

**BURLINGTON INTERNATIONAL AIRPORT
BOARD OF AIRPORT COMMISSIONERS
MINUTES OF MEETING
February 7, 2012**

APPROVED 3/19/12

MEMBERS PRESENT: Gene Richards (Chairman)
Jeff Wick
Miro Weinberger
Jeff Munger
Peter Plumeau

STAFF PRESENT: Robert McEwing
Tamara Gagne
Heather Kendrew
Ryan Betcher

OTHERS PRESENT: Joe Farnham
Bill Ellis
Chris Hill
Chuck Roulacheck
Rheal
Guy Rouelle
Nick Sheildrop
Marianne Riordan, Recording Secretary

1. CALL TO ORDER

Chairman Gene Richards called the meeting to order at 4:14 PM.

2. PUBLIC COMMENT

Guy Rouelle, Aviation Program

Guy Rouelle, VTrans Aviation Program Manager, reported the following:

- Pass through funding for Burlington Airport is now a direct pass through.
- The Aviation Program supports the Vermont Flight Academy and is working with Heritage to strength the aviation education program.
- The Aviation Program wants to work more collaboratively with Burlington Airport.
- The direct link to Transportation Secretary, Brian Searles, and the legislature can be beneficial to Burlington Airport.

Nick Sheildrop, citizen

Nick Sheildrop voiced complaint about the following:

- Not posting the meeting agenda in a timely manner.
- Problems with the airport ambassadors. Mr. Sheildrop suggested the airport ambassadors be sent to a training school at the convention of the Airport Ground Transportation Association. The training will help the airport ambassadors better understand different taxicab companies.

3. MONTHLY REPORTS

Minutes

December 19, 2011

Postponed.

Monthly Finance Report

Tammy Gagne reported the following:

- Rich Goodwin is providing further explanation on the PFC number on the balance sheet, cash flow transfers, and airlines depositing directly into the city account and not the PFC account.
- Level of collection for receivables is good.
- Staff is following up on collection of payments from three carriers (need to communicate with the appropriate contact person).

Jeff Wick requested the Accounts Receivables statement be circulated via email.

4. OLD BUSINESS

FAA Request

Bill Ellis reported the following:

- The City received a letter from the FAA.
- The January 11, 2012 package was received by the FAA and is under review.
- The City has done what was required.
- The FAA is following up on the matter.
- The process is informal at this point in time. The FAA is simply inquiring and not conducting a formal investigation or enforcement action.

CAH Status

To be discussed in Executive Session.

Heritage Tax Suit

To be discussed in Executive Session.

Appraisal (meeting on 1/20/12)

Bill Ellis reported a meeting was held on 1/20/12 and more are scheduled on 2/8/12 and 2/22/12 with South Burlington to discuss the Army Guard facility and double billing on one property. Legal counsel will attend the meetings.

Taxi Board Update

Appointments to the Taxi Services Advisory Committee are needed. The committee was posted. Only one application has been received to date.

5. NEW BUSINESS

No report.

6. LEASE/CONTRACT STATUS

Heather Kendrew reported:

- The restaurant/concession RFP is close to being sent out (will be sent before March 1st). The RFP provides opportunity for the bidder to present ideas and suggestions for service.
- Staff is recommending the contract for ATM services at the airport be awarded to NewYorkATM.com for three machines (the other bidders offered one machine). There will be an increase in revenues due to the cost per transaction (\$3.50). Area banks charge \$3/transaction. NewYorkATM.com is in all the Jolley gas station/convenience stores in the state. Negative feedback about NewYorkATM.com includes being behind on the monthly payment (it was mentioned that Merchant's Bank has been at the airport for the past 18 years and has never been sent a late payment notice). It was suggested a provision for a late fee be added to the contract with NewYorkATM.com. Staff will get a photo of the ATM machines offered by NewYorkATM.com and double check their payment record.

MOTION by Peter Plumeau, SECOND by Jeff Wick, to award the ATM contract to NewYorkATM.com as recommended by staff. VOTING: unanimous; motion carried.

- The first draft of the Aviatron lease has been received from legal counsel. The template can be sent to the Finance Board. The building is 15,680 s.f. The ground area increased 37,000 s.f. due to added parking.
- The carwash RFP is nearly ready to be sent out.

Bob McEwing reported:

- A letter was sent to the Chamber of Commerce regarding a monthly fee until a formal contract for services is settled.
- The Chamber's proposal is to decrease the cost of service from \$169,000 per year to \$112,000 per year or \$9,344 per month for 12 hours of coverage effective April 1st.
- Staff will work with the Chamber to create a pool of volunteers to augment paid workers.
- The Chamber will also provide a menu of services which was previously promised, but not yet delivered.
- Guy Rouelle suggested considering a partnership with the state owned airports which have marketing budgets and the same goals as Burlington Airport. The state owned airports are members of their Chamber as well.

MOTION by Miro Weinberger, SECOND by Peter Plumeau, to approve the interim contract with the Chamber of Commerce to include a month-to-month contract, service coverage of 12 hours per day, seven days per week, noon to midnight, at a cost of \$9,344 per month effective April 1, 2012. VOTING: unanimous; motion carried.

7. PROJECT UPDATES

License Plate Recognition System

The system is installed and operating. Data has been sent to the company to optimize the recognition of plates. Once the optimization is complete, the system will be fully implemented.

Parking Consolidation

Park and Shuttle is no longer in operation. Oversized vehicles, buses, and trucks with racks use the lot for parking. Lot A (A Lot) is open for employees to park.

8. AIR SERVICE DEVELOPMENT

Peter Plumeau stated the airport needs experienced expert staff to develop a strategy to recruit and retain airlines at Burlington Airport as well as increase passenger numbers. Current staff cannot be expected to take on this task along with their current work load. Mr. Plumeau suggested staff look for a more aggressive marketing firm other than Boyd to be creative and innovative to position the airport in the next two years. Other airports (Albany, Manchester, Portland) have full time professional marketing staff. There needs to be a continuous marketing presence (television, newspaper, and internet).

9. MANAGER'S REPORT

A written report from the Airport Manager on air service was provided to the Airport Commission. Bob McEwing noted the following:

- A meeting was held with US Air regarding Charlotte service. Peter Plumeau who also attended the meeting said US Air does not consider Burlington Airport to be a priority service site. US Air indicated if more service is wanted at Burlington then more people need to take the flights that are on the docket. US Air is focused on the business traveler, not the leisure traveler, and will decide if and when more service may be provided. US Air is removing three LaGuardia flights in July which may present an opportunity for Burlington Airport.
- Heather Kendrew and Gene Richards will meet with Delta, Southwest, JetBlue, US Air, United, Allegany, and WestJet on March 4th through 6th at the Networks Conference.
- Spirit Air wants to meet with Burlington Airport.
- The CEO of Penn Air was contacted regarding service from Burlington to Boston.
- Porter Air is now using Gate 13 (first stop is Customs then Gate 13). Summer service is being discussed. Porter Air service is committed through April 6, 2012, and it appears the airline is committed to returning next year with winter service. More marketing of the flight from Burlington to Canada with Porter Air is needed (perhaps ads could be done in conjunction with Porter). Heritage and Burlington Airport are doing all that can be done to support the service.
- Enplanements are down .47% for the last calendar year.
- Fare differential for March comparing Burlington Airport to Washington, D.C., Fort Lauderdale, or Las Vegas versus departing from Canada (Trudeau) shows it is \$44 cheaper to go to Las Vegas from Trudeau otherwise there is a \$300 difference (savings) by departing Burlington to the other destinations.

10. OTHER BUSINESSSouth Burlington Storm Water Issue

Bill Ellis reported:

- A letter to Burlington Mayor Kiss from South Burlington, dated 2/3/12, was received on 2/6/12 regarding the airport being under billed for storm water flow since July 1, 2009 under South Burlington's storm water ordinance.
- South Burlington contends the equivalent residential units (ERU) have been half of what they should have been. South Burlington wants to include the federal properties on the airfield in the calculation.
- According to South Burlington the airport owed \$580,000 for FY12.
- South Burlington wants Burlington Airport to pay \$400,000 by April 1 through June 1 to cover the back billing that is due.
- The airport will contest the ERU allocation (deadline to appeal is 2/18/12).
- Staff is working with Stantec (consultant) on the storm water issue and will determine credits the airport is entitled to under the storm water ordinance that have not been applied in the past.
- Stantec was not asked to calculate the fee under the South Burlington ordinance, but was asked to determine the impervious area, flow into ground water (treated on-site) and flow into the storm sewer (treated by South Burlington).
- South Burlington is contending Stantec may have a conflict of interest due to other work they are doing for South Burlington.

Chris Hill, Heritage Aviation, noted Heritage has the largest pervious lot in the northeast and has a proposal to decrease the impervious area by 14,000 s.f. at the south hangar location. The pervious areas should be considered in the storm water flow calculations.

Response to Lenders of BAN re: Progress on Financing

Tammy Gagne reported Rich Goodwin intends to roll over the BAN and not gear up with long term debt. Moody's position will not change until the airport shows cash liquidity. Moody wants the coverage ratio higher.

Heritage Taxes

Chris Hill announced the FY2011 taxes for Heritage have been paid. Heritage continues to seek to maintain a cooperative stance with Burlington Airport and the City of Burlington.

Next Meeting(s)

Regular meeting – March 19, 2012 at 4 PM, Burlington Airport

11. ADJOURNMENT and/or EXECUTIVE SESSION

MOTION by Jeff Munger, SECOND by Peter Plumeau, to adjourn the regular meeting and convene Executive Session to discuss litigation and other legal matters where premature public knowledge would place Burlington Airport and the City of Burlington at a substantial disadvantage, and to invite staff and legal counsel to attend. VOTING: unanimous; motion carried.

The regular meeting was adjourned and Executive Session convened at 5:40 PM.