

MINUTES
BOARD OF AIRPORT COMMISSIONERS
WEDNESDAY, DECEMBER 17, 1997
4:00 P.M.

PRESENT:

J. Richard Corley, Chairman
Michael Flaherty
Bill Post
Michael G. Cain

John J. Hamilton
Tamara S. Gagne
Robert McEwing
Richard C. Varney, Jr.

The meeting was called to order by J. Richard Corley at 4:10 p.m..

Mr. Flaherty made a motion to enter executive session to discuss contract issues relative to the advertising contract and parking management, the premature disclosure of which would put the Airport at a substantial disadvantage. Seconded by Mr. Post. All were in favor. The meeting entered executive session at 4:11 p.m.

The meeting resumed regular session at 4:35 p.m.

As a result of executive session, Mr. Hamilton was directed to set a meeting with the Mayor for Monday, December 22 regarding City and Airport contract issues for Mr. Corley.

At this time Frank Donahue and Andy Button of Valet Air, Thomas Anderson and Jack Downey of Downey Corp. and Eric Chase of Mansfield Heli Flight entered the meeting.

ALERT HANGARS:

Mr. Jack Downey of Downey Corporation discussed his submitted proposal for the alert hangars explaining that his company has a long term committment to Commutair and was very interested in leasing the alert hangars to continue that relationship. Mr. Downey also explained that his intent was to expand his base already developed in Middlebury. He would conduct maintenance, developmental and modification work, but would not offer general aviation services. The letter and proposal submitted by Mr. Downey was reviewed and discussed. The Commission questioned whether it was Downey's intent, as implied in the letter, that the City had some obligation to rent the alerts to Downey based on previous 'negotiation'. Mr. Downey denied this being the case. Discussion. Mr. Eric Chase of Mansfield Heliflight was

ALERT HANGARS (CONT.):

then asked to present his proposal. Mr. Chase advised that his desire to be located on the Airport was to increase exposure to his clientele and to expand over where they currently operate. He provides flight training and operates a R22 helicopter. Mr. Chase indicated that he has no desire to provide fixed wing instruction and believes that his operation will bring business to the airport that does not exist. Mr. Frank Donahue and Andy Button were then asked to present their proposal. They advised that they were interested in the use of the hangars to re-locate the freight carriers from the south ramp into the hangars. It is also their thought, due to the disrepair of the alerts, to propose to construct a new facility in lieu of the hangars. Discussion. All parties were thanked for their presentations and left the meeting.

TREE CLEARING PERMIT - ILS 33:

Mr. Joe Farnham, McNeil, Leddy & Sheahan entered the meeting to discuss the letter from the State of Vermont District Environmental Commission regarding their decision for the land use permit for the ILS to 33 project. Mr. Farnham advised that the referenced case was still on appeal with the Environmental Board and requested Commission direction as to whether they wished to continue with the appeal process. Discussion. The Commission directed that the appeal be withdrawn based upon the recommendation of Mr. Farnham.

GIFT SHOP RFP:

Mr. Robert Moskovitz and Betty Ann Worthen, Fenton Hill managers entered the meeting to present their proposal to operate the airport gift and specialty shops. Mr. Hamilton reported that Fenton Hill was the only proposer. Mr. Moskovitz explained that Fenton Hill is proposing to combine the two products stores in a department or boutique fashion to highlight three of the Vermont vendors. Fenton Hill proposes to invest \$125,000 in capital and rental revenues in excess of \$100,000 for each of five years of the contract. Discussion.

Mr. Cain made a motion to accept the proposal by Fenton Hill American, LTD to operate the combined gift and specialty stores per their proposal for the five year term offered. Seconded by Mr. Post. All were in favor.

MONTHLY REPORTS:

Mr. Cain made a motion to approve the **minutes** of November 20, 1997 as presented. Seconded by Mr. Flaherty. All were in favor.

The **operating statements** for the month of November, 1997 were reviewed and discussed.

Mr. Flaherty made a motion to approve the **warrant** for November, 1997. Seconded by Mr. Post. All were in favor.

Mr. Flaherty made a motion to approve the **McNeil, Leddy & Sheahan invoice** for the period of October 23 to November 22, 1997 in the amount of \$11,450.07. Seconded by Mr. Post. All were in favor.

PERMANENT PART TIME POSITION:

Mr. Hamilton advised that the study on the need to supplement maintenance manhours in support of the parking facility and expanded terminal was completed. It has been determined that a position is warranted to maintain the new facilities as it relates to cleanliness and snow removal within the garage, the roadways, parking lots and sidewalks. He indicated that the proposed position would be scheduled outside of the normal Mon-Fri 0730-1530 maintenance schedule, with a minimum of 24 hrs per week necessary. Due to city labor relations, the position must be within the bargaining unit, otherwise the required hours would be scheduled as overtime for the full time force, which is not efficient nor economical. The position also would be able to conduct snow removal on roads and sidewalks on straight time versus a full time terminal maintenance worker in an overtime status. Mr. Hamilton requested consideration and approval by the Commission for this permanent, part-time position. Discussion. The Commission expressed their combined concern about the creation of an additional permanent position.

Mr. Flaherty made a motion to approve the addition of a permanent part-time employee to be utilized as described. Seconded by Mr. Post. Mr. Cain opposed. Motion carried in favor.

MANAGER'S REPORT:

The **Runway 33 ILS** was finally put into use on Friday Dec 12, 1997. The R/W 15 ILS still requires completion of, and a flight check for, the approach light system. This flight check is scheduled to be accomplished within the next two weeks. Senator Leahy is planning a press conference at the airport to celebrate the commissioning of the 33ILS on Monday, December 22 at 1030.

Valet and **Americorp** continue to negotiate hangar space regarding Americorp providing their own maintenance.

The **parking garage opened** on schedule on November 21. The team was given a hearty thank you. There remains considerable work to be accomplished, which is progressing very well.

The **car rentals** moved into the garage on December 3rd and are collecting the **Customer Facility Charge (CFC)**.

The **Innotech closing** was accomplished on the 25th, not without a few moments of uneasiness as Innotech proceeded to withdraw its \$650,000 offer, in that, the closing was a day late. In addition, there is no South Burlington sub-division permit for the use of the North Hangar. It appears that the Contractor did not follow the requirements of the contract. However, South Burlington will hold the airport liable for same and there is then the potential of additional costs for the Airport.

The **environmental hazardous material** corrective action plan at the **South Hangar** has begun. This is a six month project and status reports will be issued monthly.

City Wage Studies: The prevailing wage policy for contractual work funded through government sources has been before the ordinance committee. This is a separate doctrine from the liveable wage scale that would apply to city employees, which could have an impact to the airport. A resolution relating to the liveable wage is expected out in Jan/Feb.

The Commission requested notation of their strong opposition to the proposed liveable wage resolution.

Mr. Cain made a motion to enter executive session to discuss pending lease and contract terms, the premature disclosure of which would put the Airport at a substantial disadvantage. Seconded by Mr. Post. The meeting entered executive session at 5:35 p.m. Commissioner Huck Gutman entered the meeting at 5:40 p.m.

The meeting resumed regular session at 5:47 p.m.

Mr. Cain made a motion to offer a five year agreement to Mansfield Heliflight for two bays and the office space of the alert hangars and an offer to Valet Air to rent pod #3 (pod closest to their existing operation), with the rates and terms of both agreements to be negotiated. Seconded by Mr. Post. All were in favor.

TERMINAL IMPROVEMENT PROJECTS:

Mr. Bob Mildrum - Engelberth and Jesse Beck & Steve Mossman - Freeman, French & Freeman entered the meeting to provide an update on the terminal improvement project. Various elements, schemes and color proposals were discussed and reviewed.

There being no further business, the meeting was motioned to adjourn by Mr. Gutman. Seconded by Mr. Flaherty. All were in favor. The meeting adjourned at 6:35 p.m.

Respectfully Submitted,

Tamara S. Gagne
Clerk of the Board

MINUTES
BOARD OF AIRPORT COMMISSIONERS
THURSDAY, NOVEMBER 20, 1997
4:00 P.M.

PRESENT:

J. Richard Corley, Chairman
Michael Cain
Michael Flaherty
Bill Post

John J. Hamilton
Tamara S. Gagne
Robert McEwing
Richard Varney, Jr.

Joe Farnham - McNeil, Leddy & Sheahan

The meeting was called to order at 4:05 p.m. by the Chairman, Mr. Corley.

Mr. Flaherty made a motion to enter executive session to discuss leases, contracts and related negotiations, the premature disclosure of which would put the Airport at a substantial disadvantage. Seconded by Mr. Cain. All were in favor. The meeting entered executive session at 4:06 p.m. with the above referenced present.

The meeting resumed regular session at 4:35 p.m.

Mr. Eliot Lees, S,H,&E Consultants entered the meeting.

BOND FINANCING FEASIBILITY STUDY:

The offer made by the Commission to S,H,&E in an attempted settlement of the billings issued for the bond financing feasibility study was not accepted. Mr. Lees had provided a detailed letter further clarifying and justifying the work provided on the Airports' study and was in attendance to discuss the issues. The Commission explained that they fully understood the scope of services provided by S,H&E, but were concerned that there was no notification or discussion that the charges were going to be over the authorization by 200%. Mr. Lees indicated that communications between Mr. Hamilton transpired with associated approval. The understanding was that the required changes and additional work was "a little more". Discussion. Mr. Lees indicated that the counter offer made by S,H&E was a fair offer and represented less than the work actually done. Discussion. Mr. Lees left the meeting without a resolve.

NORTH & SOUTH HANGAR ENVIRONMENTAL STUDIES:

Mr. Jeff Noyes of Heindel & Noyes Environmental entered the meeting. He advised that the State of Vermont had approved the scope of work for the clean-up of South Hangar hazardous materials. They also required monitoring of the North Hangar. Mr. Noyes reported that the cost of the South Hangar clean-up would be \$35,000 and the North Hangar monitoring at \$8,000. The Commission directed Mr. Noyes to proceed as advised. Mr. Noyes left the meeting.

INNOTECH/HCA dba VALET AIR/BCDC:

Mr. Hamilton reported that the City Council, at their November 17, 1997 meeting, after being presented with the environmental report, authorized the assignment of the Innotech FBO agreement and their leasehold to HCA dba Valet Air, and authorized a ground lease at the No. Hangar to BCDC. All parties are now preparing the necessary documents for a November 25, 1997 closing. At this time, Frank Donahue and Andy Button of Valet Air entered the meeting to discuss the leasehold merger and Valet's intent with regard to rental of the North Hangar from BCDC. Valet Air indicated that they would lease the North Hangar to Commutair and explained the proposed rent structure. Discussion. The Commission requested that Valet Air return and meet with a subcommittee of the Commission to discuss the proposed leases. They were also advised to prepare and submit a proposal regarding the use or rental of the alert hangars. Donahue and Button left the meeting.

At this time, Mr. Jack Downey, Downey Corporation and attorney Tom Anderson entered the meeting. Mr. Downey expressed his interest in leasing the alert hangars. The Commission advised that they would accept a proposal from Downey as well as from other interested parties. Downey and Anderson left the meeting.

MONTHLY STATEMENTS:

Mr. Cain made a motion to approve the **October** warrant as presented. Seconded by Mr. Flaherty. All were in favor.

A brief review of the October operating statements ensued with no discussion.

Mr. Cain made a motion to approve the **minutes** of October 15, 1997 as presented. Seconded by Mr. Flaherty. All were in favor.

The Commission discussed and scheduled the December meeting for Wednesday, December 17 at 4:00 p.m.

EQUIPMENT PURCHASE:

Mr. Hamilton requested the approval of capital funds for the purchase of a new 1/2 ton pickup, spreader, plow and vacuum sweeper. These pieces of equipment have been deemed to be necessary to effectively maintain the parking structure. The specific costs are \$27,000 for a sweeper, \$20,000 for the truck and \$8500.00 for attachments. Discussion.

Mr. Flaherty made a motion to approve the equipment purchases as requested. Seconded by Mr. Cain. All were in favor.

Off Airport User's Fees:

Ms. Gagne advised that the Commission subcommittee recommends the implementation of a 9.5% off airport car rental fee and a 12% off airport parking lot operation fee. Discussion.

Mr. Flaherty made a motion to approve the recommendation of the subcommittee and to proceed with relevant ordinance committee presentation and public hearing. Seconded by Mr. Post. All were in favor.

Mr. Cain left the meeting at this time.

EMPLOYEE JOB CLASSIFICATION CHANGE:

Ms. Gagne advised and recommended that the Office Assistant I position be upgraded and changed to an Office Assistant II. This change would accurately reflect and compensate for the level of responsibility and tasks currently assigned to this position. In addition requires a higher level of education for those hired to this position at any future point. Mr. Gagne reported that there is a \$3,000 dollar base salary difference from the existing level to the proposed. The current request results in a \$2100 budget increase for this fiscal year. Discussion.

Mr. Flaherty made a motion to accept the recommendation of Ms. Gagne as presented. Seconded by Mr. Post. All were in favor.

DPW PARKING OPERATIONS AGREEMENT:

Mr. Hamilton advised that the Department of Public Works (DPW) has been offered a contract for the management of the covered parking facility in accordance with the terms and conditions previously approved by the Commission. DPW has not yet accepted the agreement.

Mr. Flaherty left the meeting, leaving the Commission without a quorum. Official meeting adjournment time at 5:30.

Discussion and presentation of terminal and garage projects continued with Mr. Post and Mr. Corley. A presentation and discussion ensued regarding lobby floor design and materials. Mr. Corley expressed his concern about the flooring in the entry vestibules. Discussion.

MANAGER'S REPORT:

The manager's report was presented in written form, as follows, with no additional comments.

HCA/INNOTECH TAKEOVER: Final meeting to ensure fueling of airlines is not impacted with the change has occurred. The airlines will deplete their fuel inventory and begin storing fuel in Valet Air's fuel farm for use on the 26th.

RUNWAY 15 ILS: Flight check of the ILS is being conducted on the 19th and 20th. If all checks out, the ILS will be useable by the 21st. Runway 33 ILS will be useable on December 6th.

Completion of the **SAFETY AREA PROJECT** has been postponed to the Spring. The contractor was not able to complete the paving of "G" taxiway due to the weather. This delay will not present an operational problem.

Proposals for the operation of the **GIFT SHOP** have been requested and are due December 5th. Results will be presented to the Commission at the December meeting.

CAR RENTAL AGREEMENT: The extension and the CFC collection amendment to their contract has been issued. Use of the facility and CFC collection will begin Dec 1st. They are having a problem agreeing on how to allocate spaces. It appears that the Airport may need to mediate this issue.

The **Vermont Air Guard** received an outstanding grade for their Operational Readiness Inspection (ORI). First time in history, an outstanding grade was awarded. Congratulations may be in order to the General at the meeting.

There being no further discussion, staff and remaining Commissioners left the meeting.

Respectfully Submitted,

Tamara S. Gagne
Clerk of the Board

MINUTES
BOARD OF AIRPORT COMMISSIONERS
WEDNESDAY, OCTOBER 15, 1997
10:00 A.M.

PRESENT:

J. Richard Corley, Chairman
Michael Flaherty
Michael Cain
William Post
Huck Gutman

John J. Hamilton
Tamara S. Gagne
Robert McEwing

Jeff Noyes - Heindel & Noyes, Bill Ellis - McNeil, Leddy & Sheahan

The meeting was called to order by the Chairman, Mr. Corley at 4:15 p.m.

Mr. Gutman made a motion to approve the **minutes** of September 24, 1997. Seconded by Mr. Flaherty. All were in favor.

Mr. Cain made a motion to enter executive session to discuss leases and contracts, the premature disclosure of which would put the Airport at a substantial disadvantage. Seconded by Mr. Gutman. All were in favor. The meeting entered executive session at 10:17 a.m.

Mr. Joseph Farnham of McNeil, Leddy & Sheahan entered the meeting at 10:30 a.m. Executive session continued regarding the Warplanes lease. Mr. Jeff Noyes of Heindel & Noyes entered the meeting and Mr. Farnham left. Mr. Noyes provided technical information in support of a contract negotiation item. Mr. Noyes left the meeting.

The meeting resumed regular session at 11:15 a.m.

MONTHLY STATEMENTS:

Mr. Cain made a motion to approve the **September warrant**. Seconded by Mr. Flaherty. All were in favor.

Mr. Cain made a motion to approve the **McNeil, Leddy & Sheahan invoice** for the period of July 23 - August 22, 1997 in the amount of \$4,265.27. Seconded by Mr. Flaherty. All were in favor.

Jesse Beck & Steve Mossman of Freeman, French & Freeman and Bob Mildrum of Engelberth entered the meeting to provide a progress report on garage and terminal projects.

VALET AIR:

The Alert Hangars are now in the possession of the Airport (more to follow in the Manager's Report). Andy Button was in attendance to request use of the premises during the winter for aircraft storage.

Huck Gutman suggested that a **contract** with **Commencers** be extended or awarded for the ensuing nine months or until fiscal year end at the existing rates. Discussion. The Commission agreed and requested that Mr. Hamilton create a contract or letter of agreement stating the same.

MANAGER'S REPORT

ALERT HANGARS: The Airport officially took possession of the Warplanes lease hold on Oct 9, 1997. There are three aircraft, a Mig 21 jet engine, three Mig 21 jet engine tail sections and an unregistered automobile. We are attempting to find the owners. Disposal of unclaimed items, as yet, has not been determined. Further discussion in this regard requires executive session. We are in the process of winterizing the hangars. The hangars could be used for cold storage.

RUNWAY 33 SAFETY AREA PROJECT: The new 15 and 33 thresholds are in operation. Paving of the new taxiways is underway. The south end ravine has been filled. We were notified by FAA Airport's Division that an additional 1.2 million discretionary monies were available for the project. A grant amendment for that amount was accepted, thereby nullifying the multi year entitlement grant. Total discretionary funding now totals 1.7 million, which was the original request.

ILS 15 and 33: The 33 end is scheduled for flight check the week of Oct 20, the 15 end the week of Nov 3.

FY '98 CIP: Bill Cronan from Airport's Division will be here Wednesday afternoon to discuss the use of our Entitlement Funds as it relates to the five year Capital Improvement Program (CIP). If anyone wishes to attend, please advise.

GIFT SHOP RFP: The RFP is being issued with a return date of November 21, 1997.

Mr. Post and Mr. Corley left the meeting at 12:00 noon.

OFF AIRPORT USER FEES:

A discussion continued regarding the imposition of off airport user fees for car rentals and parking lot operators. Mr. Hamilton presented a survey of other airports' rates and charges and advised that the user fees for car rentals average 7.5% with a range of 4-10%. Discussion. Mr. Gutman suggested a 7% fee with phone and advertising access. Mr. Cain countered proposed with a fee of 10% to be more consistent with the on premise car rental rates. Discussion. The Commission recommended that they return at the next meeting with the recommendation of a 9.5% off airport car rental fee and a 12% off airport parking operator fee.

There being no further regular business, the meeting adjourned at 12:35 p.m.

Respectfully Submitted,

Tamara S. Gagne
Clerk of the Board

MINUTES
BOARD OF AIRPORT COMMISSIONERS
WEDNESDAY, SEPTEMBER 24, 1997
4:00 P.M.

PRESENT:

J. Richard Corley, Chairman
Michael Cain
Michael Flaherty
Huck Gutman

Tamara S. Gagne
Robert McEwing
Erin Driscoll

Norris LeClair - Aircorp One, Inc., Nicholas C. Santo - Aviation Management Services, Inc., Bob Mildrum - Engelberth, Jesse Beck & Steve Mossman- Freeman, French & Freeman, Mark Hamlin - Hamlin Landscaping

The meeting was called to order at 4:15 p.m., by Mr. Corley.

Ms. Gagne recognized the referenced guests and advised the Commission that the agenda required amending as follows:

Regular Reports - #2. Underground Storage Tanks, Leases & Contracts - #2. Aircorp One, Inc. & #3. Kleener Times

The Commission accepted the changes as indicated.

Mr. Flaherty made a motion to enter executive session to discuss the terms of a proposed contract with **Aircorp One, Inc.**, the premature disclosure of which would put the Airport at a substantial disadvantage. Seconded by Mr. Cain. All were in favor.

The meeting entered executive session at 4:16 p.m. with the Commission, Airport staff and Mr. LeClair remaining.

The meeting resumed regular session at 4:33 p.m.

Mr. Gutman made a motion to approve an operating license and corresponding agreement for **Aircorp One, Inc.** to conduct an Air Taxi service with their own airplane to defray the costs of owning and maintaining that airplane. The agreement is approved for an effective date of October 1, 1997 with a 3% of gross payment to Burlington Airport and includes a staff mechanic. Seconded by Mr. Cain. All were in favor.

Msrs. Mildrum, Beck, Mossman & Hamlin re-entered the meeting at this time.

PARKING FACILITY/TERMINAL IMPROVEMENT PROJECTS:

Mr. Hamlin addressed the Commission to detail the fall and spring planting schedules on the landscaping plans. Also discussed were the types and quantities of trees, shrubs and perennials. Discussion ensued regarding the performance bond costs reflected in the landscaping budget. It was explained that it was the dollars set aside as a requirement by South Burlington. Further discussion. Mr. Flaherty agreed to explore whether South Burlington could be convinced to waive the performance bond, based on previous projects and relationships established.

At this time Mr. Richard Varney, Airport Director of Operations, entered the meeting.

Mr. Beck then advised that he and Mr. Mildrum would provide project status on value engineering items, budget, and schedules. A detailed review of the value engineering items ensued including topics such as the reduction in light fixtures by 10%, porcelain tile instead of ceramic, adjustment to pattern size on flooring design, the deletion of wood finish on the underside of the bridge, and lightning protection elimination on the terminal building. Mr. Mildrum reported that the garage steel materials were on schedule, but that the current concern is related to architectural pre-cast delivery. The terminal building steel and architectural pre-cast deliveries are back on schedule. General discussion.

The project team members left the meeting at this time.

Mr. Corley reported that he attended a meeting with the car rental agency managers regarding the allocated garage spaces and corresponding fees. He advised that the car rentals were in accord with a \$2.00 per day per rental agreement fee to be passed on to the consumer as a "customer facility charge" (cfc).

Mr. Corley also advised that Mayor Peter Clavelle has asked that the Commission allocate space within the new terminal for Ben & Jerry's to operate a non-profit stand, with proceeds to be donated to a Burlington charity.

Mr. Gutman made a motion to enter executive session to discuss lease and contract negotiations regarding Valet Air Services, the premature disclosure of which would put the Airport at a substantial disadvantage. Seconded by Mr. Cain. All were in favor.

The meeting entered executive session at 5:25 p.m.

The meeting resumed regular session at 5:32 p.m.. No action required as a result of the executive session.

OPERATING STATEMENTS:

Mr. Cain made a motion to approve the **July warrant** as presented. Seconded by Mr. Flaherty. All were in favor.

Mr. Gutman made a motion to approve the **minutes of August 28, 1997** as presented. Seconded by Mr. Cain. All were in favor.

UNDERGROUND STORAGE TANKS:

Mr. McEwing explained that the underground storage tanks at the airport maintenance facility were required to be removed by June of 1998. The Airport has requested and received bids in that regard. A single bid in the amount of \$58,700 to replace the two underground with a single underground split wall tank was received from McIntyre Fuels. Discussion.

Mr. Flaherty made a motion to accept the bid by McIntyre Fuels in the amount of \$58,700 for the removal of two underground storage tanks and the purchase of an underground split wall tank as described. Seconded by Mr. Cain. All were in favor.

MANAGER'S REPORT:

SH&E Consulting Services: Eliot Lees was presented with the commissions finding regarding their invoice for services. He would like to present himself in this regard at the October meeting.

The Airport is in receipt of a letter from the State of Vermont regarding **AIP-19 - Land Acquisition of Airport Drive Properties**. This was land acquisition in 1994 for which the State provided relocation assistance under contract to the airport. The Airports' contention (as well as the FAA) was that their fees were inappropriately high. They have finally agreed.

The **Safety Area Project** is on schedule. The ravine in the southeast quadrant is mostly filled. The new Runway 15 threshold will be in use the later part of this month depending on weather for paving. The full ILS will not be available until approximately December 6. The **ILS to 33** was scheduled to be installed for an October 6 flight check. However, that schedule has been pushed back to November 3, due to an incorrect approach flight procedure.

Ms. Gagne requested the review of the **McNeil, Leddy & Sheahan** invoice.

Mr. Flaherty made a motion to approve the **McNeil, Leddy & Sheahan invoice** for the period of July 23, 1997 to August 22, 1997 in the amount of \$10,365.63. Seconded by Mr. Cain. All were in favor.

The next meeting of the Airport Commission was set for Wednesday, October 15, 1997 at noon.

There being no further business, the meeting adjourned at 5:45 p.m.

Respectfully Submitted,

Tamara S. Gagne
Clerk of the Board

MINUTES
BOARD OF AIRPORT COMMISSIONERS
THURSDAY, AUGUST 28, 1997
4:00 P.M.

PRESENT:

J. Richard Corley, Chairman
Michael Flaherty
Bill Post
Michael G. Cain
Huck Gutman

John J. Hamilton
Tamara S. Gagne
Robert McEwing
Richard C. Varney, Jr.

Bob Mildrum - Engelberth, Jesse Beck, Steve Mossman - Freeman, French & Freeman, John Grindle - United, Kurt Miller - US Airways, Bill Ellis - McNeil, Leddy & Sheahan, Jon Janesick - Innotech, Nick Santo - Aviation Management Services, James Coffrin - Pierson, Wadhams, Quinn & Yates as a representative for J.L. Davis Management

The meeting was called to order by the Chairman, J. Richard Corley at 4:02 p.m.

VALET AIR/INNOTECH PROPOSAL:

John Grindle, United station manager, appeared before Commission to express his concern about the assignment of the Innotech leasehold to Valet Air as it relates to fueling of United aircraft. In accordance with United policy, aircraft fuelers must be certified and the agency must have an executed agreement with United. However, United does agree that Innotech certified employees hired by Valet will be acceptable to United. Valet has indicated that they would do what is necessary to ensure that United is appropriately fueled and satisfied. Mr. Grindle is not convinced. Commission indicated that they were as concerned as United and would ensure that their needs are met.

Mr. James Coffrin reported that he was in attendance with regard to any actions discussed or taken with regard to the sale of Innotech properties. J.L. Davis has filed suit against Innotech for a commission against the sale of the north hangar, for which they had an exclusive right of sale.

Mr. Flaherty made a motion to enter executive session to discuss leases & contracts, the premature disclosure of which would put the Airport at a substantial disadvantage. Seconded by Mr. Gutman. All were in favor. The meeting entered executive session at 4:10 p.m.. Parties remaining were the Commission members as listed, staff as listed and Bill Ellis.

The meeting resumed regular session at 4:32 p.m. Mr. Coffrin re-entered the meeting. Mr. Ellis left.

The Commission indicated that they have some serious concerns regarding portions of the Valet Air/Innotech proposal to be reviewed by counsel.

Mr. Gutman made a motion to approve **\$3600.00 for the purchase of inground lights** for the airfield lighting as requested. Seconded by Mr. Post. All were in favor.

MONTHLY REPORTS:

Mr. Flaherty made a motion to approve the **minutes of July 29, 1997** as presented. Seconded by Mr. Gutman. All were in favor.

At this time Michael Cain, Commissioner and Robert McEwing, Airport staff entered the meeting.

Mr. Gutman made a motion to approve the **July warrant** as presented. Seconded by Mr. Flaherty. All were in favor.

The **operating statements** for July were reviewed and discussed. Accounts receivable customer details were updated and questions answered by Mrs. Gagne.

Mr. Post made a motion to approve the **McNeil, Leddy & Sheahan invoice** in the amount of \$2,678.56 for the period of June 23, 1997 to July 22, 1997. Seconded by Mr. Flaherty. All were in favor.

PARK & SHUTTLE OPERATION:

Mr. Hamilton reported that changes to the long term parking customer contracts have taken place.

OFF AIRPORT CAR RENTAL FEES:

Mr. Hamilton presented a draft resolution, for Commission consideration, to commit the airport to the pursuit of off airport car rental fee implementation. Discussion.

Mr. Cain made a motion to approve the resolution as written and to appoint a subcommittee of the Commission to further pursue the establishment of rates and charges. Seconded by Mr. Gutman. All were in favor. Mr. Gutman and Mr. Flaherty were appointed to the subcommittee.

S,H,&E CONSULTANT CONTRACT FEES:

Mr. Hamilton advised that the consultant firm of S,H,&E had been contracted to provide a financial feasibility study on the parking garage project. The cost of this study was proposed at \$24,000. The Airport, however, has been invoiced for \$64,200. A fee of \$7,200 for a presentation to the rating agencies is included in that figure and is work that was outside the scope of the study. The additional \$33,000 in fees is being claimed by S,H,&E for supplementary work on the study incurred by a change in the terms of the proposed deal. Discussion. Mr. Lees has advised Mr. Corley that S,H,&E would be willing to reduce those fees by 25%, but feels very strongly that they put in the work as requested by Airport and are deserving of the funds requested. Discussion. The Commission recognized that additional work was required and performed by S,H&E. However, even the requirement to put together the entire study from start to finish would only have incurred an additional cost of \$24,000. In addition, the Commission felt that communication that would have detailed the anticipated extra monies was lacking. In these regards, the Commission would consider paying no more than 25% more than the original contract, equating to \$8,250.00. Mr. Hamilton to advise S,H&E of the decision.

MANAGER'S REPORT:

The **Safety Area Project** is progressing well. Dust and noise control have been a concern and addressed with good results. HTA is addressing a problem they have with the contractor as it relates to change orders. The 33 ILS installation begins

September 8, with a 30 day completion. The FAA has been advised that the system must be operational by October 6 in order for the system to be flight checked, so that, the instrument procedure can be issued November 6. The Runway 15 glide slope will be flight checked November 6, with a December 6 procedure issuance.

Warplanes: A default notice was granted by the court on August 13th, however, a Nancy Kratly (presumed to be Dean's sister-in-law) is propoting to undo the judgement citing inedaquate notice. Information from the court is expected soon.

Act 250 - Tree Clearing Project: The environmental board has given 60 days for the parties to agree on language to be presented to the District Commission.

TERMINAL IMPROVEMENT PROJECT:

Mr. Gutman reported that he had worked with the architectural landscaping subcommittee and reviewed the project scope. Some changes have been initiated and a final presentation will be made by the landscaper at a subsequent Commission meeting.

Mr. Bob Mildrum and Mr. Jesse Beck then presented a detail of project items that have potential of creating cost savings by their deletion or modification. A lengthy and detailed discussion ensued. Mr. Mildrum and Mr. Beck left the meeting with direction on each item.

There being no further business, the meeting adjourned at 5:55 p.m.

Respectfully Submitted,

Tamara S. Gagne
Clerk of the Board

MINUTES
BOARD OF AIRPORT COMMISSIONERS
TUESDAY, JULY 29, 1997
12:00 P.M.

PRESENT:

J. Richard Corley, Chairman
William G. Post
Huck Gutman

John J. Hamilton
Tamara S. Gagne
Robert McEwing
Richard C. Varney, Jr.

Joseph Farnham & Bill Ellis - McNeil, Leddy & Sheahan, Frank Donahue, Henry Button & Andy Button - Valet Air Services

The meeting was called to order by the Chairman, Mr. Corley at 12:05 p.m. with all of the above noted present.

INNOTECH/VALET AIR PROPOSAL:

The representatives of Valet Air were present to respond to questions or issues that the Commission may have regarding their request for Commission consent for the Innotech agreement to be assigned to Valet. Mr. Gutman questioned the effect on pricing with a monopolized general aviation service. The Valet response was that most airports are "trimming down" to single FBO operations as most airport cannot successfully support two or more. In addition, based on the fact that Valet must "make their living" at Burlington and that BTV customers have other nearby options, pricing by Valet will have to remain competitive. Mr. Gutman also expressed concerns regarding the use of properties and availability of services to private and other general aviation users. Discussion. The Innotech lease term is until the year 2005 with two five year options.

12:25 p.m. - the Valet Air representatives left the meeting.

12:28 p.m. - Mr. Post made a motion to enter executive session to discuss lease and contract negotiations, the premature disclosure of which would put the airport at a substantial disadvantage. Seconded by Mr. Gutman. All were in favor.

12:55 p.m. - meeting resumed regular session. Joe Farnham and Bill Ellis left the meeting at this time.

CHAIRMAN APPOINTMENT - FY'98:

Tamara Gagne, as Clerk of the Board, opened the floor for nominations for the Chairman of the Airport Commission for the ensuing fiscal year.

Mr. Gutman nominated J. Richard Corley as the Chairman. No other nominations were made. Mr. Gutman made a motion to accept the nomination and appoint J. Richard Corley as Chairman. Seconded by Mr. Post. All were in favor.

At this time representatives Kurt Miller - US Airways, John Grindle - United and John McKay - Delta Airlines entered the meeting.

REGIONAL AIRFARES/LOW COST CARRIER:

Mr. Corley explained that the Commission has received complaints and inquiries as to whether they have any controls over the exorbitant airline fares. It is on this basis that the Commission has considered marketing for a low cost carrier and has requested a discussion with the airline station managers. The Commission asked whether the station managers could explain the basis of fare structures, why it seemingly costs less to go further than closer and how the fees are established for Burlington. The general response was that the local station managers have no control or input into the rate structuring and it is set for all of the airports on a complicated formula that does not necessarily take into account local economies, input or influence. Discussion. The Commission advised that it would like the airlines to understand its need to satisfy Burlington travelers and seek airline service with competitive and reasonable airline fares. The station managers agreed that they would relay information to their corporate offices. A short discussion ensued regarding local project impacts and how or if the Airport could better accommodate the airlines needs. Mr. Miller expressed a concern regarding communications. Mr. McKay reported that Business Express would begin a code sharing agreement with American Airlines effective August 15.

MONTHLY OPERATING STATEMENTS:

A review of the monthly operating statements ensued.

Mr. Gutman made a motion to approve the June 1997 operating statements as reviewed.

Mr. Gutman made a motion to approve the **minutes of June 26, 1997** as presented. Seconded by Mr. Post. All were in favor.

OFF AIRPORT CAR RENTAL & PARKING ORDINANCE:

Discussion as to adopting an ordinance to assess fees to off airport car rental and parking organizations. Industry standards for off airport car rental percentage payments range from 6-8%. Discussion regarding parking fees. Huck recommended that the off airport parking facilities pay a \$1-3/day fee. Discussion. Additional information to be provided at next meeting.

PURCHASES:

Mr. Hamilton requested Commission approval to expend up to \$10,000 on annual airfield crack filling pavement maintenance.

Mr. Post made a motion to approve the expenditure as requested. Seconded by Mr. Gutman. All were in favor.

PROPERTY RENTAL - 3062 WILLISTON ROAD:

Mr. Hamilton advised that High Point Realty has a proposed renter for the building at 3062 Williston Road, previously occupied by a hair salon tenant. The proposed lessee is **Northeast Fiber Arts Center** operated by an individual who provides arts & craft instruction and retail sale of related products. The rental is offered at \$12.00/s.f. for a \$1350/month fee on a year to year lease. The tenant is responsible for all charges and ground maintenance except property taxes. The comparable rates on the Williston Road vary between \$8-10/sqft. The tenant desire is to make renovations during the month of August with an opening date of September 13.

Mr. Post made a motion to approve the rental of 3062 Williston Road to Jennifer Hoag dba Northeast Fiber Arts Center at the monthly rate of \$1350.00 as recommended. Seconded by Mr. Gutman. All were in favor.

At this time, Mr. Post left the meeting and Bob Mildrum of Engelberth and Jesse Beck of Freeman, French & Freeman entered the meeting.

Due to lack of quorum, the following items were reviewed and presented for discussion purposes only.

TERMINAL DESIGN/SCOPE:

Jesse Beck presented a list of terminal design items that could be deferred or eliminated from the project in an attempt to provide overall cost savings. A discussion and review of each ensued. The only item which could not be added back at a later date if eliminated at this point was an exterior fin package. Commission direction was to retain this item in the design. An additional discussion regarding landscaping costs and design also transpired. Mr. Gutman requested appointment to a subcommittee to meet with and review landscape architect plans.

There being no further business, the meeting adjourned at 2:10 p.m..

Respectfully Submitted,

Tamara S. Gagne
Clerk of the Board

MINUTES
BOARD OF AIRPORT COMMISSIONERS
THURSDAY, JUNE 26, 1997
12:00 NOON

PRESENT:

J. Richard Corley, Chairman
Michael Flaherty
Michael Cain
Huck Gutman

John J. Hamilton
Tamara S. Gagne
Richard C. Varney, Jr.
Robert McEwing

Bill Ellis - McNeil, Leddy & Sheahan

The Commissioners convened the meeting of the Airport Commission at noon on location in front of the terminal building to conduct a ceremonious ground breaking of the parking garage construction.

The Commission returned to the Airport conference room.

Mr. Gutman made a motion to enter executive session to discuss potential litigation concerns regarding contract issues, the premature disclosure of which would put the Airport at a substantial disadvantage. Seconded by Mr. Cain. All were in favor. Meeting entered executive session at 12:25 with all commissioners, Mr. Hamilton, Ms. Gagne and Mr. Ellis present.

The meeting resumed regular session at 12:35 p.m. Mr. Ellis left at this time.

SAFETY AREA PROJECT:

Mr. Hamilton reported that bids on the referenced project were received from four firms. Scott Construction Inc of Newport, Vt. submitted the low responsive bid of \$ 3,956,491. The next low bid (\$143,200 over the low bid) was submitted by Munson, who has filed a protest. The protest is based upon a technicality that in legal opinion does not warrant rejection, but does have an element of risk. The FAA has concurred that the contract should be awarded to Scott. Regarding funding for this project, the FAA has not, as yet, released discretionary funds. Therefore, the project will be funded through a multi year grant, in that, one years entitlement funds are inadequate to cover project costs. The FAA along with Senator Leahys' office will continue efforts for discretionary funding. Action is required to award the contract and to accept a multi year grant. The Act 250 permit in this regard is expected this Tuesday without any mention of mitigation. However, we were advised that some sort of language would appear regarding the deer situation short of mitigation language.

Mr. Cain made a motion to accept the low responsive bid on the Runway 15-33 Safety Area Project and award the contract to Scott Construction, Inc. in the amount of \$3,956,491. Seconded by Mr. Flaherty. All were in favor.

Mr. Cain made a motion to accept a multi-year grant from the Federal Aviation Administration to support the runway project. Seconded by Mr. Flaherty. All were in favor.

MONTHLY REPORTS:

Mr. Flaherty made a motion to approve the **minutes of April 28, 1997** as presented. Seconded by Mr. Cain. All were in favor.

Mr. Gutman made a motion to approve the **April & May warrants** as presented. Seconded by Mr. Cain. All were in favor.

Mr. Corley commended the staff for their diligence in creating the financial picture presented in the **May operating statements** with revenue on or above projections and expenditures at 15% below projections. Discussion. At this time, Mr. Corley advised the Commission that Burlington Police and Airport Parking Management contracts for ensuing years had been negotiated with the City and that a written description of each would be presented at the July meeting. Discussion regarding accounts receivables including MasterTech and Business Express pre-petition monies. Mr. Cain questioned the City policy regarding write-offs versus the Commission authority. Ms. Gagne to research and advise.

Mr. Cain made a motion to approve the **McNeil, Leddy & Sheahan** invoice in the amount of \$22,170.24 for the period of April 23, 1997 to May 22, 1997 subject to review and discussion by the Airport Manager with the M,L,S law firm. Seconded by Mr. Flaherty. All were in favor.

Mr. Cain made a motion to appoint John J. Hamilton to the position of **Director of Aviation** for the ensuing year beginning July 1, 1997 and ending June 30, 1998. Seconded by Mr. Flaherty. All were in favor.

Mr. Gutman made a motion to appoint Tamara Gagne to the position of **Clerk of the Board** for the ensuing year beginning July 1, 1997 and ending June 30, 1998. Seconded by Mr. Flaherty. All were in favor.

LEASES & CONTRACTS:

Matt Kerner & Philip Wills, operating as **Kleener Times**, have been in business for several years providing car washing and detailing for Park and Travel customers. They wish to continue providing that service on a month-month basis. DPW as part of their current management contract will collect the fees, retain 5% for cost accounting and remit 5% to the airport.

Mr. Cain made a motion to approve the month to month agreement with **Kleener Times** as defined. Seconded by Mr. Flaherty. All were in favor.

Mr. Gutman made a motion to allow **VT Community Loan Fund** the continued use of \$15,000 for an additional year in support of the services they provide to the greater Burlington community. Seconded by Mr. Flaherty. All were in favor.

Mr. Gutman made a motion to accept the \$24,000 payment by **Business Express** Airlines in settlement of their \$42,000 pre-petition debt and to write off the remaining \$18,000. Seconded by Mr. Cain. All were in favor.

ANNUAL CONTRACT RENEWALS:

- a. A.N. Deringer: Building 880 tenant paying rate of \$6.50/s.f. building rent (per Commission approval of November 1996, eff. through June 30, '97) & ground rent as CPI adjusted.
 - b. Carlson Wagonlit Travel: Terminal tenant renting second floor space (adjacent to Gate 1/2) offering business center and travel agent services and first floor kiosk rental. Second floor space at \$10.00/s.f. and kiosk at \$35.00/s.f.
 - c. K-1 Services: Building 880 tenant paying rate of \$6.50/s.f. & associated ground rents at CPI rate.
 - d. Konica Photo: Building 870 tenant paying rate of \$8.50/s.f. & associated ground rent at CPI adjusted.
 - e. Premier Catering: Building 880 tenant paying rate of \$4.50/s.f., no ground rent. Chuck Rolecek & Bill Weigle of Premier will also be in attendance to discuss the renewal of the Premier Catering airline agreement.
- FY'98 proposed CPI ground rent is \$.25/s.f.

Mr. Cain made a motion to approve the Deringer, Konica and Premier Catering building leases as described and to offer an agreement to K-1 Services upon satisfaction of its accounts receivable balance. Seconded by Mr. Gutman. All were in favor.

PREMIER CATERING:

Mr. Chuck Rolecek and William Weigle, managers for Stelex Corp., entered the meeting at this time. Mr. Rolecek presented a gross profit statement for One Flight Up and Premier Catering for 1995 and 1996 as well as a three year comparison of both operations. Based on the figures presented, Mr. Rolecek requested that the Commission continue the reduced airline catering port fee of 5% for the ensuing twelve months.

Mr. Flaherty made a motion to approve the reduced airline catering port fee of 5% for the period of July 1, 1997 to June 30, 1998. Discussion. Mr. Gutman questioned the financial impact that the construction and lack of parking has had on the restaurant operation. Mr. Hamilton and Mr. Corley to be meeting in this regard. Seconded by Mr. Cain. All were in favor.

Mr. Rolecek and Mr. Weigle left the meeting.

Mr. Corley reported that the Commission has received a request by Mr. Thomas Meaker to be reimbursed for expenditures made by him in the pursuit of a property adjacent to Airport Parkway. Mr. Meaker claims that because the Airport Commission denied the Langs (current owners of the Bannister Roofing property) a renewal on their lease and that Airport staff led them all to believe that it would be, leaves the Airport liable for expenses incurred in process of obtaining financing and preliminary architect fees. Discussion. Mr. Hamilton and Mr. McEwing responded that they were very clear that the decision to continue the lease agreement rested solely with the Airport Commission and must be pursued prior to sale of the property. Discussion.

Mr. Flaherty made a motion to approve the reimbursement of \$1,196.85 to Mr. Thomas Meaker as requested with the understanding that it is not an admission of responsibility of the Commission to do so. Seconded by Mr. Gutman. All were in favor.

DIRECTOR OF MAINTENANCE:

Mr. Hamilton advised that Mr. Raymond Piche, Jr., private contractor, is being recommended to fill the position of Director of Maintenance. Discussion. Mr. Corley advised that Mr. Piche, nor any of his direct family relatives, would be able to bid on or provide contractor services to the Airport at any time during his employment with the City. Discussion.

TRANSIENT AIRCRAFT LANDING FEES:

Mr. Hamilton recommended that the transient aircraft landing fees, established ten years ago on a graduated scale up to \$.70/1000 lbs, should be increased up to \$.95/1000 lbs.

Mr. Flaherty made a motion to accept the recommendation of the Director of Aviation and increase the schedule of transient aircraft landing fees. Seconded by Mr. Cain. All were in favor.

TERMINAL AREA DESIGN:

Mr. Hamilton advised that the terminal area design is currently 90% complete. The construction manager will present the Engelberth estimated cost for that design. Initial estimates by both architect and CM put the project \$800,000 over budget. If the estimate presented at the meeting continues to be over budget, elements within the project will need to be identified that could be removed after evaluation of bids. Jesse Beck - Freeman, French, & Freeman and Bob Mildrum - Engelberth entered the meeting. A thirty-five minute discussion ensued regarding how and why the costs for the terminal construction appear to be over budget and what may be done in that regard. It was agreed that Mr. Beck and Mr. Mildrum, along with Airport staff and Mr. Corley, would continue to examine and work on the estimates for a final presentation at the July meeting.

MANAGER'S REPORT:

THE PROJECT SUMMARY:

Total cost for the parking structure was reduced by the construction manager in that many bids were much lower than their GMP. Actual cost continues to be less as more bids are received. The latest bid for architectural precast panels and spandrels was \$480,000 less than the CM estimate.

Sitework continues to be on schedule. Long term parking (Park&Travel area), new employee and FAA lots, for the most part, are finished and in use. The previous employee and long term lots are now being used for short term of 24 hrs or less. This appears to work best to ensure room for meeters/greeters. No parking in front of terminal is being strictly enforced. It has been quite a learning curve for certain police officers, however, the program for the most part is operating effectively with as little inconvenience to the customer as possible. The Park & Travel area accommodates all others with shuttle.

The north portion of the new access road opens on Wednesday, (for exiting traffic) the remainder will be open the following week. Excavation work in the old short term lot begins this Wednesday as well. Excavation in front of the terminal and laying of footings begins late July.

A reminder that job coordinating meetings are held every Tuesday and Friday mornings starting at nine and terminal design at nine on Wednesdays.

SH&E has submitted invoices for 60% more than the amount of the original contract for their part in the revenue bond. They have been advised that this appears inappropriate, and to submit evidence documenting the reasons. It is expected that this will require their attendance at next months meeting.

LANG PROPERTY (roofing contractor at northwest end of Airport property) appraisal and review appraisals have been completed and should be received by the end of the month. A July closing date is being planned. Bids for removal of the building will also be sought at that time.

SOUTHEAST QUADRANT: It has been determined that there is high quality rock located in the firing range area beyond the Continental hangar. It is estimated that the airport could realize up to \$500,000 in revenues from the sale of this rock to interested contractors. In addition, the Airport would be gaining valuable land that could be used for development purposes. If the Commission desires, request for proposals will be sought.

There have been additional delays in the **WARPLANES** eviction process. This one has been caused by withdrawal of their counsel from the case. Airport counsel is putting together summary judgements. The court did issue an order for Warplanes to make restitution and pay monthly rents to the court.

FEDERAL EXPRESS has exercised the first of their two five year options on the continuation of ground rent in support of their freight facility. Ground rent is adjusted annually in accordance with CPI.

Northern Airways, a **CHARTER SERVICE** (minus Hal Findlay) will begin operations as a part 135 charter operation out of Innotech in the near future.

An **ALTERNATIVE TRANSPORTATION STUDY** funding sources detail was submitted to city council per their request.

PRATT & WHITNEY OPEN HOUSE will be held on July 24. Invitations are forthcoming.

There being no further business, the meeting adjourned at 2:43 p.m.

Respectfully Submitted,

Tamara S. Gagne
Clerk of the Board

MINUTES
BOARD OF AIRPORT COMMISSIONERS
TUESDAY, APRIL 29, 1997
4:00 P.M.

PRESENT (at various times throughout meeting as indicated):

J. Richard Corley, Chairman
Bill Post
Michael Cain
Huck Gutman

John J. Hamilton
Tamara S. Gagne
Richard C. Varney
Robert McEwing
Erin Driscoll

Bill & Gail Lang - property owners, Joseph Farhnum - McNeil,
Leddy & Sheahan, Brendan Keleher - City Treasurer, Jesse Beck -
Freeman, French & Freeman, Bob Mildrum - Engelberth

A discussion with Mr. & Mrs. Lang began at 4:05 p.m. with Mr.
Corley, Mr. Post, and Airport staff members Hamilton, Gagne, &
Varney present.

LANG CONSTRUCTION & EXCAVATING REQUEST:

Mr. Hamilton explained that the Langs currently have a 15 year
lease agreement with the Airport on a 158 square foot piece of
property contiguous with their own that encroaches upon the land
owned by the Airport. This agreement was effective in July of
1987 and expires in the year 2002. The request is for a 15 year
extension of that agreement to the new prospective owner in order
to satisfy the banks' requirements of lending. Discussion. Mr.
Lang advised that the current purchase agreement is for \$155,000
and that they too have an option on another property contingent
upon this sale. A general discussion ensued regarding Airport
runway safety area and approach clear zone current impacts and
those anticipated with scheduled airfield changes. Mr. Lang also
indicated that if it were in the Airport's plans or interest to
own that property and had no need for the building that he
propose to either buy it back or reduce the purchase price by a
negotiated building amount. Mr. Corley indicated that the
Commission would take the lease extension request under
advisement and return decision to Lang shortly, understanding
their time constraints.

Mr. Cain, Joseph Farhnum and Robert McEwing entered the meeting
and Mr. & Mrs. Lang left. Mr. Corley called the meeting to order
at 4:14 p.m..

Mr. Post made a motion to enter executive session to discuss
lease and contract negotiations and pending litigation, the
premature disclosure of which would put the Airport at a
substantial disadvantage. Seconded by Mr. Cain. All were in
favor. Meeting entered executive session at 4:15 p.m.

Ms. Driscoll entered the meeting at 4:35 p.m.

The meeting resumed regular session at 5:01 p.m.

As a result of the executive session the following conclusions were reached:

LANG CONSTRUCTION:

The Commission indication was that it was not in the best interest of the Burlington Airport to increase the term of the agreement due to its concerns for public safety and the effect of that property on the relocated runway and glideslope.

PREMIER CATERING:

The communications between USAir, Premier and the Airport during the period of April 8, 1997 through April 17, 1997 were accepted by the Commission. Mr. Hamilton will write letter confirming that the port fee is recognized at the 10% level for the past two years and through the current fiscal year.

WARPLANES:

There has been no receipt of rent payments from Warplanes. Evictions proceedings are continuing.

MASTERTECH:

In response to MasterTechs' concerns regarding insurance coverage and language under the proposed agreement (letter dated April 13, 1997), Mr. Hamilton will work with legal counsel to satisfy MasterTech to the degree that will be also acceptable to the City. As the MasterTech lease agreement was discussed the issue of their past due leasehold payments came about. Mr. Corley advised that Mr. Everette McArthur, MasterTech President, had indicated that the transition from Plattsburgh had severely impacted his business over the past three months and requested that the Commission consider a rent abatement for that period. The Commission decided that there would be no rent abatement, but that MasterTech would be given over the term of the lease to make those rent payments.

INTERSPACE:

Interspace wrote a letter to the Commission expressing their concern over the extension of their contract on a month to month through the construction period. It would be their desire to provide input into fit-up and design at this time and make capital improvements based upon a new five year agreement. The Commission understands the request, but is unable to execute a new agreement without the RFP process and will be solociting proposals towards completion of the projects.

Jesse Beck and Bob Mildrum entered the meeting at this time.

MONTHLY STATEMENTS:

Mr. Post, regarding the minutes of the previous meeting, noted that attorney Joseph Farhnum should not be referred to as a 'counselor' and that the spelling of that title currently read 'councilor' which was inaccurate. Noted by the clerk for correction.

Mr. Post made a motion to approve the **minutes of March 25, 1997** as amended. Seconded by Mr. Cain. All were in favor.

Mr. Cain made a motion to approve the **March warrant** as presented. Seconded by Mr. Post. All were in favor.

Discussion regarding the **March operating statements** including a question by Mr. Post as to the surplus reflected year to date. Ms. Gagne advised that the expenses are not indicative of costs incurred for the parking and terminal projects and revenues are up due to the increased rates established at the start of the fiscal year. Ms. Gagne also advised that surplus revenues experienced this fiscal year have been identified, projected and pledged to support the parking and terminal projects.

Mr. Corley stated for the record that the Burlington team that has worked on the financing, bonding and general project coordination has done an outstanding job and should all be commended for their work and continuing diligence.

Mr. Cain made a motion to approve the **McNeil, Leddy & Sheahan invoice** for the period of February 23, 1997 to March 22, 1997 in the amount of \$17,605.34. Seconded by Mr. Post. All were in favor.

SNOW REMOVAL EQUIPMENT BIDS:

Mr. Hamilton advised that bids received under Airport Improvement Program (AIP) Project #32 were received and opened on April 18, 1997 and have been evaluated. Federal grant acceptance of \$420,000 and contract awards, as follows, are recommended;

- Airport snow blower to Oshkosh: **\$275,344**
- Airport snow removal truck to Clarks Truck Center:
\$111,043.29.
- Airport snow removal truck equipment package to
Howard Fairfield, Inc: **\$ 66,205.**

Mr. McEwing explained that Clarks Truck Center was the second low bidder and is being recommended for contract award because the low bidder (VT Truck) could not meet the delivery date specified.

Mr. Post made a motion to approve the award of the snow removal equipment contracts as recommended. Seconded by Mr. Cain. All were in favor.

THE 1997 PROJECTS:

Construction has begun on the parking facility portion of the **1997 Project** and an Act 250 permit has been received. The low responsive bid for site work of \$1.2 m from Munson was approved by the Chair. The bids for paving, site electrical, structural steel and pre-cast concrete have also been received. The paving low bid was \$412,000 awarded to Marcelino and the site electrical of \$390,000 awarded to Norway Electric. The apparent low bidders on the structural steel and precast concrete are Issacson and Carrara respectively. These bids are still being reviewed. All of the bids received were under the engineer's estimates and resulted in savings of over \$700,000.

Moody's has given the Airport a **BAA1** rating for revenue bonds. This will increase to a **AAA** after insurance. According to all parties, the presentation to the raters and insurance companies in New York was a success. BAA1 is just below an A rating. The reason given by Moody's was due to the Airport's size, situations that could occur out of our control and the threat of SouthWest operating close to our service area. The BAA1 vs. an A rating will cost approx. an additional \$10,000 in insurance.

THE 1997 PROJECTS (cont.):

Bond pricing is scheduled for May 5th. The City Council is holding a special meeting on May 6th (the Airport is the only agenda item) to officially approve the issuance of bonds. This will be the opportunity to acquire their final authorization for the project by presenting the Engelberth Guaranteed Maximum Price (GMP). The meeting will start at 7:00 P.M. The last piece of business for the bond will be the closing on May 21 & 22 in Boston of which the Chair will attend.

There will be several accounting procedures required by the bond resolution as it relates to how the airport manages its finances at the closing and on a month-month basis for the term of the bond. A briefing in this regard was provided by Tammy. Mr. Cain questioned whether the Airport had sufficient staff and equipment needs to handle the new accounting requirements. That answer is unknown at this time, but will be evaluated as needs are better known.

Mr. Gutman entered the meeting.

Jesse Beck then presented the latest terminal depictions, both by color drawings and scale model. Mr. Beck advised that Fenton Hill will be providing interior design work and fit-up themselves, while One Flight Up has contracted with FFF to accomplish that work. Mr. Beck continued to review the drawings, detailing the floor coverings of various areas, square footage of retail spaces, ingress and egress access points, and lighting changes. Discussion. Commission thanked Mr. Beck and Mr. Mildrum for their time.

Mr. Post made a motion to enter executive session to discuss contract negotiations, the premature disclosure of which would put the Airport at a substantial disadvantage. Seconded by Mr. Cain. All were in favor. The meeting entered executive session at 5:55 p.m.

The meeting resumed regular session at 6:05 p.m.

BURLINGTON COMMUNITY DEVELOPMENT CORPORATION (BCDC):

Mr. Brendan Keleher provided a report to the Commission on the status of the Pratt & Whitney and Aviatron building projects and related financing. General discussion regarding the plans of BCDC with regard to those buildings.

MANAGER'S REPORT:

The Director is working with **counsel** in the preparation of an off airport user fee contract. The Chairman and Director will be meeting with Thrifty in this regard. Other issues that are in process through legal are the rental contract extensions for covered ready stalls, PFC acceptance resolution for City Council, DPW temporary and long term parking management contract.

Mr. James Pizzagalli has written a letter expressing his concern about air service at Burlington if a low cost carrier were sought. Mr. Hamilton responded to his concerns (letter of 4/23/97) indicating that it is also a concern of the Airport to preserve its current air carrier service and is seeking to attract a low cost carrier to "...stimulate new business...". With regard to potential **Air Trans Service**, as a low carrier provider, plans for the Chairman and Director are being made to meet with them.

There being no further business, the meeting adjourned at 6:10 p.m.

Respectfully Submitted,

Tamara S. Gagne
Clerk of the Board

MINUTES
BOARD OF AIRPORT COMMISSIONERS
MARCH 25, 1997
TUESDAY, MARCH 25, 1997
5:00 P.M.

PRESENT:

J. Richard Corley, Chairman
Michael Flaherty
Bill Post
Michael Cain
Huck Gutman

John J. Hamilton
Tamara S. Gagne
Robert McEwing
Richard Varney
Erin Driscoll

Joseph Farnham - McNeil, Leddy & Sheahan, Jesse Beck - Freeman,
French & Freeman (FF&F)

The meeting was called to order by Mr. Cain at 5:10 p.m. with all
of the above referenced present except for Mr. Corley.

MONTHLY REPORTS:

Mr. Post made a motion to approve the **minutes of February 19, 1997** as presented. Seconded by Mr. Flaherty. All were in favor.

Mr. Flaherty made a motion to approve the **warrants of February and March** as presented and reviewed. Seconded by Mr. Post. All were in favor.

The **March operating statements** were reviewed. No discussion in this regard.

Mr. Flaherty made a motion to approve the invoice of **McNeil, Leddy & Sheahan** for the period of January 23 to February 22, 1997 in the amount of \$14,615.60. Seconded by Mr. Post. All were in favor.

At this time, Mr. Corley and Justin Houghton, a representative of Commutair, entered the meeting.

WARPLANES/COMMUTAIR:

Mr. Hamilton advised that Ms. Nancy Martin, sister to Dean Martin had been in contact with him on several occasions over the past two weeks. Her request, and represented to be that of Dean Martin's, was for the Warplanes agreement to be assigned to Commutair with the Commutair retaining the right to sub-lease back to Warplanes. Mr. Hamilton also reported that Commutair was previously utilizing Downey Corp. for their maintenance, but advises that they are no longer associated. Mr. Justin Houghton indicated that Commutair is in need of hangar space to support the contracts and relationship with Pratt & Whitney and to accommodate based crew to have an overnight aircraft. Discussion. Joseph Farnham advised that due to the ongoing and pending Warplanes action, the Commission would not be able to provide ultimate response to Commutair. Commission indicated that they would not be opposed to a proposal by Commutair, if and when hangar space became available.

Mr. Post made a motion to enter executive session to discuss pending litigation with regard to Warplanes leasehold, and contract negotiations for AIP-33 and car rentals, the premature disclosure of which would put the Airport at a substantial disadvantage. Seconded by Mr. Flaherty. The meeting entered executive session at 5:30 p.m.

Mr. Houghton left the meeting at this time.

CAR RENTAL AGREEMENTS:

Mr. Hamilton advised that a meeting, with the Chair in attendance, was held to discuss the number of ready spaces that may be allocated to the car rental agencies within the parking facility. All agencies desire that ready spaces be within the facility, with an appropriate number of return spaces outside. The estimated fee per stall has been discussed at \$75/space/month. A method to defer the additional costs to the agencies associated with inside parking was discussed, that being a charge to the customer levied by the airport, which is an accepted method among Airport's. A charge of approximately \$1.00/contract would cover the amortized cost per stall. The agencies have been requested to submit an average number of contracts written per month. Commission action on the total number of allocated spaces and the customer service charge is required in order to proceed. Because of this change to their contract and the manner in which they conduct their business, they are asking for an extension to, or a new five year contract without putting out proposals. Discussion. Mr. Gutman questioned the potential revenue generated per space if available to the public and was answered that it could be up to \$200/space/month. Discussion. The Commission was agreeable to a one year contract extension and expressed desire to get the full retail value from each space.

TERMINAL ADVERTISING:

Mr. Corley recommended that the Commission extend the current terminal advertising contract on a month to month basis through construction period, with a presentation by interested bidders to be conducted in January 1998.

Mr. Flaherty made a motion to approve the recommendation of the Chair as stated. Seconded by Mr. Gutman. All were in favor.

3062 HAIR SALON BUILDING:

Mr. Hamilton advised that the lessee, which the Airport inherited with the purchase of the Lawson property, has provided their required 90 day notice of termination, which will be effective June 1. An existing sub-lease of that building to Censor security, a month-month lease, also needs to be addressed. Mr. Hamilton recommended that the Airport work with a local realtor to market the availability of this space. Commission directed Staff to continue and return with proposals.

TERMINAL/PARKING IMPROVEMENTS:

Brendan Keleher and Joe McNeil reported on the status of the bond financing for the referenced projects. The City and Airport will travel to New York for bond rating agency presentations the week of April 7th. Due diligence will follow the week of April 14th at the Airport and final bond closing is expected mid to late May. Discussion regarding the passenger facility charge program, status, availability to finance the projects and management of same. Huck suggested that the City be paid a modest yearly fee for their services, taking effect in some later years. Discussion.

Jesse Beck and Steve Mossman of F,F,&F took the floor to present and discuss the status of the project design and costs. Mr. Beck explained that their firm with Airport Staff had worked diligently at reducing overlapping and contingency costs and has already realized a reduction of \$700,000. Discussion. Mr. Post expressed his concern that an escalator was not being planned for access to and from the mezzanine. Discussion as to costs and appropriate design criteria. Mr. Beck also presented various styles and choices for the terminal lobby flooring. From here, the Commission members each focused on interests they had within the scope of the project, received appropriate responses and filtered away from the meeting.

The manager's report was provided in advance of the meeting but was not discussed and is presented below for the record.

MANAGER'S REPORT:

The presentation to the Burlington Board of Finance and the City Council on Feb 24th was successful in obtaining their vote for the architectural and engineering contract to Freeman, French & Freeman. It was understood that in voting yes to that contract, that in effect, it was their approval for the project. They were also provided with the estimated construction costs, and that the Airport would appear again the first part of April with the guaranteed maximum price for the Engleberth Contract.

The Pratt & Whitney hangar is substantially complete. They begin occupancy on the first of April, and by the 15th will be in full operation. Innotech will not accept the termination of their lease. Innotech expects to do an environmental assessment of the ground under the current leasehold. In this regard, the Airport agreed to hold P&W harmless from any environmental issue attributable to their tenancy. P&W has records of all their dealings with hazardous materials, and is of the opinion that they have not contributed to any issue.

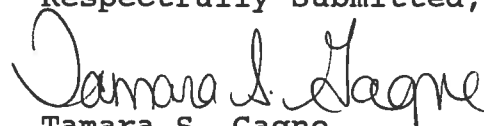
Bond Resolution: The third draft of the feasibility study, the preliminary official statement (POS) and the resolution itself is under review by all parties. A conference call this week with all parties to discuss. The rating agencies of Moody's and Standard & Poors have been selected for the presentations in NYC the week of Apr 7.

ACT 250: The Airport entertained the District Commission last week in a walk through of the ILS approach course to Runway 33, so they could better equate themselves with the alleged destruction of critical deer habitat that occurred during the obstruction (trees) removal project for the ILS. The Airport did receive a permit, but the ANR appealed. A hearing is to be set for the District Commission to rule on that appeal.

AIRCORP One Inc. has requested a license to operate an Air Taxi FAR Part 135 operation at the Airport utilizing Innotech as a base. In accordance with rules/regs a license agreement and a letter of authorization including landing fee accountability will be issued.

There being no further business, the meeting adjourned at 6:45 p.m.

Respectfully Submitted,


Tamara S. Gagne
Clerk of the Board

MINUTES
BOARD OF AIRPORT COMMISSIONERS
FEBRUARY 19, 1997
4:00 P.M.

PRESENT:

Huck Gutman, Acting Chair
Bill Post
Michael Flaherty

John J. Hamilton
Tamara S. Gagne, Clerk
Robert McEwing
Richard C. Varney, Jr.

Jon Lienwohl - Webster Martin, Jesse Beck & Stephen Mossman -
Freeman, French & Freeman (FFF), Bob Mildrum - Engelberth, Dan
Preaino - St. Michael's College Student

The meeting was called to order at 4:00 p.m. by Mr. Gutman,
acting Chairperson with the above referenced present.

Mr. Flaherty made a motion to approve the **minutes of January 21,
1997** as presented. Seconded by Mr. Post. All were in favor.

January **operating statements** and **warrant** were not available for
Commission review. In this regard, the Commission directed the
Airport Manager to express their displeasure to the City
Treasurer with regard to the timeliness of report receipt.

Mr. Post made a motion to approve the invoice from **McNeil, Leddy
& Sheahan** for the period of December 23, 1996 to January 22, 1997
in the amount of \$17,708.71. Seconded by Mr. Flaherty. All were
in favor.

At this time (approximately 4:05 p.m.) J. Richard Corley called
in to the meeting.

ARCHITECTS DESIGN REVIEW:

Jesse Beck advised that the fees associated for architectural and
engineering services were expressed to be a concern by the
Airport. Mr. Beck explained that over the past couple of weeks
the FFF team and airport staff worked diligently to eliminate
duplicated costs items and analyze those remaining. He reported
that the total fees, including permitting, equate to 9.7% of
construction costs. This percentage, as "back-checked", is
appropriate and in line with industry standards. Mr. Beck also
advised that the HNTB services as well as the on-site engineering
services during construction had been cut back. Discussion. Mr.
Gutman questioned whether the fee structure used were reasonable
and requested that Engelberth review. Mr. McEwing expressed

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and requested that Engelberth review. Mr. McEwing expressed

ARCHITECTS DESIGN REVIEW (cont.):

concern with Engelberth being asked to provide a determination on legitimacy of professional fees. Discussion. Mr. Post questioned the difference between the original budget for the architect/engineering services of \$900,000. An explanation was provided that the estimate, made by HNTB, did not include permitting costs, utility relocation costs and other terminal design issues that have since been raised. Discussion. Mr. Beck indicated that his team will be prepared at the end of March to discuss each and every aspect of the project in order to receive Commission decisions. Discussion. Upon further discussion, including a question raised by Dr. Gutman regarding the scope of work associated with the engineering fees (answered by Jon Lienwohl), Mr. Corley suggested that the combination architectural and engineering fee contract be limited to \$1,225,000. Discussion.

Mr. Post made a motion to approve the Freeman, French, & Freeman architectural and engineering fee contract in the not to exceed amount of \$1,225,000, to include all reimbursable expenses. Seconded by Mr. Corley. All were in favor.

Frank Donahue and Andy Button of Valet Air Services entered the meeting at this time, Mr. Corley was released and Rick Varney left.

ARCHITECTS DESIGN REVIEW (cont.):

Jesse Beck continued a presentation of the terminal and parking projects with regard to design issues. The Commission expressed concerns regarding access from the second floor and discussed the size of the proposed elevator, the option of an escalator and stairs. FFF agreed to consider questions raised and suggestions made.

In order to accommodate the schedule of Valet Air, Mr. Post made a motion to enter executive session to discuss Valet Air lease issues, the premature disclosure of which would put the tenant at a substantial disadvantage. Seconded by Mr. Flaherty. All were in favor. The meeting entered executive session with all excluded except for Commission, staff and Valet Air representatives. The meeting entered executive session at 5:05 p.m.

The meeting resumed regular session at 5:15 p.m. Mr. Donahue and Mr. Button left the meeting.

AIRPORT LAYOUT PLAN UPDATE (ALP):

Karen Frink and Richard Dymont of Hoyle, Tanner & Associates entered the meeting and presented the updated airport layout plan. The airport layout plan reflects the ten year airport plan including land acquisitions, terminal and ramp expansions, roadways and terminal access.

Mr. Post made a motion to approve the ALP as presented. Seconded by Mr. Flaherty. All were in favor.

AIR SERVICE STUDY:

The Commission discussed the options available for various air service marketing approaches. Huck suggested that the Burlington to Detroit and Burlington to Orlando options be presented to the carriers as identified in S,H,&E related study. Mr. Post opted to proceed with only one of the selections, that being the Orlando service. Discussion.

Mr. Post made a motion to hire S,H&E, Inc. at the cost of \$7500 to make a presentation to Air Trans for low cost service from Burlington to Orlando with the other proposals tabled until a future time. Seconded by Mr. Flaherty. All were in favor.

MANAGER'S REPORT:

Downey Corporation, a proposed sub-tenant to **Warplanes** cannot understand nor agree with the Airport requirement for a direct lease arrangement, with associated fees. Discussion. Mr. Hamilton directed to advise Downey Corp. that all negotiations and discussion in this regard are on hold until the lease issues with Warplanes are resolved.

Park and Travel: As of Friday February 7, 1997, the Airport became the owner of Park and Travel. Reimbursement for eligible funds is being coordinated with the FAA. A quick turn around has been requested. Meetings are and will continue to be held regarding the operation of that parking area with DPW and Lynn Charlier. Several meetings are scheduled with DPW to ensure a smooth transition for operational custody on May 1st, and operational procedures for parking during the construction period. What needs analysis, as yet, is the method of operation after the parking facility is open in November. Staff has begun review, and will present discussion ideas in the near future. A temporary contract with DPW to cover the construction period is being orchestrated. There will be additional expenses to DPW in the operation of parking, and certainly some unknown costs until the operation is up and running. A plan that might be orchestrated around cost plus % for profit is being considered.

MANAGER'S REPORT(cont.):

Bond Resolution: A preliminary financing schedule was presented for information. The Chairman will be attending the meetings scheduled for the week of March 26 which consist of rating agency and bond insurer visits/presentations. If there are others that wish to attend any of the meetings, please advise.

Business Express: As previously briefed, the bankruptcy has been delayed by a dispute between Business Express and SAAB, the major creditor, but appears to have been resolved. A Business Express plan will be put forward. At this time, Business Express is expected to continue to fly out of Burlington. Whether this continues to be their position will be known next week. The final step in approving the plan is scheduled for April 8, 1997. After the plan is approved, the Airport will receive any pre-bankruptcy payment provided for by the plan. That amount is \$42,000.00.

A meeting with the **car rentals**, which the Chair will attend, is scheduled for March 3, 1997 to negotiate a per ready spot fee in the garage. Mr. Hamilton indicated that the car rentals were enthused about the bridge connection to the covered facility and placement of their ready spaces on the garage's second floor.

Burlington City Council: Plans are being developed to present the terminal/garage design and the F/F/F final contract, at their March 3, 1997 meeting. Strategies to use in the presentation of the \$1.0 million proposal is being discussed with counsel. These strategies, plus a meeting with the Chair and counsel, will occur prior to the 3rd.

A Resolution regarding the Airport's commitment to *alternative Transportation*, sponsored by Councilor Keller was included for review. The Commission requested that local college groups be solicited to participate in and provide support for studying the possible alternative transportation methods.

P&W: There is now a fully executed lease, and drawdowns are occurring from the bank loan.

Innotech has their green hangar listed for sale with a local realtor. JL Davis has inquired if the Airport is interested in the purchase. I informed them as well as reminding Innotech, that any sale or lease requires prior approval of the Airport, and that it is usual and customary that the subleasee is required to remit to the Airport a fee. Also, discussions are occurring relating to the fuel farm and negotiating a new lease now as opposed to waiting to 2005.

MANAGER'S REPORT(cont.):

Tax Stabilization: Mike Flaherty briefed the Commission on the potential impact to the Airport's stabilization plan due to property tax reform. Discussion.

The **VT Senate Transportation Committee** has been invited to a breakfast and briefing on our improvements. If there is a desire to attend, please advise. The date has, as yet, not been determined.

Terminal Advertising Contract: Letters from parties have been sent to the commission regarding the Chamber being involved with that contract. We expect to distribute an RFP in April. Huck indicated that he liked the services provided by Interspace and the fact that they started small and have done a great job at Burlington. The Commission felt that the RFP should be written to not exclude anyone from providing a proposal but that the criteria must have a reasonable expectation that they can handle the contract.

There being no further business, the meeting adjourned at 6:15 p.m. by unanimous vote initiated by Mr. Post. All were in favor.

Respectfully Submitted,

Tamara S. Gagne
Clerk of the Board

MINUTES
BOARD OF AIRPORT COMMISSIONERS
TUESDAY, JANUARY 21, 1997
4:00 P.M.

PRESENT:

J. Richard Corley, Chairman
Michael Flaherty
Michael Cain
Bill Post
Huck Gutman
Joseph McNeil, City Attorney

John J. Hamilton
Tamara S. Gagne
Robert McEwing
Richard Varney
Richard Brown
Brendan Keleher, Treas

Eliot Lees - S,H&E Consultants, David Keller - Burlington City Councilor, Bob Mildrum - Engelberth, Jesse Beck - Freeman, French & Freeman, Jon Lienwohl - Webster-Martin

The meeting was called to order at 4:05 p.m. by the Chairman, Mr. Corley with Messieurs Flaherty, Cain, Post, Hamilton, McEwing, Varney, Brown and Ms. Gagne present.

Mr. Post made a motion to approve the **minutes of December 19, 1996** as presented. Seconded by Mr. Flaherty. All were in favor.

Brendan Keleher & Joe McNeil entered the meeting at this time (4:15).

OPERATING STATEMENTS:

The Commission reviewed and questioned the operating and expense comparison report, specifically regarding the % of year to date budget for the utilities, materials & supplies, professional contracts and generally all of the expenses due to their significant indications of underspending. Commission requested that City Treasurer Keleher determine accuracy of the report.

Mr. Cain made a motion to approve the **December warrant** as presented. Seconded by Mr. Post. All were in favor.

Mr. Flaherty made a motion to approve the **McNeil, Leddy & Sheahan invoice** in the amount of \$7,133.94 for the period of November 23, 1996 to December 22, 1996. Seconded by Mr. Cain. All were in favor.

TERMINAL/PARKING IMPROVEMENTS:

Joe McNeil & Brendan Keleher took the floor at this time to express their concern over their understanding that the City will have to commit to significant funds for the parking facility prior to assurance that revenue funds will be made available. Discussion. Mr. Keleher advised that the City would have a safe degree of assurance by March 15 to April 1 timeframe, but is under the impression that steel and concrete may need to be ordered prior to that time. Discussion. At this time, Jon Lienwohl and Bob Mildrum entered the meeting (approximately 4:30). Mr. Mildrum presented a timetable of construction related events. Accordingly, Mr. Mildrum advised that materials and commitments to subcontractors need to be made by April 15th. Discussion. In light of these new time lines, the City's concern was alleviated and the Commission directed both parties to proceed. Mr. Jon Lienwohl explained that the Act 250 application was being prepared with the last piece being that of final design. Mr. Lienwohl also advised that the review and approval process takes a minimum of three months without any questions or problems that they were ahead of schedule for the application but forewarned of potential aesthetic and landscape issues.

At this time Joe McNeil & Brendan Keleher left the meeting and Mr. Jesse Beck entered.

GIFT SHOP/PRODUCTS SHOP RFP:

Mr. Hamilton reported that the current gift and specialty products concession agreements expires in March. He recommended that the Commission issue a request for proposals (RFP) based on the current agreement and previous RFP used. Discussion.

Mr. Cain made a motion to proceed as recommended by Mr. Hamilton in the issue of an RFP for the gift and specialty shop concession agreement. Seconded by Mr. Flaherty. All were in favor.

PARK & TRAVEL PROPERTY PURCHASE:

In accordance with a concern expressed by Commissioner Cain, the purchase agreement between the Airport and Lynn Charlier has been modified to provide for a \$500/day penalty in event that Ms. Charlier does not vacate premises on April 30 as per the agreement. Mr. Cain has also requested that the Commission consider the requirement of \$100,000 escrow account. Discussion. The Commission agreed with the established penalty fees but elected not to proceed with any escrow requirement.

At this time, Mr. David Keller entered the meeting.

AIR SERVICE MARKETING STUDY:

Mr. Eliot Lees of S,H&E Consultants presented an air service needs review. He explained the research and analysis materials used to justify the four recommendations of; 1) Prepare Route Forecasts & Marketing Presentations: a) Northwest Airlines for *Burlington-Detroit* Service, b) Continental Express Upgrade of *Burlington-Newark* Service, c) AirTran for *Burlington-Orlando* Service, 2) Open Dialog with Delta/Comair Regarding Reconsideration of *Burlington-Cincinnati* Service, 3) Contact Air Canada to Explore Interest in *Burlington-Quebec City* and *Burlington-Toronto* Service using Commuter Aircraft, 4) Consider Air Charter Market Opportunities (a full copy of the needs review document is on file in Airport Administrative offices).

Discussion. Huck Gutman requested that a copy of this study be forwarded to the State as it relates to the Canadian/trans-border service. Mr. Flaherty suggested that the entire study be forwarded. Mr. Lees also suggested that the Airport market charter flights into and out of Burlington on a seasonal basis. Discussion. Suggestion was also made by Commission to invite State Tourism to a future meeting.

Mr. Lees left the meeting.

PARKING FACILITY:

Mr. Dave Keller addressed the Commission and indicated that the City Council wants the Airport to get behind alternative transportation in conjunction with or in lieu of the parking structure planning. Mr. Keller indicated that studies have shown that in an additional six years, the proposed parking structure would again be at capacity. He is concerned that additional floors would then be required and added and/or new facilities built. He indicated that if the Airport could reduce overall traffic by 10-15% then it would eliminate the need for any structure and save the costs of the proposed construction. Mr. Gutman questioned what the Council thought would be an appropriate form of 'alternative transportation'. In that regard, Mr. Gutman advised that the Airport has attempted to support public transportation (bus service) and it has been proven to be ineffective due to the rural area, lack of population density, and ease of access to airport via private vehicle. Discussion. Mr. Post indicated that even if a means

were to be provided and traffic were decreased by 15%, that decrease would still be inadequate to eliminate the need for the current proposed structure. Discussion. Mr. Flaherty expressed his concern that the Airports' role is to provide air service and it is the role of the State to be responsible for transportation issues. After much additional discussion regarding the Airport's past leadership in this regard, the responsibility of the City and State and the overall agreement that the Airport is willing to participate, Mr. Keller asked that the Commission commit to allocating funds towards the subsidization of alternative transportation. Discussion. The Commission indicated that they would not be able to participate in funding options, but would review the means to pay for the **study** of alternative transportation. Discussion. Mr. Keller agreed to accept the Airports' offer to fund and conduct a study regarding alternative transportation solutions and the report on how that may be accomplished would be concluded by June. In return, Mr. Keller promised his support, on the City Council, for the proposed parking facility.

At this time (6:30) Mr. Keller left the meeting.

Mr. Jesse Beck then initiated a presentation regarding the status of the parking facility design. Mr. Corley and Mr. Hamilton left the meeting to attend the City Council approval of the parking facility.

The **manager's report** was not discussed but presented in Commission mailing as follows;

Bond resolution correspondence from Evenson Dodge (dated 01-15-97) enclosed. Interviews of the underwriters are scheduled for Thursday January 23, 1997. Commission is invited to attend.

The closing on the loans between **P&W/Aviatron** and **BCDC** is scheduled for Wednesday January 22, 1997. The Chair will attend to sign all documents.

Construction of the **Pratt & Whitney** hangar is progressing well with an estimated completion date of mid March.

The **Passenger Facility Charge** program has been approved by the FAA and the airlines have been notified. They begin collection as of April 1, 1997.

Mastertech is up and operating at Building #6. The interior of the building looks great.

Fifteen responses were received for the **Director of Maintenance** position. They are being reviewed for interview purposes.

The Airport has received correspondence from the Chamber regarding their interest in the Airport **advertising contract**.

Prior to the departure of Mr. Corley and Mr. Hamilton, Mr. Gutman requested that the record reflect his disagreement with the purchase of a new vehicle for the Director of Aviation and his disappointment that its request and approval was accomplished at a meeting that he was not able to attend.

The meeting adjourned at 6:40 p.m. Commissioners Cain and Gutman remained to discuss the parking facility with Freeman, French & Freeman representatives.

Respectfully Submitted,

Tamara S. Gagne
Clerk of the Board