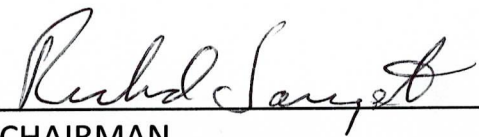
Upon a motion by Commissioner Effinger and second by Commissioner Dinges, it was unanimously agreed to adjourn the meeting at 11:33 a.m. Motion carried.

Respectfully submitted,



Traci Firestone, Secretary

APPROVED:



CHAIRMAN



Public Building Commission
St. Clair County, Illinois
February 15, 2024

Darren V. James | Airport Director



1. Terminal Lease Agreement – General Services Administration

The TSA has provided passenger screening services since 2013 and originally occupied most of the mezzanine level of the terminal building. The initial lease agreement was established between BLV and GSA / TSA to ensure a reasonable amount of space could be used for the purpose of TSA passenger screening. The current lease term expires February 29, 2024. The proposed lease is for a 10-year/5-year firm term. The agreed upon space TSA will occupy is 1,052 square feet.

Financial Impact: The firm term annual rent is estimated at \$46,551.00 and the non-firm term annual rent is estimated at \$48,844.36. Revenue will be used solely for the operations and maintenance of the Airport.

Legal: Legal counsel reviewed the lease proposal and will review the lease prior to execution.

Motion: Authorize the Chair to execute the Terminal Lease Agreement between the Public Building Commission and the General Services Administration when appropriate.

2. Terminal Lease Amendment #1 – Holland Construction, Inc.

Historically, terminal lease space has been limited due to the lack of availability and subsequently due to lack of activity or interest. Recent improvements and additional office space will allow for new opportunities to support a variety of airline and non-airline activities. The original Lease Agreement for approximately 892 sq. ft. was approved by the PBC and commenced in August 2023 and had the initial term through February 29, 2024. The amendment will allow a month-to-month tenancy.

Financial Impact: The lease rate is derived from the 2024 Rate & Charges Schedule and the month-to-month rent will be \$2,861.83. Revenue will be used solely for the operations and maintenance of the Airport.

Legal: Reviewed Amendment #1 and found it to be legally sufficient.

Motion: Authorize the Chair to execute the Terminal Lease Amendment #1 between the Public Building Commission and Holland Construction, Inc.

3. Airport Terminal Services Agreement – Amendment #3

Airport Terminal Services (ATS) has been providing a wide variety of aircraft and air carrier support services for the MidAmerica St. Louis Airport since 2013. ATS services include passenger services, fixed based operator (FBO), aircraft fueling, de-icing services, apron handling, cabin cleaning services, lounge services, and airport ambassador programs. The service provided by ATS is integral to providing high quality goods and services. The ‘above’ and ‘below’ wing services provided by ATS will be essential for the airport’s continued growth.

Financial Impact: Annual cost for the ATS ground service agreement is approximately \$305,000. Funding for the ATS ground service agreement was included in the FY2024 Airport Budget.

Legal: Reviewed Amendment #3 and found it legally sufficient.

Motion: Authorize the Chair to execute the Ground Services Amendment #3 between the Public Building Commission and Airport Terminal Services, Inc.

4. Building 8830 – Emergency HVAC Replacement

Building 8830 was originally constructed as an Air Cargo Facility in 2005. In 2010, this facility was converted into an aircraft subassembly facility with 8 additional 25-ton RTUs (RTU #2 - #9) providing HVAC for the remainder of the 50,000 SF facility. The airport solicits for and contracts with an HVAC contractor to provide service, inspection, and maintenance for the HVAC at miscellaneous airport buildings. The current contract, BLV Contract 2020-09, is with Integrated Facility Services (IFS). During a recent inspection, IFS found holes in the heat exchangers in RTUs #5 and #7. IFS provided three options for repair: 1) replacement of the heat exchangers (\$25,274 with an 8-week lead time); 2) replacement of the two RTUs with a specified unit (\$96,450 with a 13-week lead time); or 3) replacement of the two RTUs with a comparatively similar in stock Trane unit (\$98,750 with a 0-week lead time). Considering the age of the existing RTUs (~13 years) and the high priority of the project, the airport recommended proceeding with Option 3, replacement of RTUs as expeditiously as possible at a cost of approximately \$98,750. The Airport followed the Illinois PBC Act for procurement in the case of an emergency.

Financial Impact: This project will be paid for out of the Airport Operating Budget.

Motion: The PBC accept this report of emergency procurement for replacement of two Roof Top Units due to the need for continuity of operations in Building 8830.

5. Tree Obstruction Removal – Consultant Agreement Amendment

In June 2021, the PBC approved the selection of Horner & Shifrin, Inc. to complete professional services as necessary to provide environmental, design, construction phase services, and any special services or studies as necessary for a Tree Obstruction Removal project to eliminate these existing and future obstructions. In October 2022, the PBC approved a professional services agreement for \$235,707 for the environmental study associated with the removal of the tree obstructions. Since that time, the environmental assessment has been underway. Upon their initial review, the US Fish and Wildlife Services determined that a Bat Habitat Assessment will be required. This study was not a part of the original scope. As such, Horner & Shifrin, Inc. provided a proposal for \$27,840 to complete the study as a part of the Environmental Assessment.

Financial Impact: The tree obstruction removal project is included in the Airport budget. Federal and State funds will be used for this project.

Motion: Approve Amendment 1 to the engineering agreement with Horner & Shifrin, Inc. for the Tree Obstruction Removal project at a Not to Exceed cost of \$27,840 and authorize the Chairman to execute the agreement when appropriate.

6. Sustainability Management Plan – Agreement

In July 2023, the FAA announced award of a \$297,000 grant to the airport for completion of a Sustainability Management Plan (SMP). At the December 2023 meeting, the PBC approved the selection of WSP, Inc. as the Airport Planning and Environmental Consultant for AIP projects for the period 2024 - 2028. One of the projects identified as part of that solicitation and selection was the subject SMP. The airport has been coordinating with WSP and the FAA on a final scope for the SMP. The total cost of the work will be \$334,950.

Financial Impact: This project is included in the Airport budget. Federal funds will be used for this project. The proposed breakdown is \$297,000 (FAA) + \$37,950 (Local Match) = \$334,950.

Legal: The agreement will be reviewed and approved by PBC legal counsel prior to execution.

Motion: Approve a Professional Services Agreement with WSP, Inc. for the Sustainability Management Plan and authorize the Chairman to execute the agreement when appropriate.

Airport Update



Top Illinois Airports (per enplanements - Dec 2022 - Nov 2023)

Locid	City	Airport Name	S/L	Hub	2022 Rank	State Rank DOT (Dec 2022 - Nov 2023)	Enp DOT (Dec 2022 - Nov 2023)	Allegiant Total Passengers (Dec 2022 - Nov 2023)	Rank DOT (Dec 2022 - Nov 2023)
ORD	Chicago	Chicago O'Hare International	P	L	4	1	29,232,000	0	4
MDW	Chicago	Chicago Midway International	P	L	30	2	10,206,000	?	29
PIA	Peoria	General Downing - Peoria International	P	N	166	3	312,000	306,000	163
MLI	Moline	Quad Cities International	P	N	171	4	269,000	131,000	174
BMI	Bloomington/Normal	Central II Regional Airport at Bloomington	P	N	189	5	164,000	66,560	194
BLV	Belleville	Scott AFB/Midamerica St Louis	P	N	192	6	150,000	299,000	196
RFD	Rockford	Chicago/Rockford International	P	N	214	7	118,000	235,000	212
CMI	Champaign/Urbana	University of Illinois-Willard	P	N	257	9	69,000	0	248
SPI	Springfield	Abraham Lincoln Capital	P	N	250	8	50,000	43,320	265
DEC	Decatur	Decatur Airport	CS	-	407	10	11,000	0	376
MWA	Marion/Herrin	Veterans Airport of Southern Illinois	CS	-	397	11	9,331	0	386
UIN	Quincy	Quincy Regional-Baldwin Field	CS	-	477	12	4,721	0	438



MidAmerica St. Louis Airport
Monthly Passenger Enplanements

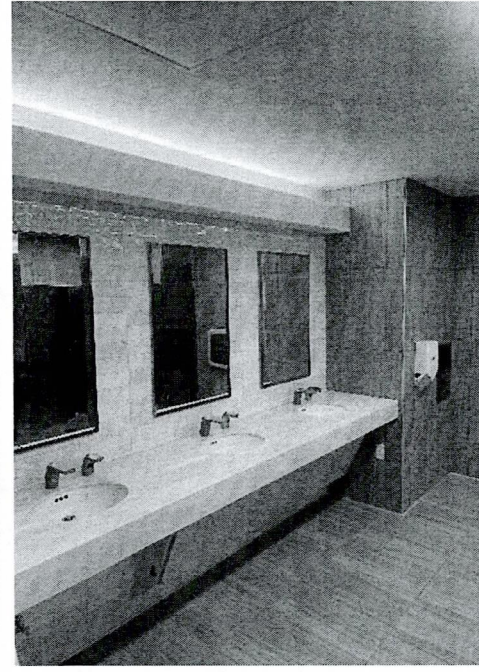
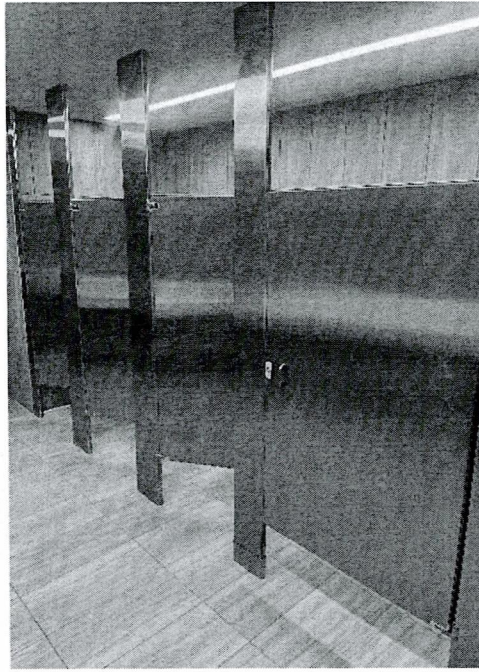
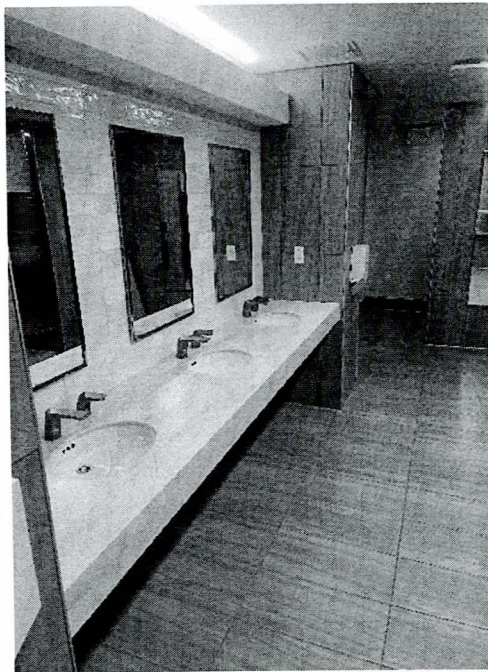
	2024			2023			2022			2021			2020		
Month	Departures	Enp	Avg Enp	Departures	Enp	Avg Enp	Departures	Enp	Avg Enp	Departures	Enp	Avg Enp	Departures	Enp	Avg Enp
Jan	58	7,908	136.3	56	8,327	148.7	63	7,456	118.3	57	6,405	112.4	65	9,706	149.3
Feb	55	8,643	157.2	53	8,329	157.2	61	8,425	138.1	65	7,519	115.7	69	10,389	150.6
Mar	93	14,251	153.2	91	13,945	153.2	108	16,315	151.1	118	13,033	110.4	95	9,304	97.9
Apr	85	11,608	136.6	95	12,974	136.6	102	14,392	141.1	81	8,947	110.5	4	123	30.8
May	98	14,493	147.9	93	13,754	147.9	107	16,226	151.6	94	12,448	132.4	65	6,003	92.4
Jun	145	23,461	161.8	125	20,225	161.8	143	22,390	156.6	182	24,663	135.5	122	14,367	117.8
Jul	142	23,306	164.1	131	21,501	164.1	155	24,300	156.8	191	27,505	144.0	162	15,937	98.4
Aug	102	14,287	140.1	84	11,766	140.1	99	13,442	135.8	125	13,907	111.3	121	10,078	83.3
Sep	66	9,814	148.7	55	8,178	148.7	57	8,220	144.2	82	9,641	117.6	65	6,692	103.0
Oct	78	11,079	142.0	70	9,943	142.0	72	9,964	138.4	102	12,336	120.9	85	9,821	115.5
Nov	61	8,713	142.8	61	8,713	142.8	62	8,931	144.0	87	10,740	123.4	69	7,491	108.6
Dec	62	9,573	154.4	62	9,573	154.4	82	12,649	154.3	85	12,533	147.4	72	8,337	115.8
TOTAL	1045	157,138	150.4	976	147,228	150.8	1111	162,710	146.5	1269	159,677	125.8	994	108,248	108.9
FAA Total CY Enplaned Passenger Data				(pending)			162,819			161,562			108,765		

Legend

- Departures based on Allegiant schedule.
- Departures calculated based on previous year's departures per month
- Passenger enplanements projected utilizing previous year's average enplanements per departure per month applied to scheduled departures.

Notes

- Impacts from COVID-19 were initially realized in March 2020.
- Future enplanements projected utilizing previous enplanements per departure and scheduled departures.
- FAA TAF (data accessed on 08/09/23) for FY 2023 is 132,662 and FY 2024 is 135,660. This equates to a CY 2023 forecast of 133,387 and CY 2024 forecast of 136,698.
- Draft FAA TAF updated (provided on 08/09/23) for FY 2023 is 149,842 and FY 2024 is 146,687. This equates to a CY 2023 forecast of 149,053 and CY 2024 forecast of 147,092.





Thank You.

BLV

The logo consists of a stylized star or spark symbol followed by the letters "BLV" in a bold, sans-serif font.

POSITIONING BLV FOR SUCCESS

AIR SERVICE CHALLENGES AND STRATEGY ■ FEBRUARY 2024



> AGENDA

- > **MIDAMERICA ST. LOUIS TODAY**
 - > WINNING WITH LOW FARES
 - > BUILDING ST. LOUIS SHARE
 - > MARKET PERFORMANCE
- > **INDUSTRY CHALLENGES**
 - > PILOT SHORTAGE
 - > CAPTAIN SHORTAGE
 - > RISING COSTS
- > **STRATEGY FOR THE FUTURE**
 - > SHORTER HAUL LEISURE
 - > INTERNATIONAL SERVICE
 - > MITIGATING AIRLINE RISK

> NEW ROUTE: KNOXVILLE



MidAmerica St. Louis

Knoxville

- > STARTS JUNE 11
- > OPERATES THURSDAY/SATURDAY
- > GATEWAY TO THE GREAT SMOKY MOUNTAINS

VOLAIRE
AVIATION CONSULTING

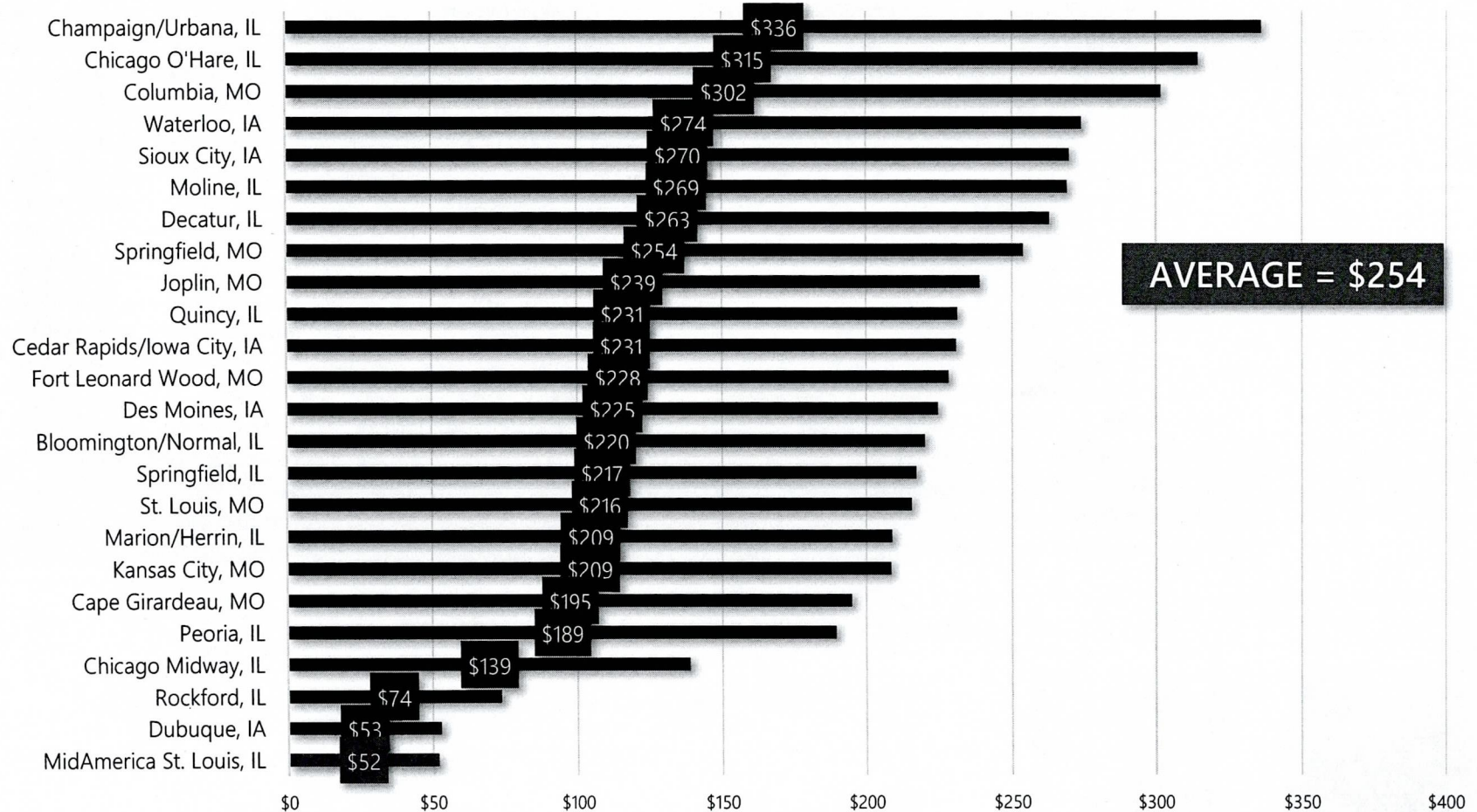
VOLAIRE
AVIATION CONSULTING

SOURCE: AIRLINE DATA, INC.

BLV ALWAYS WINS ON FARE

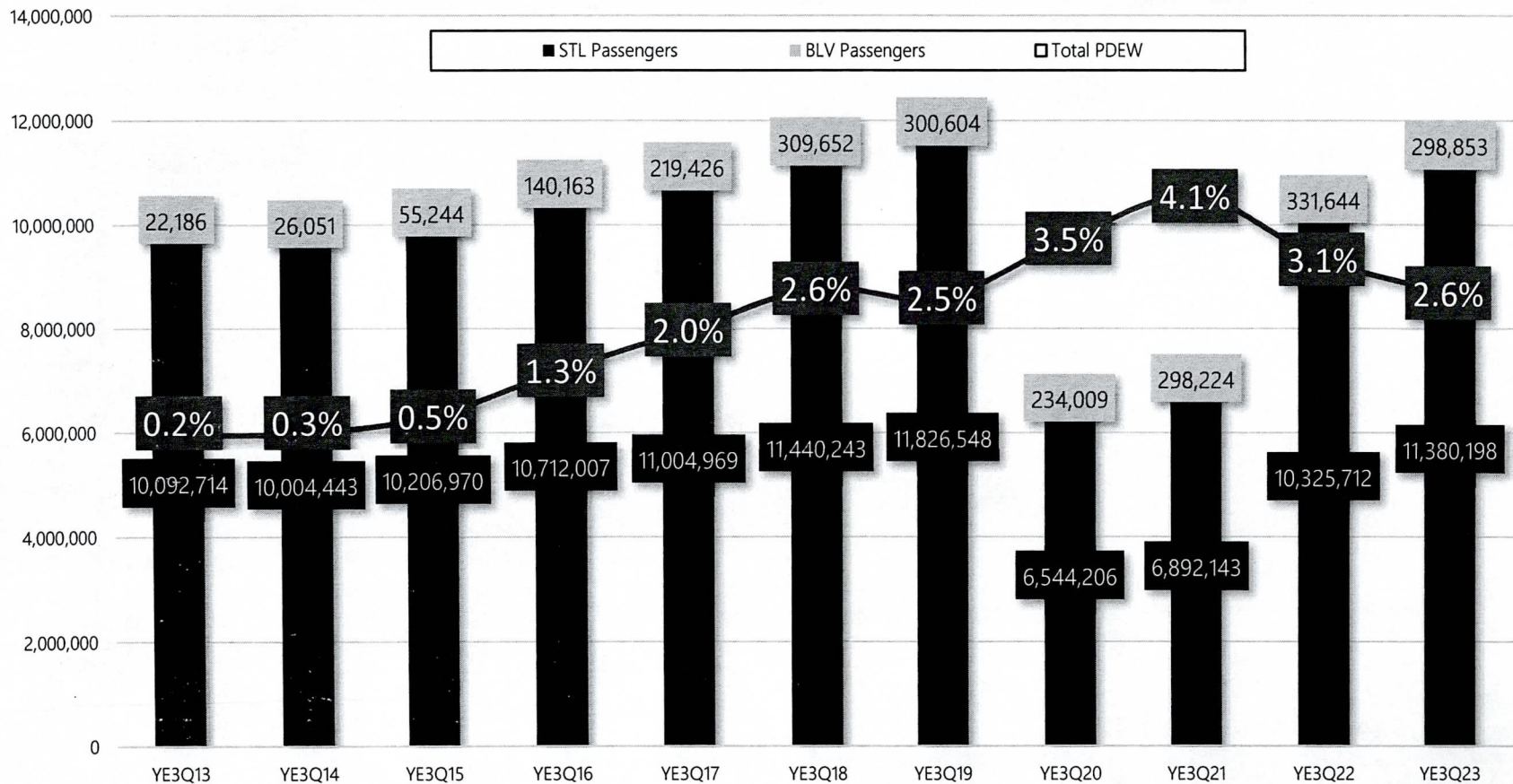
AVERAGE ONE WAY FARE IN MIDWEST MARKETS

THIRD QUARTER 2023; INCLUDES ILLINOIS, IOWA, AND MISSOURI



BLV CAPACITY LIMITS ITS SHARE

O&D PASSENGERS AT ST. LOUIS AND MIDAMERICA AND BLV PASSENGER SHARE
YEAR ENDED THIRD QUARTER 2013 – YEAR ENDED THIRD QUARTER 2023 (INCLUDES BOTH BLV AND STL)

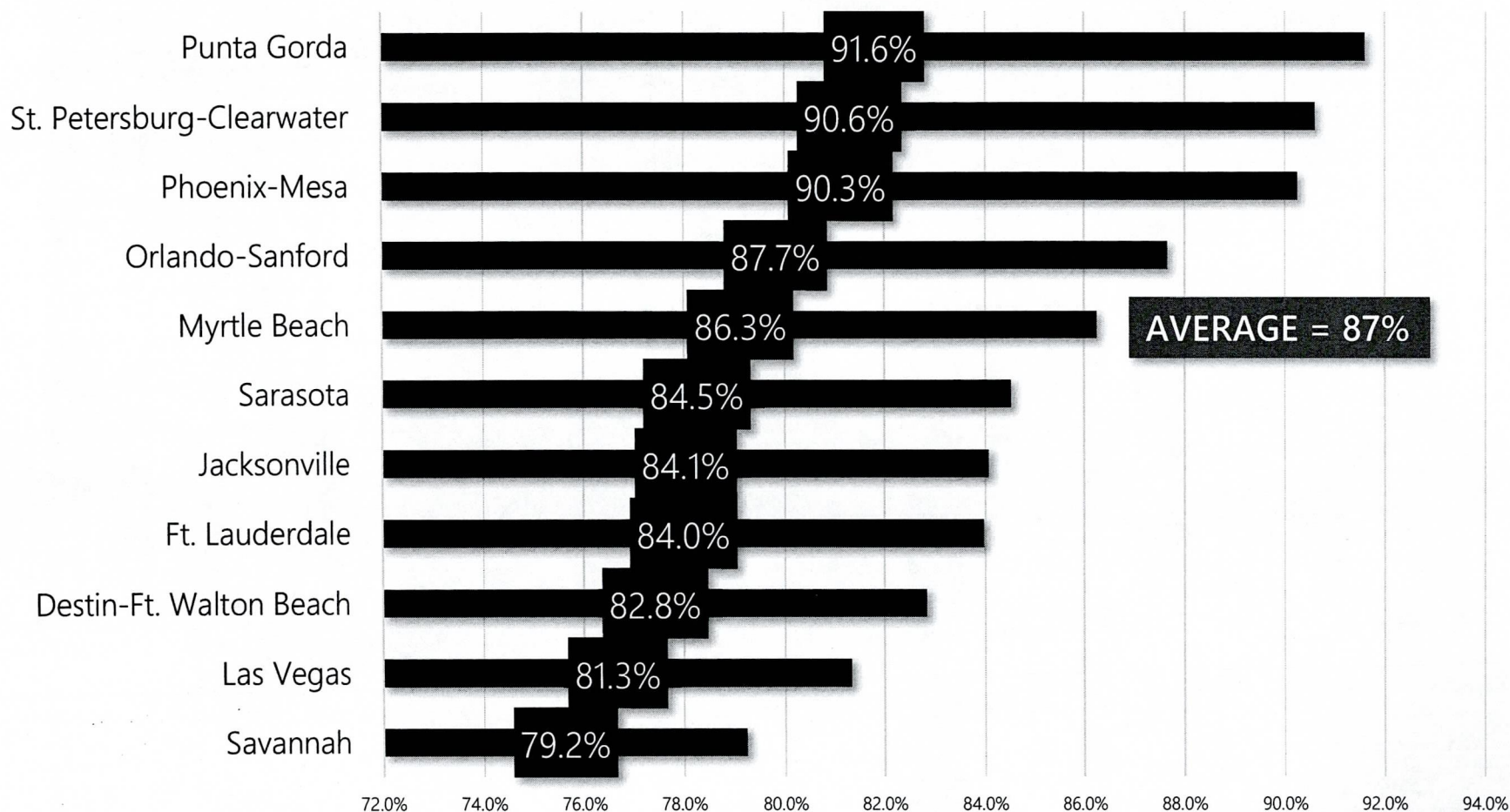


SOURCE: AIRLINE DATA, INC.

MOST MARKETS PERFORM WELL

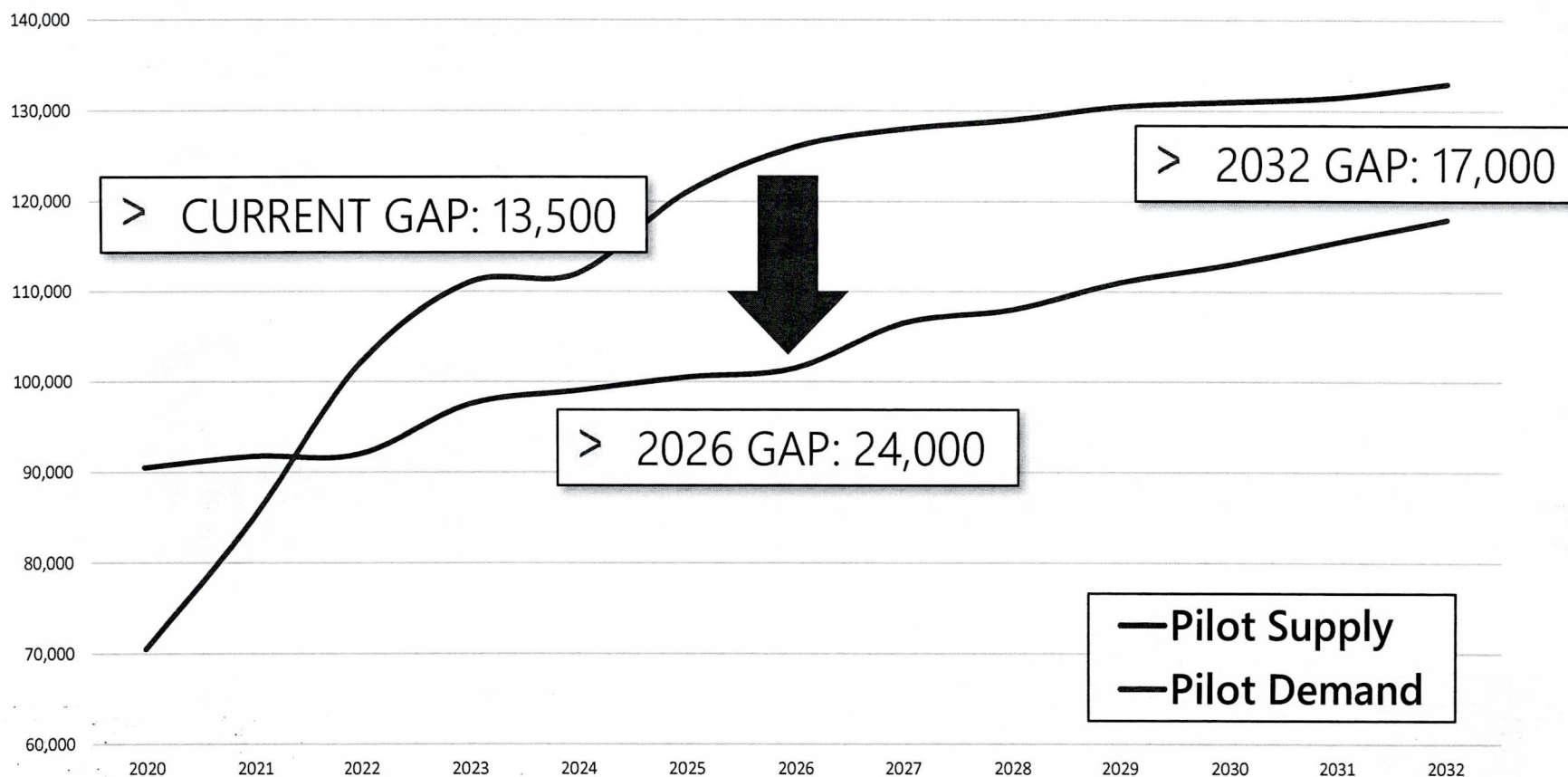
AVERAGE LOAD FACTOR IN MIDAMERICA ST. LOUIS NONSTOP MARKETS

YEAR ENDED OCTOBER 2023



PILOT SHORTAGE TO WORSEN

NORTH AMERICAN PILOT DEMAND VERSUS SUPPLY
CALENDAR YEAR 2020 – CALENDAR YEAR 2032

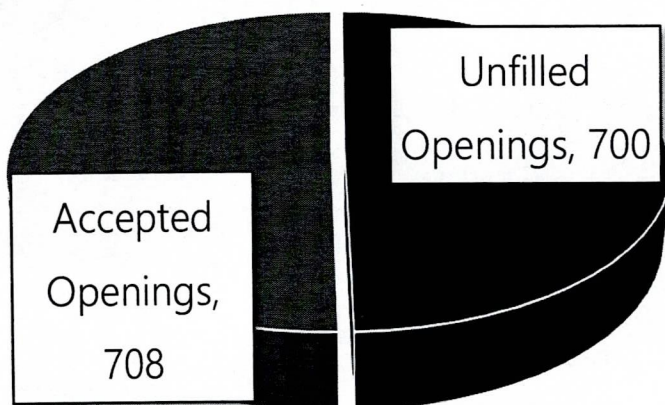


CRITICAL SHORTAGE OF CAPTAINS

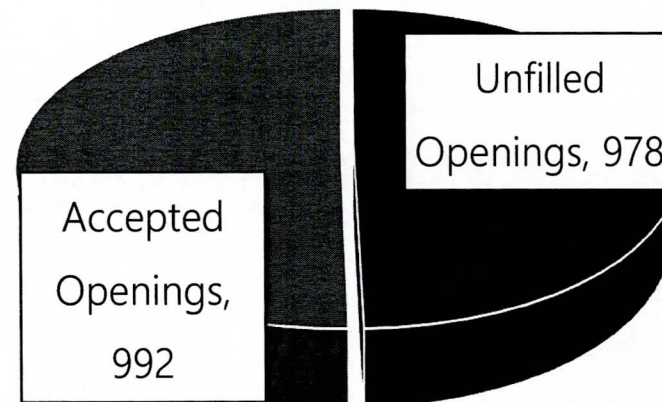
BUSINESS INSIDER

Pilots don't want to be promoted to captains anymore, and it's becoming a huge problem for airlines

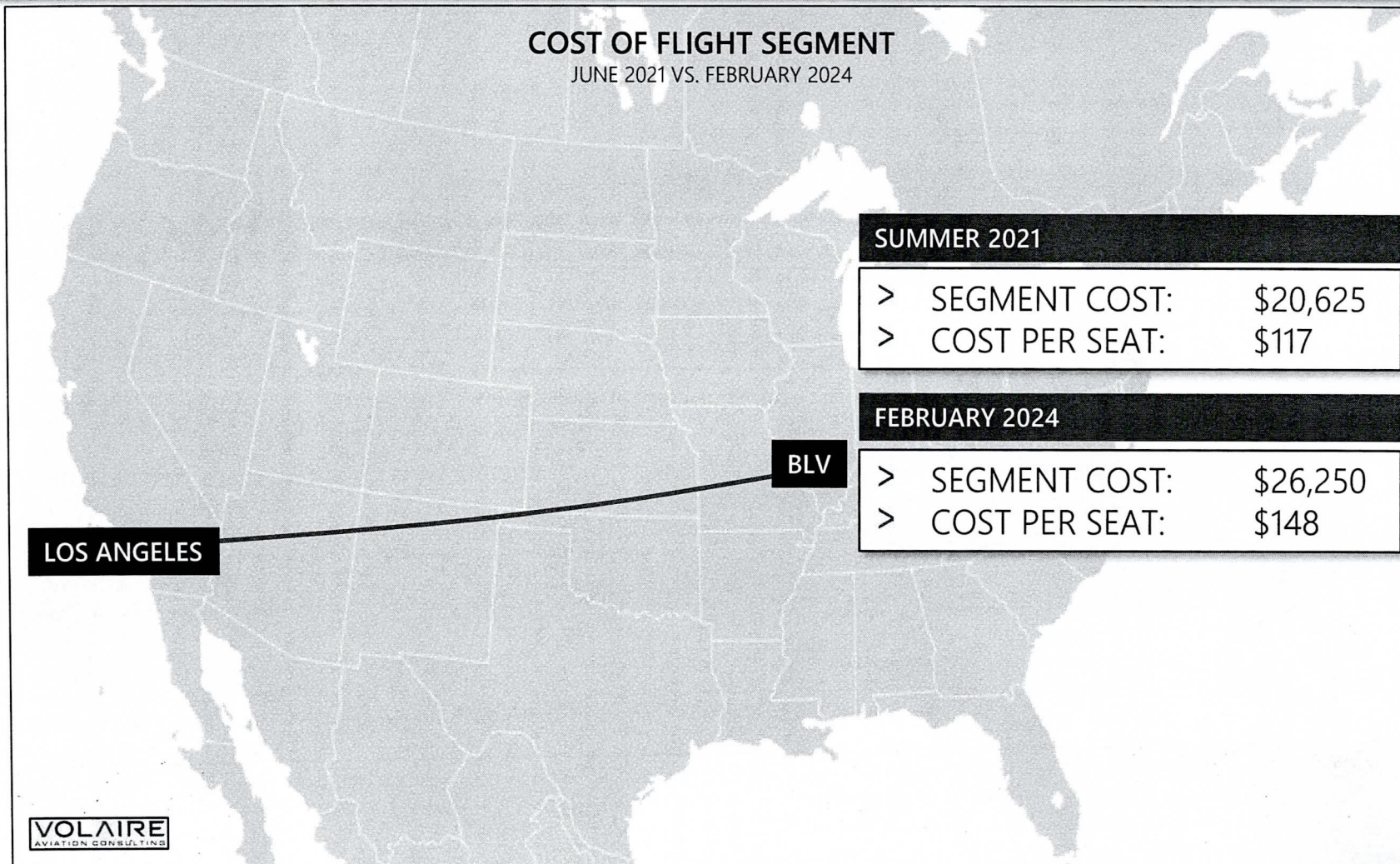
American Airlines



UNITED

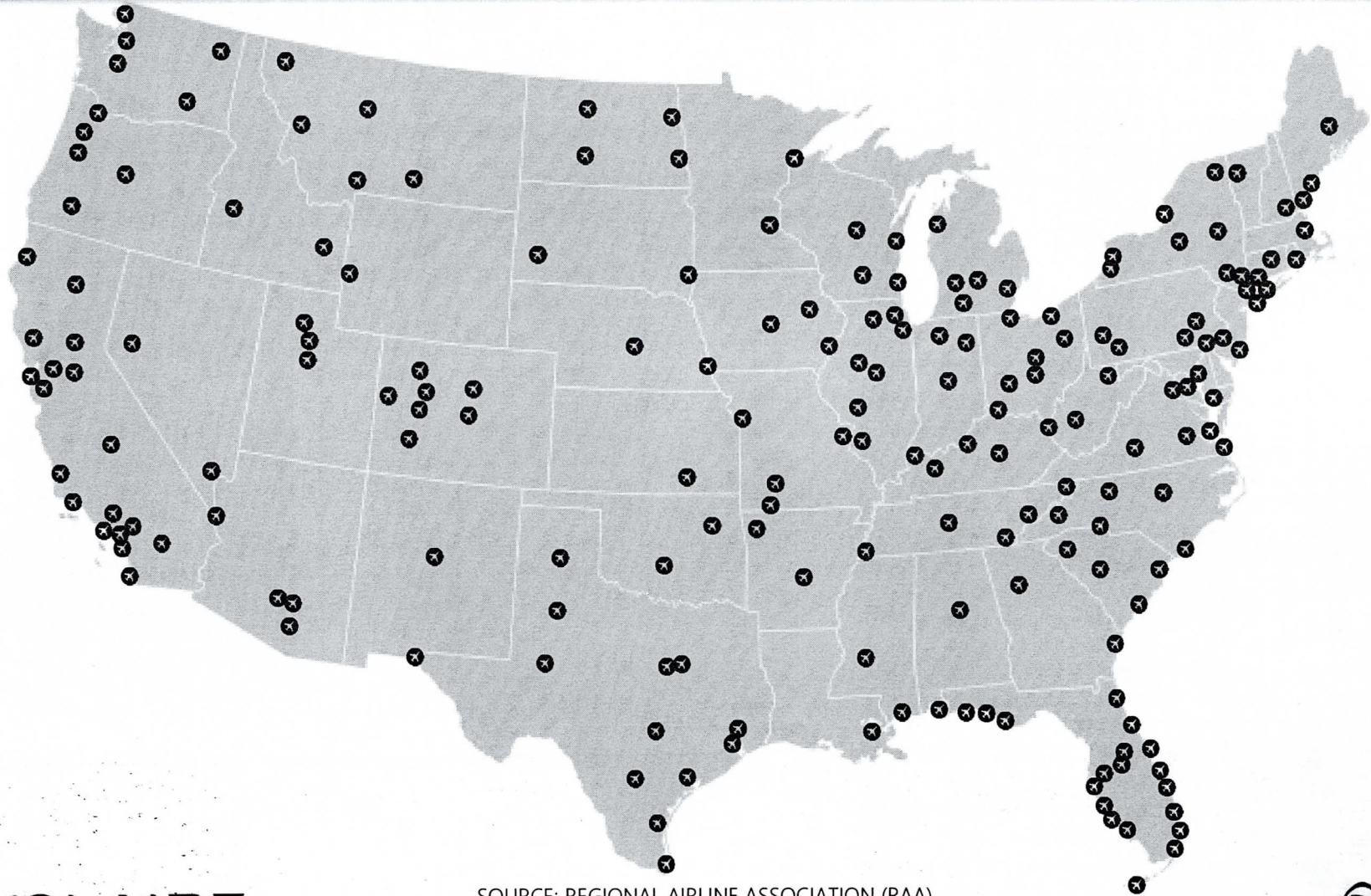


> COSTS HAVE RISEN DRAMATICALLY



SOURCE: VOLAIRE ANALYSIS OF FORM 41 AIRLINE COST REPORTING

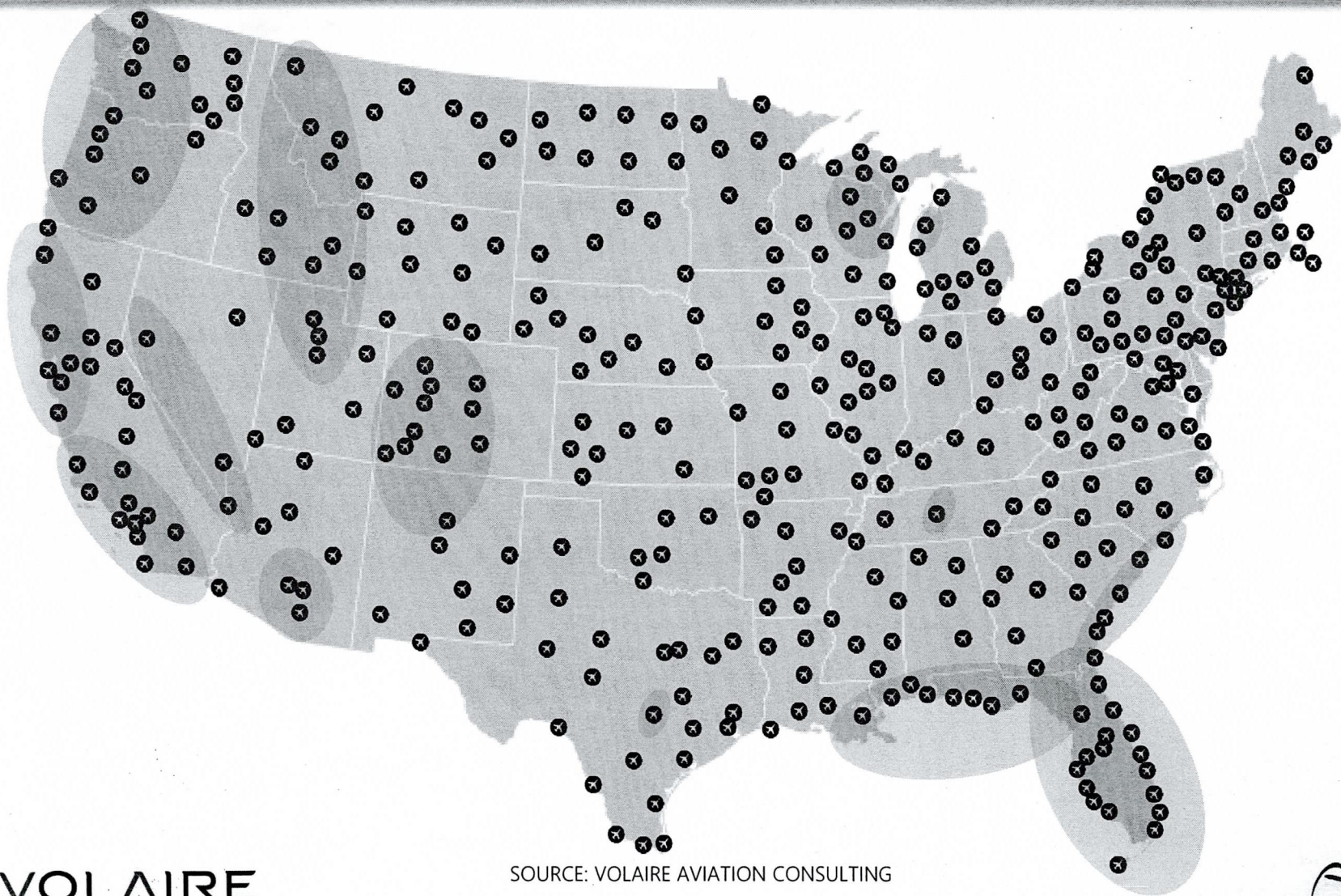
POTENTIAL US AIR SERVICE NETWORK



TOPIC THREE STRATEGY FOR THE FUTURE



> NETWORKS FAVOR LEISURE MARKETS

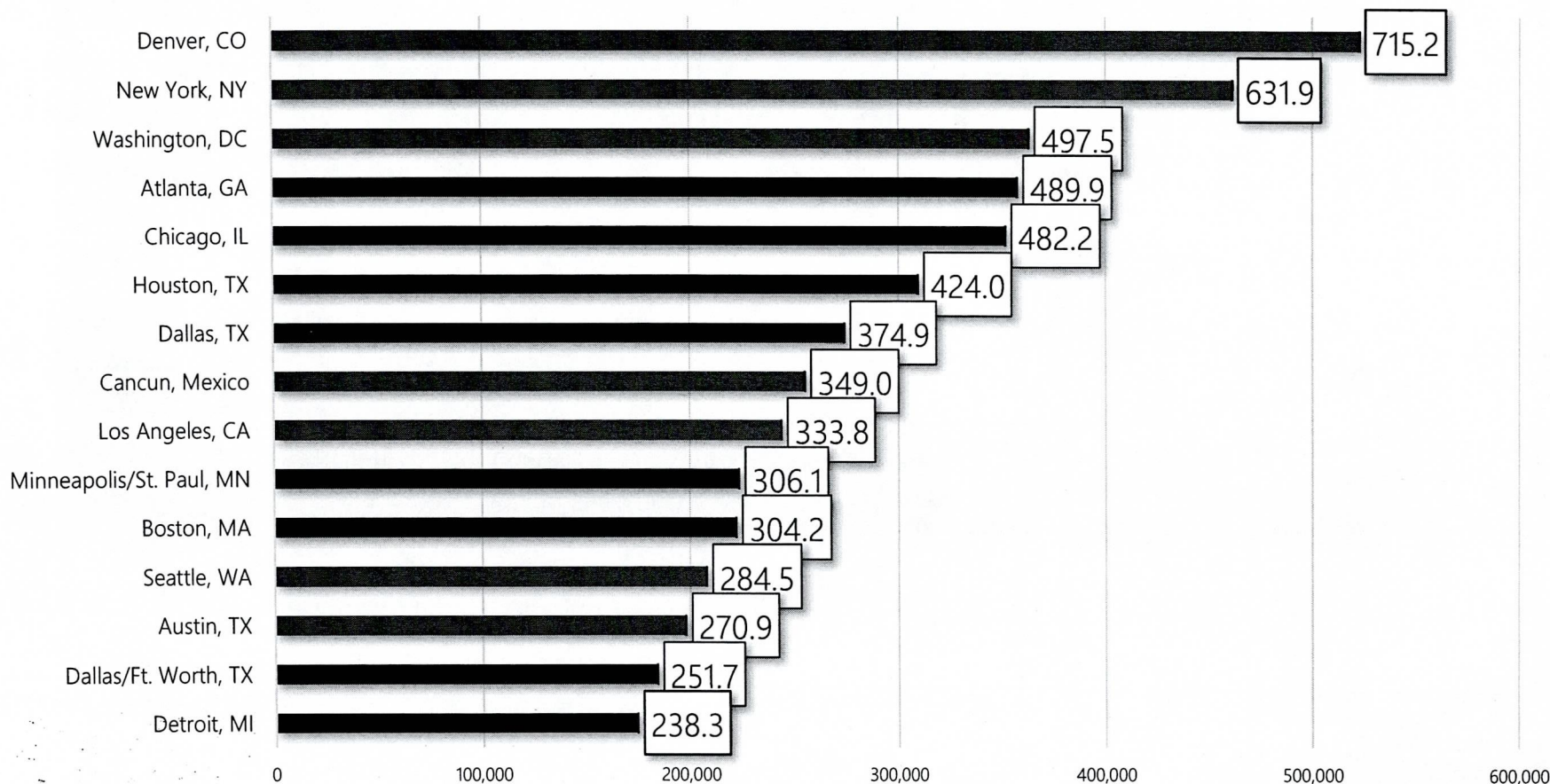


VOLAIRE
AVIATION CONSULTING

SOURCE: VOLAIRE AVIATION CONSULTING

FOCUS: VACATION DESTINATIONS

ST. LOUIS' TOP 15 O&D PASSENGER MARKETS WITHOUT A BLV NONSTOP
YEAR ENDED THIRD QUARTER 2023



SOURCE: AIRLINE DATA, INC.

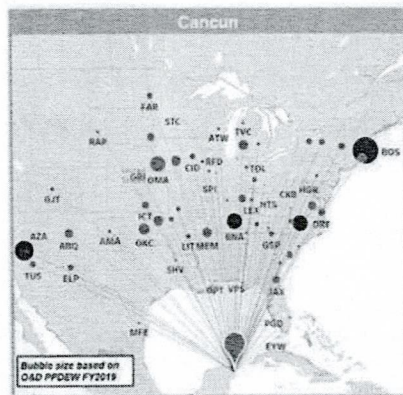
ALLEGiant's MEXICO TIE-UP ON HOLD



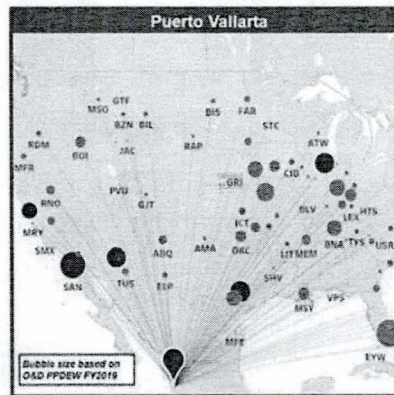
REUTERS

Mexico's move of cargo flights snarls planned Allegiant-VivaAerobus tie-up

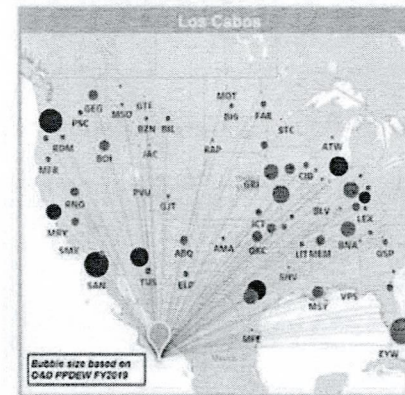
Allegiant network vs. current Mexico service



83 Allegiant airports { **76** no non-stop service
7 non-stop but non-ULCC
(FY 2021 metro basis)



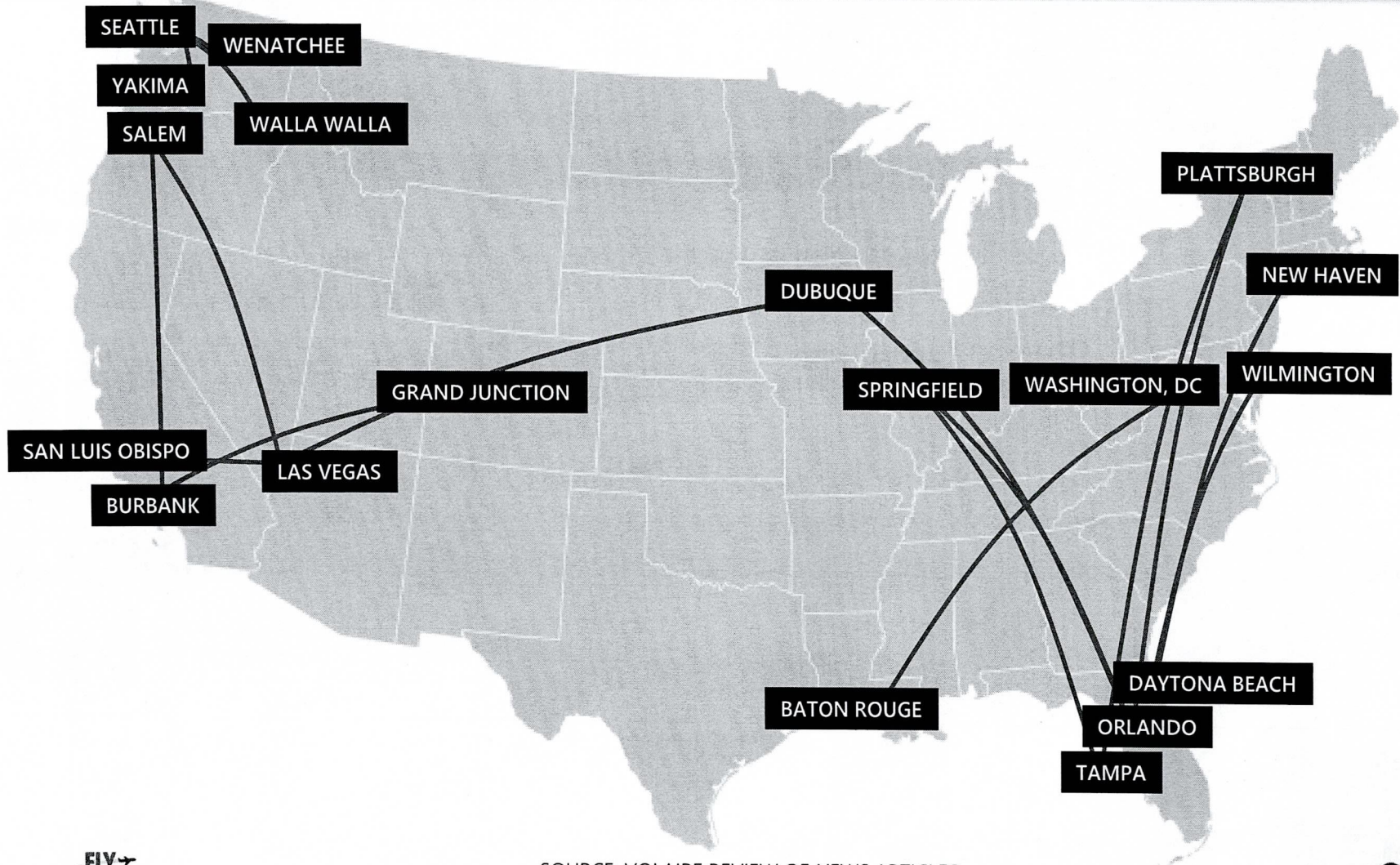
90 Allegiant airports { **82** no non-stop service
8 non-stop but non-ULCC
(FY 2021 metro basis)



91 Allegiant airports { **81** no non-stop service
10 non-stop but non-ULCC
(FY 2021 metro basis)

Source: Schedules, Sabre O&D Market Intelligence
Note: Includes all Allegiant airports as of FY2021 within 1,900mi range.

MRGs ARE CRITICAL TO REDUCE RISK





Thank You.

