

AGENDA
PUBLIC BUILDING COMMISSION
December 16, 2021

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

INTRODUCTION OF VISITORS:

Mark Kern, County Board Chairman
Debra Moore, Director of Administration
James Brede, Director of Buildings
Tom Knapp, Sheriff's Department

Bryan Johnson, MidAmerica St. Louis Airport Director
Dan Trapp, MidAmerica St. Louis Eng/Planning Director
Bernard Ysursa, Attorney

COMMUNICATION:

MINUTES:

- | | | |
|----------------------------|---|-------------------|
| 1) Regular Monthly Meeting | - | November 22, 2021 |
| 2) Executive Meeting | - | November 22, 2021 |

TREASURER AND FINANCE:

- | | | |
|---|---|-------------------|
| 1) Regular Expense Claims Report with Payroll Ledger Report | - | December 30, 2021 |
| 2) Airport Expense Claims Report | - | December 30, 2021 |
| 3) Budget Analysis Report | - | December 2021 |
| 4) Trial Balance Report (Copy in PBC Office) | - | November 2021 |

FOR YOUR INFORMATION:

NEW BUSINESS:

- | | | |
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| 1) Review of Executive Session Minutes | - | Attorney Ysursa |
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RESOLUTIONS:

- | | | |
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| 1) Adopting Approval of Flexible PBC Budget | - | Attorney Ysursa |
| 2) Authorizing and Approving Airport Rates and Charges | - | Attorney Ysursa |

OPERATIONS:

AIRPORT OPERATION BUSINESS:

- | | | |
|--|---|---------------|
| 1) ATS Service Agreement - Amendment | - | Bryan Johnson |
| 2) Tree Obstruction Removal | - | Bryan Johnson |
| 3) Forestry Equipment Procurement – Compact Track Loader | - | Bryan Johnson |
| 4) Forestry Equipment Procurement – Attachments | - | Bryan Johnson |
| 5) Terminal Modifications – Non -AIP CMAR Amendment | - | Bryan Johnson |
| 6) Terminal Modifications – Non-AIP Design Amendment | - | Bryan Johnson |

- | | |
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| 7) Terminal Modifications – Non-AIP Construction
Phase Services | - Bryan Johnson |
| 8) Terminal Modifications-Design Amendment | - Bryan Johnson |

UPDATES:

- | | |
|--------------------------------------|------------------------|
| 1) Enplanements | - Bryan Johnson |
| 2) Terminal Expansion | - Bryan Johnson |
| 3) Boeing Production Facility | - Bryan Johnson |

EXECUTIVE SESSION:

Personnel:

Real Estate:

Litigation:

Security:

ADJOURNMENT:

**MINUTES OF THE MONTHLY MEETING OF THE
PUBLIC BUILDING COMMISSION OF ST. CLAIR
COUNTY, ILLINOIS, HELD ON MONDAY
DECEMBER 16, 2021 AT 10:07 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 10:07 a.m., on Monday, December 16, 2021 at the St. Clair County Building, Belleville, Illinois.

The following Commissioners answered present to roll call: Richard Sauget, Charles Lee, Richard Effinger, Daniel Polites, Thomas Dinges, and Edmond Brown. Terry Beach was absent.

Also present for the meeting, or for a portion thereof, were the following: Debra Moore, County Administrator; Bryan Johnson, MidAmerica St. Louis Airport Director; James Brede, Director of Buildings; Jack Penning, Managing Partner, Volaire Aviation; Monica Taylor, St. Clair County Financial Analyst; Tom Knapp, Sheriff's Department; Randy Pierce, Fairview Heights Tribune; Traci Firestone; Secretary, and Kelly Dudley, Assistant Secretary. Midori Henrichs, MidAmerica St. Louis Airport Finance Director; Dan Trapp, MidAmerica St. Louis Airport Engineering and Planning Director; and Attorney Bernard Ysursa; answered present via telephone conference.

Minutes of the November 22, 2021 Regular Monthly Meeting and Executive Meeting were reviewed. Commissioner Lee moved that the Regular Monthly Meeting Minutes and Executive Meeting Minutes, dated November 22, 2021 be approved as provided. Second by Commissioner Dinges.

Under Treasurer and Finance, Commissioner Dinges, Treasurer, reviewed the Regular Expense Claims Report with Payroll Ledger Report for December 30, 2021, and moved to approve payment of bills. Second by Commissioner Lee. Roll call as follows:

Commissioner Lee : Aye
Commissioner Polites : Aye
Commissioner Effinger : Aye
Commissioner Dinges : Aye
Commissioner Sauget : Aye
Commissioner Beach : Absent
Commissioner Brown : Aye
AYES: 6 ABSENT: 1 NAYS: None

Motion carried.

Commissioner Dinges reviewed the Airport Expense Claims Report, dated December 30, 2021, and moved to approve payment of bills. Second by Commissioner Lee. Roll call as follows:

Commissioner Lee : Aye
Commissioner Polites : Aye
Commissioner Effinger : Aye
Commissioner Dinges : Aye
Commissioner Sauget : Aye
Commissioner Beach : Absent
Commissioner Brown : Aye
AYES: 6 ABSENT: 1 NAYS: None

Motion carried.

Commissioner Dinges reviewed the **Monthly Budget Analysis Report for December 2021** and asked that it be placed on file, stating that the 2021 Budget is in line with the projected percentage of 100.0% expenditures.

Commissioner Dinges reviewed the **Trial Balance Report for November 2021** and is available when requested in the Public Building Commission Office.

Attorney Ysursa stated in the packet there should have been the letter from him dated November 23rd, which discusses certain Executive Session minutes that he has recommended to be released and some that he has recommended to not be released, along with a couple that he has left open because they involved personnel matters, which may or may not be relevant any longer and could be released. Attorney Ysursa stated this is something that is done periodically and a requirement to review them to see if things that were in Executive minutes no longer have

the need to be kept confidential. Attorney Ysursa added it is up to the Board to say yay or nay or somewhere in between. Commissioner Effinger made a motion to move to release the Executive Session Minutes from March 25, 2019, July 25, 2019, February 24, 2020, April 1, 2019, December 19, 2019, June 22, 2020, April 18, 2019, and January 16, 2020. Second by Commissioner Polites. Roll call as follows:

Commissioner Lee	: Aye
Commissioner Polites	: Aye
Commissioner Effinger	: Aye
Commissioner Dinges	: Aye
Commissioner Sauget	: Aye
Commissioner Beach	: Absent
Commissioner Brown	: Aye
AYES: 6 ABSENT: 1	NAYS: None

Motion carried.

Attorney Ysursa stated there is a resolution Adopting Approval of Flexible PBC Budget, which these are motions and resolutions that were passed last month and formalized to have a formal record of it on file, which goes for both resolutions that are on the agenda. Attorney Ysursa added they have already been passed and just need authorization for Chairman Sauget to sign. Commissioner Polites made a motion to advise the Chairman with permission to sign the 2 resolutions that he has in front of him (second one is Authorizing and Approving Airport Rates and Charges). Second by Commissioner Effinger. Roll call as follows:

Commissioner Lee	: Aye
Commissioner Polites	: Aye
Commissioner Effinger	: Aye
Commissioner Dinges	: Aye
Commissioner Sauget	: Aye
Commissioner Beach	: Absent
Commissioner Brown	: Aye
AYES: 6 ABSENT: 1	NAYS: None

Motion carried.

Bryan Johnson, MidAmerica St. Louis Airport Director, introduced Jack Penning with Volaire, which Volaire is a long-time partner to MidAmerica St. Louis and is a terrific asset as

the Airport develops its existing air service, which includes Allegiant. Director Johnson stated Mr. Penning came out last year and he wanted to bring him out again. Mr. Penning stated he is from Alton, Illinois, originally, as that is where he was born, and he is one of the owners of Volaire Aviation. Mr. Penning added he has been working here for about a decade and did the re-recruitment of Allegiant and he has been working closely with Bryan and with Tim, before him, in this market. Mr. Penning stated a lot has changed in the last year and things are changing every single morning, which he hesitates to look at his email when he wakes up, since things are changing so quickly. Mr. Penning added the good news is with all the changes that have happened in the pandemic, it has really helped MidAmerica establish their position in this market and they are in a better position than they have ever been in at BLV. Mr. Penning stated he wants to talk about where they are in the industry, profitability of airlines, and there is going to be a large impact of crew, especially pilot shortages over the next 18 months, so he will talk about how that could effect BLV, along with what they are doing to compete for additional air service, how they are sharing risks with airlines, and the competition they have for air service. Mr. Penning added that is very important to understand BLV's position and what his vision is for what the Airport can become. Mr. Penning stated he thinks it is much bigger than a lot of people think. Mr. Penning added BLV is the low-cost airport for St. Louis and that needs to be built upon. Mr. Penning stated he wanted to point out that everything has changed in the last 2 weeks because of Omicron, which everyone will be tired of hearing about Omicron, but he needs to underscore how quickly it is spreading right now. Mr. Penning added in the U.K. it is doubling every day and they had 78,000 infections yesterday in the United Kingdom from Omicron and they only had one case 2 weeks ago. Mr. Penning stated if he gave a person a penny on January 1 and he doubled it on January 2 and you had 2 pennies on January 2nd, and then he doubled it every single day in January, by January 30th you would have \$5.3 million and that is how fast

Omicron is spreading. Mr. Penning added if that continues, a lot of what he says at the meeting in terms of optimism, will be tinged. Mr. Penning stated to keep in mind that Allegiant seems be decoupled from the spikes in the virus, so Allegiant Airlines demand does not appear to be impacted too much by cases, which is good news for us. Mr. Penning added that overall travel is impacted, and bookings have gone down 25% in the last week, but Allegiant has stayed steady. Mr. Penning stated if they see infections like that here, it will not be people who are afraid of getting the virus, who are cancelling, it will be people who are sick, and they will have to cancel. Mr. Penning added that is the challenge and we could see a very large number of infections in a very short period, but the good news is the infections in the U.K. and the hospitalizations are staying steady. Mr. Penning stated it appears it is not as serious and goes through the system quickly, but those infections could bring down the Airport's first quarter, so keep in mind, when he talks about being optimistic about the forecast for passengers for next year, there could be a large decrease in the first quarter before bumping up in March. Commissioner Effinger inquired how long is the new virus contagious or how long do you get sick. Mr. Penning stated they do not know for sure and there are estimates of anywhere from 3 to 10 days, but if your whole family is slowly getting it, it will cut into vacation time. Mr. Penning added he thinks that is the only thing that will impact BLV, but if it turns out that boosters and vaccinations work great against it, then everything that he just said is out the window, so you can forget about it. Mr. Penning stated he is usually optimistic and when the pandemic first started, he thought 2 weeks and everyone will be fine, but obviously, he is wrong with being 2 years in. Mr. Penning added the things that he is reading over the last 24 hours is making him very nervous about the passenger numbers for next year, more than he has been in 2 years. Mr. Penning stated the good news is BLV had its best summer ever, the best year ever, and when you look at BLV's passengers over the peak summer and reviewed the previous record in 2019, it was 19% above

the previous peak, and have stayed above the peak every single month, which this will be the number one year in the history of the Airport. Mr. Penning added there are roughly 10 airports out of the 360 that have air service in the U.S. that will have a record year this year, which that is remarkable. Mr. Penning stated BLV has had great support from Allegiant and they have scheduled more seats than they had before in the market and BLV has filled those seats. Mr. Penning added it has been a terrific year to date. Mr. Penning stated the thing that really impresses him is BLV's share of passengers in the St. Louis market and reviewed the combined numbers of Lambert and BLV, which BLV had been around 1% of passengers for a very long time, going back to 2012, but have been about 2% to 3% of passengers in 2018/2019. Mr. Penning added if you look at 2021, almost 5% of the St. Louis market uses BLV, but the population share is over 30%, which 30% of the metro population lives in Illinois and BLV captures 5% of passengers, so BLV is still just scratching the surface, but are doing a great job of establishing as the low-cost airport of St. Louis. Mr. Penning stated this change is one they look to build on coming out of the pandemic. Mr. Penning added the reason they can pull so many passengers is BLV has the lowest average fare in the entire Midwest and our average fare is \$52.00 one way, but the average at St. Louis is \$146.00, so BLV is one-third the cost, on average, of flying out of Lambert Airport. Mr. Penning stated it is because BLV has vacation travelers, who use MidAmerica and BLV is affordable, so at that fare, Allegiant still makes money, which is the key thing to keep in mind that they are still profitable, even with pricing that low. Commissioner Effinger stated he thought it was \$80.00. Mr. Penning stated it has gone down, as there is more service and the cost of operating at the Airport is going down with the more passengers you flow through the Airport. Mr. Penning added BLV is filling about 80% of the seats, so they are down from the peak of filling 90%, but the national average for load factor is around 70%, which load factor is percentage of seats that you fill with paying passengers. Mr.

Penning stated they are still 10 points above the national average for the peak summer, so the vast majority of the seats are being filled. Mr. Penning added when they were in the depths of the pandemic, BLV was still better than average, but have really bumped up as demand has increased. Mr. Penning stated BLV has 12 non-stop cities and all on Allegiant, which there is great coverage in Florida, excellent Southeast coverage, and decent service to the West, but obviously, the focus on the future is connecting to the West Coast and the East Coast to fill out the portfolio of service. Mr. Penning reviewed the percentage of seats filled by market and stated that St. Petersburg, Clearwater, is where 89% of the seats are filled this summer, which Destin was a little below 70%, but you have to keep in mind that most days in the summer, there were 3 flights a day to Destin, so there was a ton of capacity to Destin. Mr. Penning added even at that number, there were a ton of passengers. Mr. Penning reviewed new markets of Charleston and Savannah and they are exactly where they are expected to be at right now. Commissioner Polites inquired as to the break-even point percentage-wise. Mr. Penning stated it depends on fare, but at the current fare, it is around 68%, but when the fare was \$80.00, it was closer to 55%, so we are profitable and no concerns whatsoever. Mr. Penning added he wanted to point out the Lambert percentage of seats filled, but their capacity is way down. Mr. Penning stated Lambert is filling slightly more seats than BLV is on a percentage basis, but BLV's capacity is up a ton, so BLV is absorbing more of the demand from the region than St. Louis historically has. Mr. Penning added the whole region has a lot of travel demand and what they have seen during the pandemic is the Midwest/Florida demand has stayed relatively high, the coasts have stayed lower, so they are seeing demand 80%/85% of normal. Mr. Penning stated if you look at the East Coast and the West Coast, it is closer to 60% of normal, so our people are more willing to travel than other places, which is why BLV is getting more aircraft here. Mr. Penning reviewed by airline, both Lambert and BLV, the percentage of seats filled and stated

that Allegiant used to fill a higher percentage of seats than any other carrier in the market, and what they have been willing to do is put more seats into the market and fill fewer of them in order to capture a larger overall share of the market. Mr. Penning added they are carrying more passengers than they ever have before and have a few more empty seats, but they are willing to fly a few empty seats in order to get a larger share of passengers. Commissioner Effinger inquired if the number of flights also affects it. Mr. Penning stated that brings it down and they are willing to do that in order to increase the total number of passengers, where other airlines have all really squeezed capacity. Commissioner Effinger stated there are no extra seats on any of those planes. Mr. Penning stated St. Louis is down about 25% from where they were, and other carriers want to fly more of their aircraft fuller than they did before and fly fewer flights. Mr. Penning added they do want to see this number slowly creep up and he thinks they will, especially as they get into March of next year. Mr. Penning reviewed markets that St. Louis Lambert has lost permanently. Mr. Penning stated a place like Portland, now has service from Allegiant, so that is a potential route that BLV could take and have non-stop since Lambert does not anymore. Mr. Penning added some of them will not be replaced, some there is an opportunity, and he believes that is the main reason BLV got Charleston. Mr. Penning stated St. Louis is down right now of about 25% of where they were at the peak, but St. Louis Lambert has lost almost 9,000 departing seats a day, since the pandemic started. Mr. Penning added BLV is only replacing a few hundred of those, so that is how much room there is for growth at BLV over the long term. Mr. Penning stated BLV is up 33% from the previous peak and if you look at next year, BLV will be 10% above that at a minimum, which those seats are not going anywhere, even if demand is affected by Omicron, there will still be the seats/capacity. Mr. Penning added BLV has gained 166 departing seats a day, Lambert has lost 9,000, so the region is net down 8800 departing seats a day since the pandemic started, so that is where BLV is in the market.

Mr. Penning stated the industry faces a whole bunch of challenges, but the good news for the industry is third quarter was profitable and Allegiant is 8.5% profit margin. Mr. Penning added without Federal aid, which was still being paid in the third quarter, only Delta and Allegiant would have made a profit, so every other airline would have lost money without government aid. Mr. Penning stated that shows you how resilient Allegiant is, and how good their business model is, and how strong they are in the market. Commissioner Polites stated he traveled twice PGA-related on Delta in November and last week, which they were ahead of schedule in all flights and inquired what Delta is doing so right. Mr. Penning stated operationally they do not overextend, so they do not overschedule, they limit the number of flights they are operating, they can charge a fair premium for those that want that schedule, they have a very loyal customer base, culturally, they are very solid and have been for 50 years. Commissioner Effinger stated they are full. Mr. Penning added that is why, but they do not run as many flights as American and United, but they are operationally solid. Commissioner Effinger inquired as to how American and Spirit are staying in business. Mr. Penning stated Spirit had a big meltdown and they lost almost a week of flights, so their margin without that meltdown would have been at the top of the chart, as they lost half a billion dollars with the week of the meltdown. Mr. Penning added American is the worst positioned of the major carriers, the legacy carriers, as operationally, they are not sound and they are trying to get their hands around it, as they have overscheduled and overextended, and they have a massive pilot shortage that they need to address. Mr. Penning stated what American did more aggressively than other carriers was allow their pilots to take early retirement and now they have a massive shortage because of it, where some of the others did not. Mr. Penning added Allegiant, for example, did not have any pilots take early retirement. Commissioner Effinger inquired if Allegiant, Sun Country, Spirit, and maybe Jet Blue, are the discount airlines on the chart. Mr. Penning stated the ultra-low-cost are Allegiant, Sun Country,

and Spirit, with the low-cost being Jet Blue and Southwest, but it is hard to distinguish them from what are called the legacies, which are the big guys now. Commissioner Effinger stated he thinks Southwest has moved themselves out of the low-cost. Mr. Penning stated they are not cheap, and they run more like a legacy, which St. Louis, for them, has become a big connecting hub, so they run more like how TWA ran in St. Louis minus London and Paris. Mr. Penning reviewed the mainline jet departures and large regional jets. Mr. Penning stated if you look at small regional jets, BLV does not have any of those, and those are down 68%, which in other Illinois markets, Springfield, Champaign, Bloomington, Peoria, the number of flights is drastically being reduced because they are served by this type of plane. Mr. Penning added as that service continues to decline, those airports will not have enough seats, which gives BLV a big opportunity to pull from an even larger area, Decatur and Springfield. Mr. Penning stated those passengers are going to look for other places to fly and that is where BLV has the right price, the right kind of service to get those passengers to drive down. Mr. Penning added if BLV was served by only regional carriers, he would be coming in with a much different story and would be very worried about the future. Mr. Penning stated 12 airports, since the pandemic started, lost all service, and another 28 are down to one flight a day. Commissioner Effinger stated when he flies Allegiant, he runs into a lot of people from Springfield. Mr. Penning added Allegiant flies to Springfield, but not very frequently, so the service here when you have multiple daily flights is much easier. Mr. Penning stated there is an evolution in the challenges that are faced, so before the pandemic there was generally a pilot shortage because you cannot get enough people trained and it is very expensive to get trained, so you will be in debt like a doctor if you try and be a pilot right now. Mr. Penning added then we had the pandemic, and all of a sudden, the airlines thought they had way too many pilots, and airlines like American offered early buyouts for people who wanted to retire early, so 15,000 pilots took early buyouts and now

15,000 more pilots are needed overnight, as demand popped back and there are no pilots. Mr. Penning stated it will take 18 months minimum to fill those positions. Mr. Penning added Allegiant is better positioned for a couple of reasons, since they did not offer early buyouts, they kept all their pilots, they kept hiring, and pilots want to work for Allegiant because Allegiant schedules so that everything ends at the base every night. Mr. Penning stated if you are based in St. Pete/Clearwater, you fly during the day, and you are back home every night, so you never have an overnight in a hotel the entire year, which pilots love that scheduling. Mr. Penning added it is as close to a normal workday as you can get, the pilots get stock in Allegiant, and Allegiant stock is really performing well. Mr. Penning stated Allegiant is not near as effected, but St. Louis' other carriers are drastically affected and that means their capacity is not going to go up very quickly. Mr. Penning added BLV has about a 2-year window to get our share even higher than 5%, so that is important to understand. Mr. Penning stated in the hubs, before the pandemic, there were not enough gates, then suddenly, there were not many flights and there were gates all the time, but what the airlines did is squeeze their scheduling. Mr. Penning added if you go through Denver, you will notice about 4 times a day, every single gate is used, and the rest of the day, all the gates are empty, because all the flights are squeezed into one period for connections and then they all leave. Mr. Penning stated for Lambert, it is very hard to get a schedule that works for all of the connecting markets where the flights go out and it is hard for Southwest to have enough gates at Lambert to do all of their connections, where BLV does not have to worry about this, because the places where our flights go do not have this challenge. Mr. Penning added Lambert is going to be squeezed by hub gate constraints, while BLV will be able to add flights and Allegiant will be able to add flights whenever the demand warrants. Mr. Penning stated there was a big aircraft shortage before the pandemic and the airlines just could not get enough aircraft, but now there is a maintenance backlog because the airlines parked all their

planes and they have to get them inducted back and this is affecting Allegiant. Mr. Penning added that they have a lot of planes that they parked during the pandemic and they have to get them back into service. Mr. Penning stated Allegiant leases most of its airplanes and they have contracts with leasing companies for more planes to come in, but those leasing companies have the planes parked and those planes need maintenance, so Allegiant was supposed to have inducted 14 new planes by this month and now those are going to push into next summer. Mr. Penning added that will slow Allegiant's growth, so BLV almost has to steal planes from other Allegiant cities to get more flights, which is interesting when everyone is at Allegiant headquarters in Las Vegas begging for more flights at the same time and you know the people in the next room are asking for the same planes BLV is asking for, so our business plan has to be really sharp for how we are going to support those aircraft. Mr. Penning stated his next point is competing for additional service and the big thing to understand is air service is expensive, so they have pitched Denver service on Allegiant and if they were to fly that just twice a week, that is a \$2.4 million investment per year and would cost Allegiant to operate that, which it is about \$12,000.00 to take off and go to Denver. Mr. Penning added if you look at the West Coast, L.A., that investment is almost \$4 million a year, so Allegiant spends much more in our market every year than BLV has invested in the terminal over the entire history of our terminal. Mr. Penning stated every year Allegiant is spending over \$100 million to operate in our market, so when Allegiant evaluates a new market, they are looking at base cost and what the ultimate opportunity for profit above that number is, so BLV has to be above that. Commissioner Brown inquired about new markets and when Southwest was first starting out, they were hitting St. Louis, Chicago, Indianapolis, is that Allegiant markets those that are close to us for business travel. Mr. Penning stated Allegiant generally does not care about a business traveler, but if they get some, it is fine, but they want the family going to see grandma, so they want the family more than they

want the tourist. Mr. Penning added generally they are going to fly longer stages, but what has been seen is things like flying Nashville to Grand Rapids, but it is because there are a lot of people who have families in each one and people like to go to Nashville, so from BLV to Nashville would not be out of the question. Mr. Penning stated Chicago would be just too short and too easy to drive, so generally, you want a 5 to 1 advantage over the car, so if it takes 5 hours to drive and an hour flight, that is good, but if it takes less than 5 hours, it is really hard to make money. Mr. Penning added generally consumer behavior is if it is within 5 hours, you are going to drive. Randy Pierce, Fairview Heights Tribune, inquired how the numbers compare to Las Vegas, which Allegiant is doing now. Mr. Penning stated it cost Allegiant about \$3.5 million a year to operate Las Vegas, so they are making more than that in the market. Commissioner Brown inquired if Allegiant would look into families traveling from this area going into either Georgia and Atlanta or going into Texas. Mr. Penning stated they do not fly to Atlanta and I do not think they will, because Delta would crush them, but they are getting much bigger in Austin and they are in Houston now, so those are definite options. Mr. Penning added what this is causing is more airports are sharing the risk and reviewed the airports that have robust incentive programs in our region. Mr. Penning stated it is pretty much everybody in Illinois, most of Missouri, and reviewed the airports in the U.S. that offer an incentive of at least \$100,000.00 per new route. Mr. Penning added BLV's competition is not Springfield and not Lambert, it is a different market, since we are low cost and they are legacy. Mr. Penning reviewed BLV's competition and locations Allegiant can go, so a plane that can fly from here to Baltimore, just as easily can fly from Las Vegas to Eugene, Oregon, so which one makes more money, and which one has a better incentive to reduce risks when trying to get started. Mr. Penning stated the first consideration is does it make sense in our network, second is does it make money long term, and third is in the short term are they going to cover our risks. Mr. Penning added if we are wrong

on any one of those, it will not get done, but the third piece of it, are we getting risk sharing at the beginning is very important. Mr. Penning stated that is how airlines think, so they probably all pencil out roughly the same and go to the one with the least risks, especially in this day and age. Mr. Penning added he wants everyone to understand we are not just competing regionally, but we are competing against everybody for our service. Mr. Penning stated low costs are an incentive, which BLV is 15% the cost of Lambert, so that is our market position and this number cannot go up. Mr. Penning added if Allegiant keeps increasing service, the number will stay the same or go lower. Commissioner Effinger inquired what goes into that number. Mr. Penning stated it is everything Allegiant pays divided by the number of people they enplane onto an aircraft, such as landing fee and terminal rent. Mr. Penning added they are constantly talking to carriers, so they did an analysis if Frontier moved from Lambert to BLV and what that would save. Mr. Penning stated \$2.5 million a year would be the difference in airport costs for Frontier at BLV versus Lambert and would save \$1400.00 every time they take off. Mr. Penning added there are many considerations and Frontier is not going to move over to BLV, but at some point, it may make sense for more low-cost carriers to move operations to save money, because that is just profit that they could be making, assuming they could get every single passenger at the same fare, which has been proven with Allegiant that people will drive across the river. Commissioner Effinger inquired if another one did come in; how would that affect the numbers being talked about with Allegiant. Mr. Penning stated Allegiant operates in the same airport as other low-cost carriers all over the country, so generally, what they see is when another airline comes in on top of Allegiant, Allegiant aggressively adds capacity and both airlines tend to do better because there is more market awareness in markets that have enough demand. Mr. Penning added the fare will come down, so you have to be careful. Mr. Penning stated they have been doing in-person meetings for the last 8/9 months and have been aggressively meeting with carriers, but it

is important relationships are maintained, even with Southwest, as we know they are not going to move over, but Southwest just went to Chicago O'Hare, so they are flying both Midway and O'Hare. Mr. Penning added he never thought he would see a Southwest plane out of O'Hare and they meet with them, because as the metro area grows over time, they may want to serve both, and it may be 15 years from now, but those relationships are needed and those people need to know Bryan, so they know who to call when there is an opportunity. Mr. Penning stated they have been talking to Southwest in Destin for about 15 years and it was not until the pandemic happened that Southwest called, and they only knew who to call, because they have been meeting with them for 15 years. Mr. Penning added now Southwest has 11 departures a day out of Destin. Mr. Penning stated Bryan speaks with Allegiant once a week, every single week, because they are the Airport's bread and butter, but the Airport still has to have relationships and reviewed the Transatlantic carriers, low cost, and the Airport speaks to them, too. Mr. Penning reviewed the carriers that value low cost and that is why the Airport speaks with them. Mr. Penning stated they met with Allegiant just a couple of months ago, they had a long discussion with them about putting in a pilot aircraft maintenance and flight attendant base at MidAmerica. Mr. Penning added a base because of the way they schedule with the pilots coming back to base, so this allows MidAmerica to get service to places that are further away where they do not have a crew base, which they do not have a crew base in L.A., so there is no way for them to fly that in a single crew day right now, it is just too far. Mr. Penning stated if they have a crew base here, they can start to fly things like L.A., so what the Airport has been doing in discussions is trying different ways to illustrate the business plan. Mr. Penning added they built out the entire base plan for them and have delivered and presented it to them. Mr. Penning reviewed when it is built out and look at the Texas market and look at what are the best opportunities for them to fly and presented to them the days of the week they should fly, the frequencies they should fly, the total

number of flights per week, number of departures per day, and then build a specific schedule. Mr. Penning stated they have had great feedback on this with the blue being what they fly today and everything else is what they can add, if they base aircraft. Mr. Penning added if they do this on the Airport's peak days, there would be 12 departures a day, so this is one stumbling block that has been presented and they can support. Mr. Penning stated the amazing thing is how many flights there are to Destin and basically daily service to St. Pete and Punta Gorda, but all of this can be supported. Mr. Penning reviewed what he hopes to get across the finish line next year, but with Omicron, he is not so sure, so it may be end of 2024 he hopes to have it done. Mr. Penning added this just gives MidAmerica so many other places that we can fly to. Commissioner Polites inquired the reason the Airport is going to possibly San Diego and L.A. is because we have a home base now with Allegiant. Mr. Penning stated this to be correct and you cannot fly any of those without a base. Commissioner Effinger stated they can fly to San Diego and turn around and come back and be based at MidAmerica. Mr. Penning stated you have a 10-hour duty day, but there is no base in any of those West Coast markets, so you cannot have it without having a base. Mr. Penning added those he reviewed are the best potential markets based on their analysis of passengers, revenues, and fares, so this is where they can make the most money. Commissioner Polites inquired if more money is made going to the West Coast or less. Mr. Penning stated it costs more so you need a higher fare and you need a lot of demand, but L.A. has a ton of demand, which the other one is Orange County. Mr. Penning added that Baltimore and L.A. are the most profitable and just because there are so many passengers, you can get a slightly higher fare, which it would still be \$60.00. Mr. Penning stated there are a lot of service targets and this is not exhaustive, and these are all places where they can support service. Mr. Penning added to keep in mind, they are service targets regardless of what airline is flying and they are all markets that the Airport needs service to, whether it is a new carrier, whether it is

Allegiant or Frontier, they are all places where the Airport could support more service. Mr. Penning stated there is a very interesting thing that just happened with Allegiant, which they just signed a Joint Venture Agreement with Viva Aerobus, which is the second largest low-cost carrier in Mexico. Mr. Penning added he never thought he would see Allegiant partner with another airline, but they are partnering with Viva Aerobus and in their Department of Transportation filing, they put in maps which shows Puerto Vilardo and BLV. Mr. Penning stated if you look at Cancun, you can see SPI, but BLV is on that route map, along with Cabo and BLV, so BLV is on all of the route maps, and this is for 2023. Mr. Penning reviewed the route map in 2023 with Cancun and BLV, so there is service with not just Cancun, Cabo, and Puerto Vilardo, but Mexico City, Guadalajara, Monterey, all coming into BLV according to their own filing with the Department of Transportation. Mr. Penning stated if you look at by 2031, BLV essentially has service to about 15 cities in Mexico from our Airport, whether it is on Viva Aerobus or on Allegiant, it is sold by Allegiant, you buy your ticket through Allegiant. Mr. Penning added just a year away in 2023, there will be service to Cancun, so that underscores BLV's need for a larger customs facility. Mr. Penning stated if the Department of Transportation and the Mexican authorities approve this, this will happen, and BLV is in the first 10 markets that will get service immediately, which this will be massive for BLV. Mr. Penning added we are talking about essentially daily service to Mexico to one or another destination and that would be huge. Mr. Penning stated BLV's future is not just domestic into these markets, but BLV's future is going to be international and it is going to come faster than you think. Mr. Penning added BLV is building their relationships and have more meetings in February and they are really pressing the cost spread versus Lambert. Mr. Penning stated BLV wants to be the low-cost airport of St. Louis and that is his underlying vision for who BLV is. Commissioner Effinger stated that every time Mr. Penning comes in, it is great. Mr. Penning stated he is more

excited about the international thing than he has been excited about anything in this market for a long time, which this just happened 2 weeks ago. Mr. Penning added they will draft a letter of support to the Department of Transportation in support of the Viva Aerobus and Allegiant partnership, as they want to make sure that gets approved and Allegiant will need to support BLV's efforts to grow the Federal Inspection Facility so BLV can handle those flights when they start. Commissioner Polites inquired what does the Board need to do to help out Mr. Penning and Bryan. Mr. Penning stated he does not know that they need Board approval for the letter to the DOT, but it would probably be great to have a letter from the Board to the DOT with dual letters. Director Johnson stated he appreciates Commissioner Polites asking that and added this is a good segue into those next steps for the Board and the Airport, which starting with the letter is the first step in several that will be brought to the Board over the next several months. Commissioner Polites stated they could listen to Mr. Penning all day, as it is fantastic stuff. Commissioner Polites inquired when Mr. Penning will be back here. Mr. Penning stated whenever the Board asks. Director Johnson stated it is likely they will bring him back sometime this spring or summer, since there is too much going on, and especially with Omicron. Commissioner Polites stated Mr. Sauget has lived this fight longer than anybody here, which Commissioner Polites has been doing this 26 years now, and this is very pleasant. Mr. Penning stated he has good things to talk about, but do not go with him up to Champaign because up there, it is bad things to talk about, which it is a business airport and business airports are struggling, which BLV is so well-positioned for the way things have changed. Commissioner Polites stated it is interesting that Allegiant has targeted families and leisure and it makes sense if you are going to get one person, you are going to get the whole family, which business travelers only have one person. Mr. Penning stated that means per flight you maybe need 20 families or with other airlines you need 180 business people. Mr. Penning added he has worked with them

since they launched in 2005 and it is a great business model, but it could not have been better positioned for what has happened, because business travel is not going to come back 100%. Mr. Penning stated it was back to about 60% and now we are down to about 30%. Chairman Sauget inquired if Mr. Penning could speak to the economic impact for the future, the price you pay today to have the opportunity and the amount of dollars that it creates for the community. Mr. Penning stated the amount of money that is invested into BLV have made for this community is many hundred times greater than the amount that has been invested. Mr. Penning added if you just look at what has been invested in the Airport versus what Allegiant has spent, it is a very small amount, which Allegiant spends every year tens of millions more than the Airport does. Mr. Penning stated there is going to be a new economic impact study and the total impact dwarfs, which Director Johnson has the number. Director Johnson added that back in 2012, looking at the economic impact of the Airport was \$2.5 billion annually, so today, the new numbers are out and it is \$3.1 billion, which if you put this into the mix, that will churn that number even more and drive more jobs, drive more people, more dollars being spent locally at the Airport and at the surrounding communities. Mr. Penning stated every passenger who parks a car, the Airport's budget gets better and better and the more that can be invested, which they did an analysis with another Airport in Illinois and for every dollar they invested in air service, they are getting \$77.00 back. Mr. Penning added it could be different here, it could be \$40.00, but 40% of the passengers who use Allegiant are coming here and spending money, which they originate in one of the cities where there is service to, so only 60% are leaving St. Louis. Mr. Penning stated that is unusual and BLV is very high in terms of the flow from the bases. Mr. Penning thanked everyone and left the meeting.

Director Johnson presented for approval an amendment to the existing service agreement, which currently they work with a company called Airport Terminal Services and refer to them as

ATS. Director Johnson added they are a solid company and actually based in St. Louis with 17 locations around the country that they provide a variety of services similar to what they do for BLV. Director Johnson stated it is a good segue for what Mr. Penning was talking about, which ATS provides all of the ground handling service for BLV, which is called under wing, so that could be ground handling, tugs, and pushbacks. Director Johnson added they also provide the above wing, so rather than Allegiant employees being at the gate checking passengers, it is the ATS employees that are doing that on the fleet's behalf. Director Johnson stated they do the above wing, they sell tickets on behalf of Allegiant, they are at every counter passengers visit, and every gate passengers see, and those are ATS employees. Director Johnson added they have been with BLV since 2013 and they are a huge asset, especially as they are looked at for growth. Director Johnson stated the other big piece they provide for BLV is the FBO, the fueling piece, so as an airport, PBC would provide the assets, the fuel trucks, and it is their labor and their teams run the equipment. Director Johnson added the new fuel truck that was approved last month, they will be operating that service, so not only the air carrier piece, but also, the Boeing products that come through, military, and general aviation. Director Johnson stated it is budgeted and they spend about \$200,000.00 annually with BLV, which this is an amendment for one year, which will give BLV time to look at a longer-term agreement in about a year from now. Commissioner Effinger made a motion to approve the First Amendment between MidAmerica Airport and Airport Terminal Services for the Chairman and Vice-Chairman to execute. Second by Commissioner Polites. Roll call as follows:

Commissioner Lee	: Aye
Commissioner Polites	: Aye
Commissioner Effinger	: Aye
Commissioner Dinges	: Aye
Commissioner Sauget	: Aye
Commissioner Beach	: Absent
Commissioner Brown	: Aye

AYES: 6 ABSENT: 1 NAYS: None

Motion carried.

Director Johnson stated they have been talking about tree obstruction for the last year and a half or so and are moving forward with part of their tree obstruction program and this is Phase 1 and involves about 10 acres fairly close to the Airport. Director Johnson added there is a bid tab sheet with the services-based bid, along with a couple of alts, A and B, which are pretty competitive. Director Johnson stated this is planned and programmed for FY2022 and everyone knows that trees become an obstruction when it becomes too high and impacts safety at the Airport. Commissioner Polites moved to approve and authorize the Chairman or Vice-Chairman to execute the Tree Obstruction Removal – Phase 1 agreement with DMS Contracting at a cost not-to-exceed \$159,000.00. Second by Commissioner Dinges. Roll call as follows:

Commissioner Lee	: Aye
Commissioner Polites	: Aye
Commissioner Effinger	: Aye
Commissioner Dinges	: Aye
Commissioner Sauget	: Aye
Commissioner Beach	: Absent
Commissioner Brown	: Aye
AYES: 6 ABSENT: 1	NAYS: None

Motion carried.

Director Johnson stated talking about tree obstruction and there is a lot of acres at the Airport, so that is the airside and landside depending on the location around the airfield. Director Johnson added with the tree obstruction program, BLV also has to maintain the forested areas and need the equipment to do that, so items 3 and 4, are very similar. Director Johnson stated the difference is really the procurement process, so item 3 is the Track Loader and it is being done through Sourcewell, which is a service cooperative, and meets all of the requirements in the State of Illinois and the local requirements put out by St. Clair County. Director Johnson added everyone can read down through the details, as far as the number of respondents to the bid and

the process and the selection of Kubota, as it became apparent that is what BLV needed to purchase. Director Johnson stated this is programmed for FY2022. Commissioner Effinger inquired if you could use the track loader on asphalt to remove snow, if you had to. Director Johnson stated that you could. Commissioner Effinger moved the Chairman or Vice-Chairman to execute the service cooperative agreement to procure a compact track loader with Sparta Equipment Sales & Services in the amount not-to-exceed \$75,000.00. Second by Commissioner Polites. Roll call as follows:

Commissioner Lee	: Aye
Commissioner Polites	: Aye
Commissioner Effinger	: Aye
Commissioner Dinges	: Aye
Commissioner Sauget	: Aye
Commissioner Beach	: Absent
Commissioner Brown	: Aye
AYES: 6 ABSENT: 1	NAYS: None

Motion carried. Commissioner Lee stated the Board received a lot of paper, which he does not believe the Commissioners have a need to know, so if a brief description could be given of what is being purchased and the details belong to the people doing the procurement. Commissioner Lee added this could save some time, paper, and personnel costs by not doing the detail that is this great. Commissioner Polites stated this is a good point. Director Johnson stated he hears the recommendation and noted and really appreciates it. Commissioner Effinger stated it would save on mailing.

Director Johnson presented for approval the attachments for the Track Loader and put out a request for bid on 2 different attachments and only received one bid back for one attachment, which item 4 focuses on solely on the mulcher, which in the briefing paper there were some pictures that showed the distinction between the 2. Director Johnson stated for this part of the business, they are seeking approval for the mulcher and sometime later this year, they will put out another proposal and see if there is any interest from any of the surrounding dealers that

provide this type of equipment. Director Johnson added that both are programmed for FY2022. Commissioner Brown inquired if staff at the Airport will be operating this equipment and do they have the expertise. Director Johnson stated that is a good point and whether someone is a new staff member or have been there for 10 or 15 years, if a new piece of equipment comes onto the Airport, there are procedures developed for every individual and they have to be trained every year, especially on equipment that they do not use that often. Director Johnson stated a lot of that training actually starts with the dealership, especially if it is a piece of equipment that they have not seen. Director Johnson added the track loader they are pretty comfortable with, but the feller is new, and we have a really old mulcher for ground cover. Commissioner Brown inquired to not only on the equipment, but how is it scheduled as far as it is not like just cutting the grass, since BLV has trees, brush, so do they know what area since they cannot go out there and just start cutting. Director Johnson stated that a lot of it because BLV is dealing with environmental with the Indian Bat is one of the issues they have to pay attention to, especially depending on the size of the tree, and also the time of the year, so if there is a lot of moisture in the ground or the treated areas get flooded, so there are a lot of things that do go into the planning for removal. Director Johnson added they back up to this tree removal, the Phase 1 that he was talking about earlier, and when they do a more significant cut with a contractor, they come in and clean that out, that is where this equipment comes into help the Airport. Director Johnson stated that as little saplings start to come up again, with this equipment the staff will go out and keep it trimmed down so they do not have to invest so many more resources later. Director Johnson added there is a method to the madness for sure and it does take quite a bit of planning. Commissioner Polites moved to approve and authorize the Chairman or Vice-Chairman to execute the purchase agreement for the track loader attachments/mulcher with Bobcat of St. Louis at a price of \$34,260.00. Second by Commissioner Dinges. Roll call as follows:

Commissioner Lee	:	Aye
Commissioner Polites	:	Aye
Commissioner Effinger	:	Aye
Commissioner Dinges	:	Aye
Commissioner Sauget	:	Aye
Commissioner Beach	:	Absent
Commissioner Brown	:	Aye
AYES: 6	ABSENT: 1	NAYS: None

Motion carried.

Director Johnson presented the last items that all relate to the Terminal Expansion, which if you tie this together with some of the comments that Mr. Penning made earlier, it really comes together and makes quite a bit of sense in what is trying to be accomplished here. Director Johnson stated the earlier agreements with Holland Construction, but in this case, the non-AIP items, CMR, Construction Manager at Risk, which was the program that was established when the terminal building expansion was kicked off a couple of years ago. Director Johnson added this is Amendment 1 to that initial agreement and they are adding about \$1.6 million and some change to it, so they can continue to build through the terminal building itself. Director Johnson stated that while you see the steel going up, now this is some of the next phase that includes the new admin offices, restroom renovation, airline makeup areas, offices down in the first level for TSA. Director Johnson added this is the contractor piece and it is specific to Holland only. Commissioner Effinger moved that the Chairman and Vice-Chairman execute the Terminal Modification Non-AIP Amendment 1 to Contract 2021-15 with Holland Construction for the amount of \$1,656,878.00. Second by Commissioner Lee. Roll call as follows:

Commissioner Lee	:	Aye
Commissioner Polites	:	Aye
Commissioner Effinger	:	Aye
Commissioner Dinges	:	Aye
Commissioner Sauget	:	Aye
Commissioner Beach	:	Absent
Commissioner Brown	:	Aye
AYES: 6	ABSENT: 1	NAYS: None

Motion carried.

Director Johnson stated the next 2 are specific to HOK, as HOK is the architect, so years ago they were selected to provide architectural services for the entire terminal building, so this is another piece of that, which this is Amendment 1 to their agreement, which includes design documents for the admin suite, restroom renovation, the first floor, programming services, conceptual design studies for potential airline basing, etc. Director Johnson added these are very specific and have really tried to keep them separate because of the Federal dollars that are being used in the terminal building, as well as all of the State dollars. Director Johnson stated by design they separate these out and build in amendments where is it appropriate, so you can see that these services are designed for Amendment 1, which the cost is \$75,944.00. Commissioner Lee made a motion that the Airport Staff recommends the Public Building Commission approve and authorize the Chairman/Vice-Chairman to execute the Terminal Modification Non-AIP Design Amendment 1 to the Professional Services Agreement with HOK at a cost not-to-exceed \$75,944.00. Second by Commissioner Brown. Roll call as follows:

Commissioner Lee	: Aye
Commissioner Polites	: Aye
Commissioner Effinger	: Aye
Commissioner Dinges	: Aye
Commissioner Sauget	: Aye
Commissioner Beach	: Absent
Commissioner Brown	: Aye
AYES: 6 ABSENT: 1 NAYS: None	

Motion carried.

Director Johnson presented Amendment 2 for the different roles that HOK plays and here they are doing the observation on all of those architectural changes that are going to take place in the terminal building and it also identifies some of the sub-consultants that HOK is using as part of this project. Director Johnson stated the dollar amount for this amendment is \$61,530.00. Commissioner Lee made a motion to approve the Airport Staff recommends the Public Building Commission approve and authorize the Chairman/Vice-Chairman to execute the Terminal

Modifications for Non-AIP Design Amendment 2 to the Professional Services Agreement with HOK not-to-exceed \$61,530.00. Second by Commissioner Polites. Roll call as follows:

Commissioner Lee	: Aye
Commissioner Polites	: Aye
Commissioner Effinger	: Aye
Commissioner Dinges	: Aye
Commissioner Sauget	: Aye
Commissioner Beach	: Absent
Commissioner Brown	: Aye
AYES: 6	ABSENT: 1
NAYS: None	

Motion carried.

Director Johnson presented for approval the construction design, so this is the engineering portion, which the briefing paper outlines the progression of the initial selection dated back to 2018 and this is Amendment 5, and it identifies many of the other pieces that will support the terminal building. Director Johnson stated that one very important piece is the backup generator, which that is not only an item of interest related to safety, but also the ability to function if BLV was ever to lose power. Director Johnson added there are wayward finding signs, curb design enhancements, so there is a tremendous amount of effort that takes place in these improvements that also go into building and some of them are exterior to the building. Director Johnson stated CMT has been with BLV since the beginning, so Amendment 5 is pretty straightforward, which the dollar amount is \$233,800.00, and all of this is programmed and budgeted for FY2022 budget. Commissioner Polites moved to approve and authorize the Chairman or Vice-Chairman to execute the Terminal Modifications Design Amendment 5 Professional Services Agreement with Crawford, Murphy, Tilly, Inc., at a cost not-to-exceed \$233,800.00. Second by Commissioner Lee. Commissioner Brown inquired if the Airport is looking at solar as a backup generator. Director Johnson stated they are very in tune with the solar discussion and the County is looking at different locations to take advantage of that technology, especially recently with the legislation that has been passed and the funds that are

pouring into the state. Director Johnson added that Dan, Midori, and himself started about a year ago to look at where they could incorporate solar panels at the Airport whether it is a solar microgrid or on facilities. Director Johnson stated hopefully they can talk about this later this summer or early fall and looking at doing solar covered parking in some of the parking lots, which they will be taking advantage of a couple of things. Director Johnson added it is solar covered and that is the drive behind it, but like what Mr. Penning was referring to and thinking about travelers and convenience and about affordability, you want to take that family of 4 that he is talking about, put them in covered parking and it is a lot easier on families to get their stuff out of cars and vehicles and get into the terminal. Director Johnson stated they are looking at it and they have done some preliminary analysis, but they have wanted to wait for this legislation to go through, so they are working to a feasibility stage with another company right now to clearly understand what BLV's obligations would be as a County, PBC, and Airport to utilize that. Director Johnson added they think that the entire building could not be supported. Dan Trapp, MidAmerica St. Louis Airport Engineering and Planning Director, stated this is correct and they are estimating what the power needs will be for the expansion, so they do not really have that data yet, but he believed the original calculations are looking at 100% of the existing facility and approximately 50% of the expansion. Director Johnson stated this is a really good discussion point and everyone, whether you are at home or at work, have been thinking about this and it is more real now than ever before. Commissioner Brown stated you can use the power from the generator on off-peak hours. Roll call as follows:

Commissioner Lee	: Aye
Commissioner Polites	: Aye
Commissioner Effinger	: Aye
Commissioner Dinges	: Aye
Commissioner Sauget	: Aye
Commissioner Beach	: Absent
Commissioner Brown	: Aye

AYES: 6 ABSENT: 1 NAYS: None

Motion carried.

Director Johnson stated Mr. Penning did the update so he has modified things a little bit, so they talk about passengers that originating here, so we must keep in mind that these numbers represent only the passengers getting on the aircraft and does not represent those getting off. Director Johnson added you can take the numbers that are circled in red and double them, that is what BLV is seeing going through the terminal today. Director Johnson stated they are going to set a new passenger record for 2021, which segues what Mr. Penning was talking about and that is history in this Airport, so that should be celebrated. Director Johnson added BLV will be just shy of 160,000 or 320,000 passengers through the Airport and that is a big deal, which we will be talking about these 6 months from now. Director Johnson stated if you look ahead at 2022 through the FAA lens and through Dan's work analyzing this, they believe they will be about 180,000 or 360,000 passengers next year, which is huge. Director Johnson added he wanted to make sure everyone is aware of that and saw that, which the enplanement number is relevant because that is how the FAA thinks. Director Johnson stated when he or Dan is sitting down with the FAA, they only look at departure passengers and that is because of history, so since the 1980s, they have looked and assessed airports based on the enplanement numbers, which are smaller than the total passengers. Director Johnson added that is why sometimes he has to flip the switch in his brain back and forth depending on what is being talked about, but the enplanement numbers are important because that is the driver for entitlement dollars for BLV. Director Johnson stated BLV's entitlement dollars are \$1.5 million and some change using the 2019 numbers, but going up to 2021, they will be almost \$1.6 million, and if we push out to 2022, BLV will be up towards \$1.7 million/\$1.8 million. Director Johnson added that is why the enplanement numbers float around the way they do and that is how the FAA works, as their

mindset is only about the departures. Director Johnson stated it is a funny thing when you think about it, but that is just how they operate, which this is great news. Director Johnson reviewed the terminal expansion slides with lots of change going on in April and then looking at October, but invited everyone to swing by, which Dr. Moore was out yesterday, as they are really now doing the finish work on the outside, but within 2 months, they will be working more on the inside. Director Johnson stated this week they poured the stairs into the basement, which is very important for BLV, as an airport now, especially what has been experience and what was seen locally in Edwardsville and Kentucky. Director Johnson added BLV has a whole new basement in the terminal and reviewed where the stairwell is located. Commissioner Effinger inquired if the basement is the whole size of the building. Director Johnson stated the basement encompasses only part of it, but it is a huge area to take shelter in, which the other areas that airports use for shelter are the restrooms. Director Johnson added there is another program that they are looking at through the National Weather Service a program called Safety First, but someone from the National Weather Service will come out and look through the facilities and identify safe areas for tornadic activity and it will be assigned appropriately. Director Johnson stated to come out anytime and he or Dan or anyone can show everyone around as much as they can to see how things are taking shape. Director Johnson added the Boeing plant is going up so fast and when you walk outside the terminal building and look to the South towards Mascoutah, you can see the steel above the tree line. Mr. Trapp stated they are roughly 60 feet now. Director Johnson stated they are making quite a bit of progress on that site, so a lot of great things going on at the Airport. Commissioner Lee stated he hopes everything is being architecturally and structurally strong and not end up being like the warehouse up in Edwardsville, as that looked like that was not necessarily as built to stand the weather in this area. Mr. Trapp stated the Boeing Production Facility is a steel-framed facility and the Amazon

warehouse that was tilt-up construction and they have had some issues with tilt-up construction and tornados, so if you recall the tornados in Joplin a few years ago and Home Depot and some of the other facilities that collapsed, there is not a lot of structural redundancy in the tilt-up design and it relies on the roof trusses to provide structural support for the walls, so if you lose the roof, you lose the walls, and that is a lot of what happened there.

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

Meeting adjourned at 11:34 a.m.

Respectfully submitted,

Traci Firestone

Traci Firestone
Secretary

APPROVED:

Daniel Bohles
VICE CHAIRMAN