

**REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF THE
GREATER ROCKFORD AIRPORT AUTHORITY**

A Regular Meeting of the Board of Commissioners of the Greater Rockford Airport Authority was held on Thursday, December 16, 2021, in the Greater Rockford Airport Authority Auditorium, 60 Airport Drive, Rockford, IL.

Chairman Cicero called the meeting to order at 5:04 pm.

Commissioners & Legal Counsel	Present	GRAA Staff	Present	Guests/Other Staff
Pat Agnew	X	Mike Dunn	X	Audrey Moon - Chartwell
Paul Cicero	X	Shelly Cassaro	X	20 Citizens
Tom Dal Santo		Kathy Bruggeman	X	
Tonya Lamia		Zack Oakley	X	
Tom Myers	X			
Mike Schablaske	X			
Leslie West	X			
Tom Lester	X			

A motion was made by Commissioner Agnew, seconded by Commissioner West, and was unanimously approved to accept the minutes of the Regular Meeting of the Commissioners on November 18, 2021.

STAFF REPORTS:

Mike Dunn – Executive Director reported the following:

- No formal report

Shelly Cassaro – Deputy Director of Finance and Administration reported the following:

- Financial reports will be sent to the Commissioners tomorrow. As reported at the last meeting, we are in the middle of a software conversion. It is still going smoothly. In November, the operating revenue was very good and we’ve stayed within the operating expenses budget. Parking revenue which goes in line with passenger revenue, was higher than any November in the history of pay parking. Landing fees are currently 20% over budget. Commissioner Myers and I spoke before the meeting regarding payments from the FAA and the State. They are coming in pretty well.
- Employee benefits open enrollment took place this week. Dental insurance is on the agenda tonight since we changed the provider to Delta Dental. The informational memorandum is in each Commissioners packet.



- We did see an increase in our health insurance premiums; therefore, we are not changing or making an increase to employees in the dental costs.
- There were also a couple of improvements to the FSA 125 plan. We changed providers for this plan.
- We also added AFLAC as a benefit to all employees. It was well received.
- All open positions have been filled.
- Commissioner Myers asked when benefits are available to new employees. Ms. Cassaro responded that these benefits are eligible within the first month of employment.

Zack Oakley - Deputy Director of Operations and Planning presented a PowerPoint presentation on the following:

- Monthly cargo landed weight. We saw a 40% increase over 2020. For the first time we have ever done this, we broke 300 million pounds of landed weight. We are at 25% year-over-year.
- Photos of cargo carriers recently at RFD:
 - UPS
 - DSV (third largest freight forwarded in the world). Operating out of RFD pretty regularly.
 - Prime Air
- Passenger growth – this November is the first month of passenger growth over 2019 since February of 2020 (right before the shutdown began). It's good to see passenger travel start to fully recover.
- State of Illinois Economic Impact Statement – the impact is dramatic compared to the most recent study from 2010. The new numbers were compiled in 2020. Our economic impact is at \$4.7 billion dollars from the airport to the region. We are supporting 21,476 jobs and a labor income of \$1.4 billion with value added at \$1.6 billion. He gave a comparison chart from 2011 to 2020 as well as a graphic showing the economic impact on the region. We are the third largest economic impact in the state of Illinois for airport, behind O'Hare and Midway airports. The growth that we have seen at RFD in the last decade was impacted by AAR, a large international company (400 mechanics), Amazon in 2016 (1,500 employees and new cargo business related to their operation), and then UPS reemphasizing Rockford by closing Des Moines and moving their second day sorting operation to Rockford while reinvesting close to \$100 million dollars in their facility in the last three years. We knew the numbers would be significantly larger than 2011, but not anywhere near the new impact numbers.
- US Trade numbers with detailed information on import/exports.
- Construction: Midfield ramp with six new parking positions which began in July, will be open for operations next week. That is moving a lot of the larger aircraft to the midfield area now to those ramps. We're already starting to see three or four aircraft parked there regularly.
- Commissioner Tom Myers inquired about smaller companies impacting the economic impact located at RFD. Mr. Oakley responded that we have seen a lot of growth in our smaller

business as well. Emery is up from 75 employees 10 years to over 400 employees now and growing rapidly. Chronos began in 2017. They mostly focus on corporate aircraft, but they also handle the DOD contracts, special missions, government contracts. They started with 20 and have grown to just shy of 60 employees in four years. Code1 Aviation has grown from 12 to over 80 employees. He has just a great job in growing his business. RVC's new aviation education program is feeding these employers with top quality employees graduating from their program. Chairman Cicero reiterated that the \$4.7 million dollars in economic impact is per year, not in the last ten years. It is remarkable growth.

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENTS:

Craig Campbell, community historian – he commented on history, its legacy and its importance for other stewardship and community awareness.

Jessie Mermel, citizen – she commented on the significance of the Bell Bowl prairie, OSHA guidance, and the impact of the decisions of the executive committee on alternative design options to save the prairie.

James Roberts, Rockford pastor (48 years) – he stated that he an advocate to the city and believes the Airport has helped Rockford take-off. He asked the Commissioners to advocate for saving Bell Bowl prairie.

Tim Shaffer, former Airport Public Safety Department employee – he commented on the OSHA retention records and related issues.

RESOLUTIONS & ORDINANCES:

Commissioner Schablaske motioned to approve **Resolution #21-71** repealing the resolution, if it was ever approved by the Board, dated November 1, 1977, relating to certain Airport owned property.

WHEREAS, there has been a significant growth at the Greater Rockford Airport Authority (the "Authority") since 1977; and

WHEREAS, it is in the best interests of the Authority's and the greater Rockford Region as a whole that the Airport continues to grow and add jobs and more economic growth to the Rockford Region; and

WHEREAS, Greater Rockford Airport Authority has significantly increased its passenger service from 1977 and currently has more than 230,000 travelers passing through its doors each year; and

WHEREAS, Greater Rockford Airport Authority has grown since 1977 when it had virtually no air cargo traffic to now being ranked as 17th largest airport in the nation for air cargo volume; and

WHEREAS, Chicago Rockford International Airport (RFD) is one of the largest economic engines for the Rock River Valley and Northern Illinois.

- Home to over 70 businesses/tenants
- Current employment on airport totals **more than 8,000 skilled** jobs in aviation, transportation, logistics, and construction.
- **RFD and its tenants pay millions of dollars in real estate taxes** each year that directly fund Police, Fire, Schools, Roads, and other necessary governmental services; and

WHEREAS, RFD and its partners create **\$4.7 billion** in economic impact to the region's economy on an annual basis. RFD and its partners are responsible for 21,476 jobs related to Airport activities providing over \$1.4 billion annually in salary and wages. That economic impact will continue to add exponentially with new and future projects, such as the current \$50 million air cargo expansion – which is 65% complete – to the region's economic vitality; and

WHEREAS, among the many projects the Airport and its partners have announced and/or achieved recently include the construction of this new \$50 million international cargo center.

WHEREAS, in the past year, RFD and its partners have created over 1,000 new private industry jobs, bringing the total jobs on the airport campus to over 8,000. These jobs represent irreplaceable contributions that directly impact family households and local businesses by billions of dollars each year; and

WHEREAS, over the past few years more than \$225 million has been invested in infrastructure improvements and facilities at RFD; and

WHEREAS, the \$50 million cargo center expansion is just one part of the Airport's ongoing development projects to support its increased cargo activity. The ongoing growth will continue to positively impact the region's economic development and our residents' taxes/return on investment (ROI); and

WHEREAS, according to US Trade Numbers which tracks and reports different trade markets across the nation, approximately \$2.1 billion in import/export products have traveled through RFD during the first three quarters 2021. This is all new business to RFD in the last 18 months; and

WHEREAS, fifteen different international airlines have begun service to and from RFD over the past six months (listed below) and are currently servicing the new International Cargo Center. Flights have grown in the last 18 months from eight monthly to over 100 monthly; and

WHEREAS, the construction of the new \$50 million cargo expansion project – which is 65%

complete:

- Has created hundreds of construction jobs
- Has generated 200 of the 600 permanent new jobs anticipated at the airport
- Continues to add to growth of the region's strength in worldwide international cargo operations; and

WHEREAS, the cargo expansion project includes:

- A recently completed 90,000-square-foot international cargo center (currently being used) designed to accommodate daily multiple aircraft landings and departures containing international import and export freight.
- An additional 100,000 square-foot international cargo facility, which is currently under construction and set to come online next spring.
- A new airplane ramp to accommodate six 747 aircraft.
- A new road that will extend off Cessna Drive to accommodate an anticipated thousands of tractor/trailer traffic monthly to and from the facility; and

WHEREAS, the land for the first phase of the new international cargo area (\$50 million) **project** is solely owned by the Authority and designated for airport use for expansion of facilities and runways; and

WHEREAS, it is in the best interests of the Authority and the Rockford Region for the Authority to continue to be an economic engine for the Rockford Region; and

WHEREAS, it has been alleged that a Resolution was passed by the Board of Commissioners on November 1, 1977; and

WHEREAS, the area which the Resolution refers to is necessary for the operation of the Airport and the Midfield Air Cargo Expansion Project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Greater Rockford Airport Authority that the Resolution dated November 1, 1977, if it was ever approved by the Board of Commissioners, is hereby repealed, and rescinded in its entirety and held for naught.

APPROVED by the Commissioners of the Authority this 16th day of December, 2021. The motion was seconded by Commissioner Agnew and was unanimously approved.

Commissioner Schablaske motioned to approve **Resolution #21-72** approving a contract with Delta Dental for employee dental insurance for 2022 in an amount not to exceed \$39,000. The motion was seconded by Commissioner Agnew and was unanimously approved.

Commissioner Schablaske motioned to approve **Resolution #21-73** approving a Parking Lot Lease with Emery Air, LLC (Lot F and 10 spaces in the Main Lot). The motion was seconded by Commissioner Agnew and was unanimously approved.

Commissioner Schablaske motioned to approve **Resolution #21-74** approving a new Net Ground Lease for Aviation Plot No. 3 to EHJ Holdings, LLC. The lease is a ten year lease with two ten year options. The motion was seconded by Commissioner Agnew and was unanimously approved.

Commissioner Schablaske made a motion to enter into Executive Session, Pursuant to 5 ILCS 120/2 (c) 5) and (6) to discuss the sale or lease of property owned by the public body. The motion was seconded by Commissioner Agnew and was unanimously approved by a roll call vote. Executive Session was entered at 5:48 pm.

The Board reconvened at 6:35 pm. There being no further business, Commissioner Schablaske made a motion to adjourn. The motion was seconded by Commissioner West and was unanimously approved by roll call vote. The meeting adjourned at 6:36 pm.