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# Commission Minutes 2002

**MINUTES**  
**BOARD OF AIRPORT COMMISSIONERS**  
**Wednesday, SEPTEMBER 18, 2002**  
**4:00 P.M.**

**PRESENT:**

Robert Miller, Chairman  
Huck Gutman  
Gordon Watson

John Hamilton  
Tamara Gagne  
Robert McEwing

The meeting was called to order by the Chairman, Mr. Miller at 4:01 p.m. with the above present.

**MONTHLY STATEMENTS:**

The Commission reviewed the minutes of August 14, 2002.

A motion was made by Huck Gutman to approve the **minutes of August 14, 2002** and indicated that the minutes were very clearly written. Seconded by Gordon Watson. All were in favor.

Mrs. Alex Rose entered the meeting in anticipation of hearing information and Commission action with regard to the *3060 Land Acquisition* agenda item. The Commission offered to allow Mrs. Rose the opportunity to address the Commission in this regard. She declined the offer and left the meeting.

Bill Ellis of McNeil, Leddy & Sheahan entered the meeting.

Huck Gutman made a motion to enter executive session to discuss potential pending litigation, the premature disclosure of which would put the airport at a substantial disadvantage. Seconded by Gordon Watson. The meeting entered executive session at 4:12 p.m.

The meeting resumed regular session at 4:25 p.m.

A review of the monthly operating statements resumed. Huck questioned status of USAirways service at BTV. Huck suggested that the budget for overtime be increased by 10,000 to ensure adequate funding for overnight and evening project work.. Discussion. Questions continued regarding accounts receivables with explanation and responses provided by Ms. Gagne.

A motion was made by Huck Gutman to approve the review of the operating statements and associated **August warrant**. Seconded by Gordon Watson. All were in favor.

**VEHICLE REPLACEMENTS:**

Mr. Hamilton advised that, as briefed at the August meeting, several vehicles are in need of replacement in accordance with the Airport's vehicle replacement program. The vehicles are as follows: 1) terminal plow truck, sander,salter. The low responsive bidder was Fitzpatrick's for \$44,254.00. 2) Electricians truck with body, plow and compressor to Fitzpatrick for \$49,304.00. 3) A skid steer for maintenance of the garage roof to Hertz First Choice for \$28,641.00. Total cost of the vehicle and equipment purchases is \$122,199.00. The funding is from the Airport's in house capital program.

A motion was made by Huck Gutman to approve the purchase of the vehicles to the low responsive bidders as described. Seconded by Gordon Watson. All were in favor.

**T.R.A.P.P.:**

Mr. Hamilton reported that the architects were directed to explore costs associated with allowing for future expansion of the new parking structure. They have responded with an estimated cost of \$750-800,000. Mr. Hamilton pointed out that, though there is no current intention for building to five levels, the infrastructure for that possibility must be considered and accomplished at this time if deemed prudent. Discussion. Huck proposed to table this item until the South Burlington commission representative could participate. Discussion. Mr. McEwing expressed a concern about the affect on project schedule if decision is delayed until that time. Discussion.

A motion was made by Gordon Watson to design and construct the new garage to allow for the future expansion of two additional levels, contingent upon a favorable vote from Commissioner Flaherty. Seconded by Huck Gutman. All were in favor.

**AIR CARGO RAMP REPAIR:**

Mr. Hamilton reported that over the past several years, bad pavement areas on the air cargo ramp which have been taking a heavy beating from use by B-727 aircraft, have been patched. The pavement has been gradually deteriorating to the point where sections of the pavement will have to be replaced to prevent the situation from becoming a safety hazard. An airfield pavement specialist from the consulting firm of Edwards & Kelcey is developing recommended correction plan and we will be obtaining competitive quotes within the next week. Authorization is requested for the Chair to be allowed to approve the final required funding amount. The engineering estimate is \$49,500 and that will cover the replacement of a number of concrete slabs directly under the parking position for the Federal Express airplane. The expense will be allocated to the industrial park account.

A motion was made by Gordon Watson to approve the air cargo ramp project with authority provided to the Chairman to review and approve the low, qualified bid. Seconded by Huck Gutman. All were in favor.

**EXPLOSIVE DETECTION SYSTEM:**

Mr. Hamilton explained that he and his staff members have come up with a conceptual plan for compliance with Federal mandate for 100% baggage check system. He warned that the plans and thoughts are very preliminary and there is no cost estimate or source of funding determined at this time. Mr. Hamilton also explained that the Federal government (TSA) has contracted with both Boeing and Lockheed consulting and engineering firms to also look at the needs of each airport relative to compliance with the bag check requirement. Bob McEwing presented the Boeing proposed plan that would take up approximately 85% of the lobby and would only allow for the use of electronic trace detection (ETD). Based on the impending security level change at BTV, ETD equipment would not be acceptable. A secondary plan, not yet transmitted from Boeing, would be to install an

electronic detection system (EDS) machine in the existing Gate 3 area with a complicated baggage conveyor system throughout the airline make-up area, taking over either their back rooms or the terminal lobby. The proposed EDS machines are more than 15' wide by 15' long and weigh almost two tons. It has been determined that the needs for Burlington Airport would be to have three of these units. Bob then explained the airport proposal regarding a separate baggage check-in facility with a conveyor system tie to the terminal building, that would accommodate the enormous machines. Discussion. Commission concurrence received to explore the airport suggested plan.

#### **LAND ACQUISITION RELOCATION SERVICES CONTRACT:**

Mr. Hamilton requested Board authority to contract with O.R. Colan Associates to provide relocation assistance services for nine residences and two businesses being acquired under AIP. The contract cost is \$241,000, \$9,640 of which is airport cost. Mr. Hamilton advised that this firm comes highly recommended by the FAA and their costs are within industry standards. Discussion. Huck suggested that this contract be offered to the City. Lengthy and adverse discussion in this regard relating to the ability and timeliness of the City to be able to gain the required knowledge and experience to fulfill the needs of the airport and meet the Federal requirements associated with said services.

Huck Gutman made a motion to approve the O.R. Colan Associates contract, pending offer to the City to provide these services and their subsequent refusal of same. Discussion. JJ advised that though the City may want to consider providing such a service they could not become educated and ready for the Airport's current property purchases. Discussion. Motion died for lack of second. Bobby Miller indicated that he would call the City Treasurer and Mayor in this regard.

#### **ENGINEERING SERVICES CONTRACTS:**

Mr. Hamilton requested approval of a contract with Edwards and Kelsey for engineering/architectural services relating to the installation of two boarding bridges in the concourse at gates six and nine that serve Northwest and Delta for \$92,300. This contract and the project is scheduled to be funded by the PFC. Mr. Hamilton also asked for concurrence on a contract with Hoyle, Tanner & Associates to engineer a PFC Impose and Use Application for the

terminal improvements, and for two amendments to existing PFC applications. The cost for these services is \$39,700.

Discussion. Huck expressed concern about the cost for the Edwards & Kelcey services. Discussion.

A motion was made by Gordon Watson to approve the contracts as proposed. Seconded by Huck Gutman. Huck voted against the approval of the Edwards & Kelcey contract and in favor of the Hoyle, Tanner & Associates contract. The motion for the Edwards and Kelcey contract passed in favor. The motion for the Hoyle, Tanner & Associates contract passed unanimously.

#### **MANAGER'S REPORT:**

The **enplanements** were slightly down in August, but still good.

The bid opening date for the **car rental RFP** has been extended to October 15 at their request to provide more time in which to put together the id.

**Airport Security Classification:** In that the Airport will exceed ½ million enplanements in consecutive years, the FAA will change the Airport's classification from a category three to a category two Airport, after January 1st. The major effect this will have is to bring back the 300' rule regulation. We are researching how other category two airports are complying.

A meeting was held last week with the **jetBlue** VP for planning. It is anticipated that they will be announcing the start of a third frequency in February with an early morning departure and late night arrival. In that meeting, they have again asked that a ground loading terminal door be installed at gate 10, for simultaneous loading/unloading from the front and back of the aircraft. The cost and type of construction is being investigated.

A meeting with the **Agency of Natural Resources** and the Mayor was held to provide an update on the Airport projects. The major discussion was one relative to the wetlands issue. The Agency is well aware of the importance of the project.

**September 11** terminal activities were quiet throughout the day.

**Vice President Cheney** is scheduled to arrive at airport tomorrow. He is expected to speak at FBO Avcenter and one additional police officer has been scheduled at the terminal building to handle any crowd issues that may arise. A welcoming committee has been planned for his arrival, at the Air Guard, and I have been asked to participate.

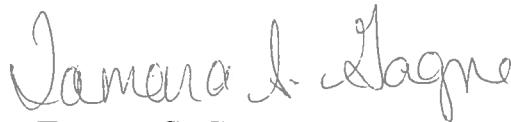
**Land Acquisition Program:** Appraisals are complete on two parcels on Airport Parkway and one on Kirby Road. Offer letters are scheduled to be sent. Monies for these purchases will be with AIP noise program funds. The Airport's share is \$20,280.

The Airport will be hosting a **neighborhood update meeting** with Airport Drive neighbors on October 16<sup>th</sup> to present the T.R.A.P.P.

The next meeting of the Board of Airport Commissioners was set for Wednesday, October 16, 2002 at 4:30 p.m.

There being no further business, the meeting adjourned at 6:14 p.m.

Respectfully Submitted,



Tamara S. Gagne  
Clerk of the Board

# DRAFT

MINUTES  
BOARD OF AIRPORT COMMISSIONERS  
Wednesday, August 14, 2002  
4:00 P.M.

**PRESENT:**

Robert Miller, Chairman  
Gordon Watson  
Michael Flaherty  
Huck Gutman

John Hamilton  
Tamara Gagne  
Robert McEwing

George Paris – Campbell & Paris, Tim Shea – LCRCC, Jim Tabor – Gillen Tabor Communications, Inc.

The meeting was called to order by the Chairman at 4:05 p.m. with the above listed present.

**Marketing/Public Relations Update:**

Tim Shea and Jim Tabor addressed the Commission to present a summary of results of the one year proactive PR campaign, for which the Commission had committed \$5,000, in partnership with area hotels and the Chamber.

Mr. Tabor advised that the Burlington Airport received over 24 million impressions over the past year that may not have happened if not for marketing efforts through the Chamber. As examples, a Boston Globe article generated 1,177,998 impressions for a \$42,992 value, American Heritage magazine generated 799,333 impressions for a \$35,000 value, World Traveler Magazine (5 page article) generated 1,750,000 impressions for a \$219,000 value. Both the Chamber and Mr. Tabor felt that the year's activities proved successful and indicated a desire to do similar marketing for the ensuing year. Discussion.

Motion by Michael Flaherty to approve \$5,000 of the FY'03 marketing budget for work with the Lake Champlain Regional Chamber of Commerce and its consultant, Jim Tabor for the ensuing year on a marketing and public relations program, like that which transpired over the past year. Seconded by Mr. Watson. All were in favor.

Jim Tabor and Tim Shea left the meeting and George Harkness, BTV Security Director for the new Transportation Security Administration (TSA) entered the meeting to introduce himself and advise that the Federal transition of security screening at BTV was anticipated to happen within the upcoming week. Mr. Harkness left the meeting following his introduction.



### **SOUTH END STUDY:**

George Paris, engineer from Campbell & Paris Engineers (C&P) appeared before the Commission to present an update on the south end development study. Mr. Paris indicated that C&P was contracted for three major subtasks – wildlife quarter study, archeological study, and a hydrology study. Mr. Paris reported that the results of the wildlife study support the conclusion that the area does not act as a sink, source or corridor for wildlife and that there are no endangered species to be concerned with. The archeological study has also been completed with no cultural resources identified. The hydrology study results indicated that it would be “technically possible to satisfy ALL agencies concerns”. Discussion. Mr. Paris then indicated that the south end development has finally reached the point of not “if and when” but “now and how”. Discussion. Mr. Paris indicated that C&P would be back in the fall with completed documents. Discussion. Gordan questioned wildlife study – “corridor” vs living – study looked at both – none found. Huck – wanted to purchase land at mouth of Winooski to use as trade in event of problem re: wildlife – tired of studying – wants action. George responded that there will be 12 acres of wetland affected and there will be need for mitigation – ie: one for one replacement – Discussion – though Huck has been promoting looking for property for years, need to look for property that is acceptable which will be unknown until presented to agency who requires same. Discussion. George agrees re: now is time and reminded that process was initiated five years ago w/parcels identified but they were not accepted. Discussion.

### **RENTAL CAR DUAL BRANDING:**

A discussion ensued regarding the car rental dual branding that was presented and discussed at the Board meeting in July.

A motion was made by Mike Flaherty to allow dual branding by the car rental agencies and to include such rights in the upcoming request for proposals. Seconded by Hinda Miller. Discussion. All were in favor.

### **AMPORTS LEASE ASSIGNMENT:**

Mr. Hamilton advised that Amports, the Airport’s FBO is being sold by its parent company. As such they are requesting the assignment of the lease to Macquarie Airports North America (MANA), an Australian company licensed in Delaware. A meeting was conducted with the Chair and counsel. There are no changes to the agreement and the experience level of operating an FBO will not be altered. There appears to be no reasonable reason to deny the assignment. Bobby Miller advised that MANA bought the stock shares of Amports and the management team and that he did some research and found that they have bought into other large US companies and are very stable and well managed.

A motion was made by Michael Flaherty to approve the assignment of the Amports FBO lease agreement to MANA as advised. Motion seconded by Gordon Watson. All were in favor.

**HERITAGE FLIGHT LEASE ASSIGNMENT:**

Mr. Hamilton advised that Andrew Button is selling his company, Heritage Flight Services to ElanAir Inc. Heritage subleases from Amports to provide the required FBO services of charter, maintenance and flight school. One of the requirements of the sublease assignment is for approval of both Amports and the Airport, which can not be unreasonably denied. The President of ElanAir is Robert Stiller, the President of Green Mountain Coffee Roasters. Andy Button will be retained to run Heritage. A meeting between Mr. Hamilton and Robert Stiller is forthcoming. The assignment appears reasonable. Discussion.

A motion was made by Hinda Miller to approve the sale of Heritage Flight Services to ElanAir, Inc. as described. Seconded by Gordon Watson. All were in favor.

**FEASIBILITY STUDY:**

S,H&E, a financial consulting firm, has been contacted to perform the garage and north concourse feasibility study. The cost for this contract is \$55,000 and is consistent with their costs to perform the two previous studies. This study is required under the bond financing plan and will provide summary of airport's ability to pay back the borrowed funds.

A motion was made by Michael Flaherty to approve the negotiated contract with S,H&E for the performance of a financial feasibility study related to the Terminal, Roadway, and Parking Projects (TRAPP) in the amount of \$55,000. Seconded by Gordon Watson. All were in favor.

**MONTHLY STATEMENTS:**

An explanation of the **operating statements** and accounts receivable were provided by Tamara Gagne. Ms. Gagne explained that notice of default on payment terms has been given to Electronic Hospital and requested Commission concurrence for ensuing action.

A motion was made by Huck Gutman to support a letter of eviction, on Friday, August 16<sup>th</sup>, if there is no payment of half or more by Electronics Hospital, as outlined in their notice. Seconded by Hinda Miller. All were in favor.

Commissioner Gutman acknowledged the accounts receivable staff for their diligent efforts in clearing the report.

A motion was made by Michael Flaherty to approve the **July warrant** and review of the operating statements as presented. Seconded by Hinda Miller. All were in favor.

A motion was made by Michael Flaherty to approve the **minutes of July 17, 2002** as presented. Seconded by Hinda Miller. All were in favor.

**MANAGER'S REPORT:**

**USAirways Chapter Eleven:** A discussion was held with the USAirways properties personnel. They indicated that they expect to continue with the operating agreement and current route system. Under the bankruptcy filing rules, USAirways has 60 days to advise whether they intend on continuing the lease agreement. The City Attorney will ensure that they comply with that timeline. As is usual in bankruptcies, all pre petition monies owed are non payable until a repayment plan is accepted. As of August 12, USAirWays owed the Airport \$44,861.00. The usual process relating to this filing, is being followed.

**TSA Update:** Both consultants of the TSA, Lockheed and Boeing, have visited the Burlington Airport to analyze the site and work on plans to make Burlington Airport compliant with TSA security requirements. Type and design installation for machines is still pending. Thirty new screeners have been hired, but no training schedule, as yet.

Discussion regarding the monthly meeting for September 2002. The meeting for September was tentatively set for Wednesday, September 18, 2002 at 4:00 pm.

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**  
**WEDNESDAY, JULY 17, 2002**  
**4:00 P.M.**

**PRESENT:**

Robert Miller, Chairman  
Michael Flaherty  
Hinda Miller

John Hamilton  
Tamara Gagne  
Robert McEwing  
Heather Kendrew

Mark Macbee – VP Operations, Jeff Hauser – BTV Station Manager – HERTZ, Scott Lanpher – General Manager, Jennifer Sivak – BTV Station Manager – BUDGET, Ted Hommel – Director of Properties – AVIS, Barb Matthew, Dave DeSarno – BTV Franchise Owner, Steve DeSarno – BTV Station Manager – ANC RENTAL (National/Alamo), John Wojcik, Laurie – ENTERPRISE

The meeting was called to order by the Chairman at 4:03 p.m. with the above listed present.

**CAR RENTAL RFP:**

Mr. Hamilton advised that Airport counsel has reviewed the car rental dual branding issue and reports that the commission will be legal in either allowing or not allowing it. Each of the referenced car rentals were then given opportunity to offer their perspective in that regard. Mr. MacBee of Hertz indicated that they were “vehemently opposed to dual branding” because, if allowed for National/Alamo, then door would be open to all others. Mr. MacBee indicated that Hertz feels that it creates uncertainty in the bid process and “tricky” allocation of space. Mr. MacBee also provided information on what other airports were doing with their new contracts. Mr. Lanphere of Budget also indicated that Budget was opposed to the dual branding of National/Alamo, but if allowed at Burlington, would want assurances for other operators to be able to do the same. Mr. Lanphere’s concern with regard to dual branding is that of competitiveness with single counter, dual brand operator. He also indicated that if the Commission were to vote in that direction, then Budget would not be responding to the RFP. Mr. Hommel of Avis indicated that Avis was also ‘vigorously’ opposed. Avis concern is that one of the two brands would be getting a ‘free ride’ and creating an unfair advantage. Mr. Hommel indicated that both National and Alamo should have to have separate and distinct contracts. Ms. Matthews of ANC indicated that they looked only at certain locations to offer existing licensees the opportunity to handle Alamo, that Burlington was one of those sites and that negotiations were going very well. She then explained that ANC filed bankruptcy on November 11, 2001

and have the goal of consolidating two companies across the nation. This proposed dual-branding would require one bid, one counter and one rental/ready return area. Ms. Matthews explained that the “dual branding spurs competition between car rental companies”. Ms. Matthews also explained that National caters to the corporate traveler and Alamo to the leisure traveler. Ms. Matthews indicated that the Federal bankruptcy court has indicated that dual branding spurs competition and therefore has upheld ANC right to dual brand. The court has also made comparisons between the National/Alamo combination being equivalent to Hertz regular and gold members. Mr. Wojcik of Enterprise only requested that if allowed, the terms of same be specific in the bid documents. Mr. Wojcik also advised that Enterprise has been in Vermont for 10 years, is the largest car rental company in Vermont, is a \$6 billion dollar company and looks forward to bidding on the RFP and becoming an on airport car rental.

Mr. Miller acknowledged all comments and advised that the Commission would take under advisement in its decision. No action taken at this time. All referenced parties left the meeting.

#### **ENVIRONMENTAL ENGINEER’S REPORT:**

Heather Kendrew, airport environmental engineer, provided a status report on projects that she controls or monitors. Those projects include the south end development with its mitigation process to limit the impact to the wetlands, the mitigation of a fuel spill on the north ramp, the creation and monitoring of pollution prevention and hazardous waste management plans, responsibility for site assessment, testing, clean up and state reporting for any major fuel spills. Heather advised that she is currently in the assessment process for two minor fuel spills, with clean up to follow. Discussion.

#### **OPERATING STATEMENTS:**

Mr. Flaherty made a motion to approve the May and June warrants as presented. Seconded by Ms. Miller. All were in favor.

The June operating statements were reviewed and discussed. Ms. Gagne pointed out that the accounts receivable report was in very good shape due to diligent follow up by her staff. She also advised that Electronics Hospital was not following their agreed upon payment plan and recommended that eviction action be taken. Discussion.

#### **JANITORIAL CONTRACT:**

The Commission, at their May meeting, authorized the Chair to make a recommendation to the City Council for the awarding of the janitorial contract. The Chair recommended Premier Inc. as the proposal that best fit the Airport needs. The annual cost has increased 59% primarily due to the liveable wage. Discussion.

Mike Flaherty made a motion to confirm the recommendation of the Chairman for award of the janitorial contract to Premier, Inc.. Seconded by Hinda Miller. All were in favor.

**CARGO AREA PAVING:**

Hinda Miller made a motion to approve the low bid by \_\_\_\_\_ for \$ \_\_\_\_\_.  
Seconded by Mr. Flaherty. All were in favor.

Joe McNeil and Susan Gilfilan of McNeil, Leddy & Sheahan entered the meeting.

**MINUTES**  
**BOARD OF AIRPORT COMMISSIONERS**  
**Thursday, APRIL 11, 2002**  
**4:00 P.M.**

**PRESENT:**

Robert Miller, Chairman  
Gordon Watson  
Hinda Miller  
Michael Flaherty  
Huck Gutman

John Hamilton  
Tamara Gagne  
Robert McEwing

Bill Burdette – Pratt & Whitney Aircraft Services, Bill Ellis – McNeil,  
Leddy & Sheahan

The meeting was called to order by the Chairman, Mr. Miller at 4:01 p.m.

Mr. Gutman made a motion to enter executive session to discuss lease and contract issues relative to Pratt & Whitney, the premature disclosure of which would put the tenant at a substantial disadvantage. Seconded by Mr. Watson. All were in favor. Meeting entered executive session at 4:02 p.m. with all listed above present.

Meeting resumed regular session at 4:14 p.m.. Mr. Burdette left the meeting. Robert McEwing entered the meeting.

**OFF AIRPORT CAR RENTAL USER FEES:**

Mr. Hamilton provided an explanation of off airport car rental fees approved in 1999, but not implemented at the time. Commissioner Gutman had asked for it to be brought back to the table. Mr. Hamilton indicated that the timing is appropriate, in that, the airport must issue a car rental RFP. Commissioner Flaherty expressed his philosophical opposition because of a Burlington “tax” being imposed in South Burlington. The Commission previously elected to set aside because Bangor Maine did receive opposition and a judge ruled that they were not within their rights to impose fees, but that decision was overruled by a higher court. Discussion re: South

### **OFF AIRPORT CAR RENTAL USERS FEES (cont.):**

Burlington jurisdiction. Request by Mike Flaherty to defer until next meeting so that he and JJ can meet with South Burlington Council. Point made that South Burlington off airport business will not be the only ones affected. Discussion regard protection of on airport businesses. Explanation of actual process by which off airport rental agencies are taxed.

Commission agreed to defer until next month, pending contact with South Burlington council.

Bill Ellis left the meeting.

### **CAR RENTAL RFP:**

Mr. Hamilton advised that the car rental RFP should be issued this month for a contract start date of July 1 and that the standard RFP will be issued with discussion required regarding changes. The RFP must change to incorporate the City of Burlington livable wage language, and recommended changes to the annual minimum and percent payment need discussion. The annual required minimum payment has been \$60,000 for the past 10+ years. The past fiscal years actual payments averaged \$274, 537. Mr. Hamilton recommended that the minimum bid be set at \$100,000. Ms. Gagne reported that the industry range for car rental gross revenue percentage payment is 6% to 26% with 98% of the airports at 10%. Burlington Airport has had a 9.5% gross revenue percentage fee for 10+ years. Discussion re: minimum bid requirement. Mr. Miller suggested that there be a built in CPI for next three years for the minimum. Discussion re: percent payment. Discussion re: livable wage implementation and the applicability to lessees versus contractors. Mr. Miller expressed his feeling that the livable wage works for the hiring of contractors but not to dictate to private enterprises – discussion. Lengthy discussion re: livable wage, affects, course of action to rectify, lack of ability to comment on ordinance prior to its enactment.

Mr. Gutman made a motion to issue a car rental RFP for a three year contract term, requiring a minimum of \$100,000 for the first year, \$105,000 for the second year, and \$110,000 for the third year with a 10% gross revenue percentage payment. Seconded by Mr. Flaherty. All were in favor.



### **TAXIWAY ALPHA NORTH:**

Mr. Hamilton advised that five bids were received for the AIP funded reconstruction of Taxiway Alpha north. The low bid from S.D. Ireland is \$1,843,832. The negotiated engineering contract to support the project with HTA is \$205,000. 96% of that total will be funded with federal and state grants. Discussion.

Motion by Mr. Flaherty to accept the low responsive bid of \$1,843,832.00 by S.D. Ireland for the Taxiway Alpha North project and to approve the associated engineering contract amount of \$205,000 with Hoyle, Tanner & Associates. Seconded by Mr. Gutman. All were in favor.

### **DESTINATION PRESS:**

The Shelburne News, publisher of the Burlington Airport "Destination Press" quarterly newsletter has completed their one year approved trial period. Mr. Hamilton and Ms. Gagne advised that they have received favorable comment and feedback and airport patrons appear to be reading the publication. Discussion as to the continuation of the program.

Motion by Mr. Flaherty to approve the continued support of the Destination Press for an annual commitment of \$12,000. Seconded by Mr. Gutman. All were in favor.

### **GRANT ACCEPTANCE:**

Mr. Hamilton advised that a special funding grant for security costs relating to September 11 has been received in the amount of \$561,822.00. This requires acceptance by the commission in order to acquire City Council resolution. The original projection and request for the period from September 12, 2001 to September 30, 2002 was \$1.125 million. Records show that \$390,000 had been expended through January 31, 2002. Current projections for February through September 30 are \$260,000. The shortfall between actual expenses and the special security grant that has been issued

**GRANT ACCEPTANCE (cont.):**

should be covered by entitlement funds. Discussion as to the appropriateness of using entitlement funds.

Motion by Mr. Flaherty to accept the FAA security grant in the amount of \$561,822.00. Seconded by Mr. Watson. All were in favor.

**GATE 1 /2 EXPANSION:**

USAirways and United have requested an expansion to the gate hold area. This request can be granted, paid for by the PFC, if the commission so agrees. Both airlines need more space. This expansion, in conjunction with the walkway/rotunda, should provide capacity space for the next two years when the north end concourse is projected as being needed. Mr. McEwing provided an explanation of the changes on charts. The modifications would involve the expansion of the gate area into the offices currently used by Airport Police and that used by United Station Manager, John Grindle. The project is estimated at \$50,000.

Motion Mr. Flaherty to approve the expansion plans as detailed and discussed at an estimated cost of \$50,000. Seconded by Mr. Watson. All were in favor.

**EXPENSE ITEMS:**

Mr. Hamilton requested Commission approval of the following expense items based on their purchase prices exceeding \$2000.

*Line Striper purchase at cost of \$3900.* A new FAA regulation has increased the need for inhouse painting and a larger capacity line striper is required. Mr. Gutman made a motion to approve the expenditure of \$3900 for a line striping machine. Seconded by Mr. Flaherty. All were in favor.

*Upgrade and addition to recycling containers* at cost of \$3000. Several of the exiting trash/recycling containers in the terminal are in need of replacement and additional receptacles are required in new areas. Motion by Mr. Gutman to approve funds up to \$3000 for trash/recycling containers. Seconded by Mr. Flaherty. All.were in favor.

### **MISC. ITEMS:**

Mr. Miller advised that Mr. Angelo Pizzagalli has indicated an interest in owning his own fuel station at BTV to serve their aircraft. He has also indicated a desire to build a 50,000 s.f. hangar. Discussion regarding Airport policy or desires regarding multiple privately owned fuel farms and options for hangar space for Mr. Pizzagalli. Mr. Miller to continue discussion with Mr. Pizzagalli with no commitment to space.

### **MONTHLY STATEMENTS:**

A review and discussion of the **March operating statements** ensued to include a thorough page by page discussion and concentration on accounts receivable.

Motion Mike Flaherty to accept the **minutes of February 27, 2002** as presented. Seconded by Gutman. All were in favor.

### **GBIC STORMWATER PERMIT ISSUE PARTICIPATION:**

Mr. Miller advised that he had checked with the Mayor and received approval to proceed with contribution of \$10,000 to the efforts of GBIC.

Motion by Mr. Flaherty to approve the contribution of \$10,000 to the GBIC and Lake Champlain Regional Chamber of Commerce efforts related to the stormwater discharge permit issue as discussed at the meeting of February 27, 2002. Seconded by Mr. Watson. All were in favor.

### **MANAGER'S REPORT:**

A meeting was held, as directed, with Brendan Keleher and Ken Shatz, Assistant City Attorney regarding the **livable wage ordinance**. It is their position that if a hardship arises when issuing leases, that the commission can present the hardship, at that time, to the City Council. Therefore, in accordance with the City Council resolution, the restaurant, gift shop, car rentals and airlines all fall within the livable wage ordinance requirements.

**MANAGER'S REPORT (cont.):**

**Concourse Gates:** Gate assignments have been made for Northwest, American Eagle and Delta. Delta will move from Gate 6 to Gate 9, Northwest from Gate 4 to Gate 6 and American Eagle will be located at Gate 4.

An RFP for **janitorial services** will be issued for a contract start date of July 1. The cost for providing in house janitorial service is being analyzed simultaneously, since the airport has never had quality janitorial service.

Presentation of staff projects list for ongoing projects. Brief review.

**AIRPORT PROPERTY PURCHASES:**

Mr. Hamilton advised that South Burlington residents will be invited to the airport for a meeting regarding future expansion projects. At that time, it is anticipated that property owners will ask the status of purchasing their homes. Previous political outcome was that BTV was not allowed to purchase homes in So. Burlington. Discussion.

Next monthly meeting tentatively set for Thursday, May 23, 2002.

There being no further business, the meeting adjourned at 6:15 p.m.

Respectfully Submitted,

Tamara S. Gagne  
Clerk of the Board

FILE



*BURLINGTON INTERNATIONAL AIRPORT*

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**AGENDA  
BOARD OF AIRPORT COMMISSIONERS  
FEBRUARY 27, 2002  
4:00 P.M.**

**MONTHLY REPORTS:**

1. Minutes of December and January
2. January Warrant
3. January Operating Statements

**OLD BUSINESS:**

1. Garage Expansion
2. Restaurant Proposal
3. Garage Vehicle Inspection Proposals

**NEW BUSINESS:**

1. Interspace
2. Fy'03 Budget

**MANAGER'S REPORT:**

1200 Airport Drive, #1  
South Burlington, Vermont 05403

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## **MANGER'S REPORT:**

- 1. GARAGE 300' RULE WAIVER:** The State has agreed to review the Airport's position. That's the good news. The bad news, is that, it will take them two months to conduct that review. Chief Ennis is talking with the agencies to condense the time.
- 2. WASHINGTON NATIONAL FLIGHTS:** USAirways Express will resume flights to National beginning March 3, with two round trips/day. The frequency will be increased to three on April 1<sup>st</sup>. Passengers will need to be sequestered after passing through security screening, a police officer must be with them during the boarding process and airport operations must monitor the aircraft during the boarding to detect any unauthorized people and/or vehicles from approaching the aircraft.
- 3. TRANSPORTATION SECURITY ADMINISTRATION(TSA):** They have taken control of the security screening contracts as of Sunday Feb 17. Although the Airport has no control over the screening process, we have been pro active in assisting in the transition of control. A combination of airline errors, the experience level of the agent assigned to Burlington, and the TSA's newness to this, has created a rocky road at times. Our involvement is smoothing out the bumps.
- 4. JANUARY ENPLANEMENTS:** Although January enplanements were 8.7 % less than last January, they were 15% above the January average, and were the second highest recorded for a January . Also, the % decrease in boardings since Sep 11 has continually decreased each month. What was a 15% decrease is now down to 8.7.

## EXECUTIVE SUMMARY

1. **MONTHLY REPORTS:** Discussion.
2. **GARAGE VEHICLE INSPECTION PROPOSAL:** a) It appears that someone has complained to the Sec. Of State Office, that the Airport was soliciting proposals for security work from firms that are not licensed in the State to perform security actions. The RFP was specific that, the work to be performed in no way dealt with security. Bill Ellis will be present to advise the Commission in this regard. b) review of the proposals submitted, and awarding of the contract.
3. **INTERSPACE:** They have a proposal to test new technology in the way back lit advertising is presented. They are forecasting additional revenues to the Airport from this new approach, but with a different fee structure, which will require commission approval. I will have Tamara present the request, which appears to have merit.
4. **FY'03 BUDGET:** The forecasted revenues and expenses will be provided for review and adoption.
5. **GARAGE EXPANSION:** Design review will be presented by Jesse Beck. Discussion as to next steps.
6. **RESTAURANT PROPOSAL:** The Commission reviewed the restaurant proposal at its December meeting without taking action, due to the liveable wage issue. That as you know has been resolved. Since the December meeting, the restaurant has come forth with a different approach in paying fees to the Airport. Chuck Rolecheck will be at the meeting to discuss that approach. I am reviewing that proposal with the Chair Monday night.

**MINUTES**  
**BOARD OF AIRPORT COMMISSIONERS**  
**Wednesday, FEBRUARY 27, 2002**  
**4:00 p.m.**

**PRESENT:**

Huck Gutman  
Hinda Miller  
Gordon Watson

John Hamilton  
Tamara Gagne  
Robert McEwing

Chuck Rolecek, Bill Weigle – Stelex, Corp., Bill Ellis – McNeil, Leddy & Sheahan, Alex Halpern, Jesse Beck – Freeman, French & Freeman

Mr. Gutman called the meeting to order at 4:20 p.m. with the above attendees.

Mr. Hamilton requested that the agenda be amended as follows:

A change in the order of business by placing “Restaurant Proposal” first, followed by “Interspace”, “FY’03 Budget”, and “Monthly Reports”. ADD item #5 - Budget Car Rental Audit and #6 - DCA Hold Room. The remaining order to be “Garage Vehicle Inspection Proposals” and “Garage Expansion”.

Motion by Gordon Watson to approve changes and additions as described. Seconded by Hinda Miller. All were in favor.

**STELEX:**

Mr. Rolecek addressed the Commission with regard to the proposal by Stelex discussed in December, where no decision was reached. Mr. Rolecek then offered a different proposal for the continuation of the contract with Stelex, dba One Flight Up.

The Commission received a hand out of the revised proposal and reviewed same. Discussion. The new proposal replaces the annual percent payment with a per enplanement fee remit and proposes that the per enplanement cost decrease should Stelex eliminate the Premier Catering portion of their



business. Mr. Gutman addressed the proposal by questioning why the proposed per enplanement fee would go down without the Premier operation vs just the annual minimum going down. Explanation. Proposal is for the first five year term of the ten year option. No vote to be taken at this meeting. Mr. Hamilton advises that Mr. Miller has questions and want to give him opportunity to voice those.

**INTERSPACE:**

Ms. Gagne explained that Interspace Airport Advertising has made a request to change out two of its back lit advertising units with LED rotating signage units. Interspace currently pays the airport a fee of 30% of gross revenue on the traditional back lit signage. Interspace proposes to continue to pay 30% of gross on the back lit signs and to pay 25% of gross for the new rotating signs. This percentage is the same paid throughout the industry and is adjusted to cover capital outlay and other associated expenses with bringing this technology to airports. Discussion.

Motion Gordon Watson to approve the Interspace proposal. Seconded by Hinda Miller. All were in favor.

Mr. Robert Miller entered the meeting. The discussion regarding Stelex proposal resumed. Mr. Miller asked questions regarding management costs for operation, security of catering operation, etc. Discussion. Mr. Gutman indicated that if Stelex proposal were to be accepted, then they must stick to the contract without coming back for additional reductions. No decision reached.

**FY'03 BUDGET:**

Tamara Gagne presented the FY'03 revenue and expense budget for discussion. Questions were raised regarding various expenditure increases, most related to increased security costs. General discussion.

Mr. Gutman offered to draft a letter to the VT Congressional delegation regarding relief from the Federal 300' security rule.

The Commission expressed concern about approval of a budget that contains such significant cost increases related to security that may or may not be valid based on potential relief from some requirements. Discussion. The Commission requested that a footnote be added regarding garage vehicle checking costs.

Commission approved the draft of the FY'2003 budget as presented.

Attorney Bill Ellis, McNeil, Leddy & Sheahan entered the meeting.

**STELEX (cont.):**

Motion by Huck Gutman to accept the Stelex Corporation, dba One Flight Up Restaurant proposal as presented. Seconded by Gordon Watson. All were in favor.

**MONTHLY REPORTS:**

Review of the January monthly operating statements – discussion regarding the account receivables. Duty Free reflects a missed payment and Electronics Hospital has proposed a payment plan for their past due balance. There is a consistent and managed plan in place for accounts receivables follow up and it is proving effective.

Motion by Hinda Miller to approve the review of the January operating statements and the January **warrant** as presented. Seconded by Huck Gutman. All were in favor.

Motion by Huck Gutman to approve the **minutes of December 13 and February 6, 2002** as presented. Seconded by Hinda Miller. All were in favor.

**BUDGET RENT-A-CAR:**

The City has proposed to audit the records of Budget based on recent history related to reported revenues compared to those reported by other airport car rental operators. The cost estimated to perform this audit is \$5,000.

Huck Gutman made a motion to approve the \$5,000 audit expense as described. Seconded by Gordon Watson. Discussion. Hinda suggested that annual audits be conducted choosing a different tenant each year. All were in favor.

**DCA HOLD ROOM:**

USAirways Express operation will resume service to Washington National on Sunday, March 3<sup>rd</sup>. The passengers associated with these flights require special security precautions, including sequestering once screened. In order to accommodate same, the Airport is looking at the rental of a mobile structure to add to the new walkway. The cost to build was estimated at \$40,000 vs a \$600/month rental. Discussion. Huck recommended that the cost to USAir is only the direct costs, not necessarily the current rental rate. Commission concurred with proceeding forward to provide facilities required.

**VEHICLE INSPECTION SERVICES:**

Five (5) responses were received to the vehicle check RFP with a low bid of \$266K. All bids were responsive to the RFP and Mr. Hamilton recommended award of the contract to the low bidder, CAH Services. Discussion. Attorney Bill Ellis advised that the Airport is in receipt of a letter from the Secretary of State's office, Board of Private Investigative and Security Services protesting the RFP regarding the non-requirement to be licensed as a security service. Discussion.

Motion by Mr. Gutman to enter executive session to discuss pending contracts, the premature disclosure of which could put the airport at a substantial disadvantage. Seconded by Mr. Watson. All were in favor. The meeting entered executive session at 5:45 p.m.

Meeting resumed regular session at 6:08 p.m. Mr. Ellis left the meeting.

Mr. Miller requested Commission consideration of the State stormwater discharge issue which is causing growth in the area to be halted and could affect Airport. GBIC & The Lake Champlain Chamber of Commerce have gotten involved to prevent action being taken by local authority at an estimated cost of \$160,000 and have asked the Airport to contribute

\$10,000. Discussion. JJ would need to check with FAA to verify eligibility for participation. Huck Gutman expressed his concerns about spending money for 'lobbying'. Bobby Miller responded that the airport development could be halted without the proposed legislation being approved. Hinda Miller indicated that she does not have problem with lobbying for sake of development protection. Huck responded that his concern would be about repercussions of political fallout for airport taking a particular stand – Mayor has expressed concern about the Loews decision as well. Bobby Miller to discuss issue with Mayor Clavelle before proceeding.

### **GARAGE EXPANSION PROJECT:**

Robert McEwing provided background information on the project, including reference to the original approach and study done by contracted engineering firm of HNTB.

Alex Halpern of Freeman, French & Freeman then presented the current approaches. FFF has proposed two plans, a 5 & 10 year version, required because of South Burlington roadway plans, with the main difference being the airport exit road. The five ( 5) year plan uses Maryland St. as an exit and the ten (10) year uses White St. as an exit. Alex further explained that within those two plans there are also two different possible constructions of the facility. The first is a 600 space garage which would net 325 additional parking spaces and the second is an 800 space garage with a net of 500 new.

Bobby Miller and Hinda Miller left the meeting.

Continued discussion regarding parking garage expansion with general acceptance of the two plans. A financial feasibility study would be required to determine which option is ultimately feasible.

### **MANAGER'S REPORT:** (Included but not discussed)

**Garage 300'Rule Waiver:** State officials, Burlington Police and Federal officials have agreed to review the Airport's position. However, it will take approximately two months to conduct that review. Chief Ennis is talking with the agencies to condense the time.

**MANAGER'S REPORT (Cont.):**

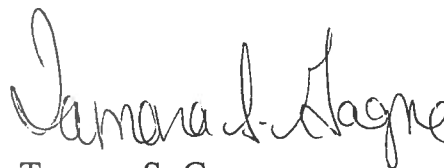
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**Transportation Security Administration (TSA)** has taken control of the security screening contracts as of Sunday Feb 17. Although the Airport has no control over the screening process, we have been pro-active in assisting in the transition of control. A combination of airline errors, the experience level of the agent assigned to Burlington, and the TSA's newness to this, has created a rocky road at times. The Airport's involvement is smoothing out the bumps.

**January Enplanements** were 8.7 % less than last January, but were 15% above the January average, and were the second highest recorded for a January. Also, the % decrease in boardings since September 11 has continually decreased each month. What was a 15% decrease is now down to 8.7.

There being no further business, the meeting adjourned at 6:30 p.m.

Respectfully Submitted,



Tamara S. Gagne  
Clerk of the Board

**AGENDA**  
**BOARD OF AIRPORT COMMISSIONERS**  
**FEBRUARY 6, 2002**  
**4:00 P.M.**

- **MONTHLY REPORTS:**

1. Minutes of December 13, 2001
2. December, and January Warrant
3. January Operating Statement

- **OLD BUSINESS:**

1. Parking Garage

- **NEW BUSINESS:**

1. Insurance Claim
2. Liveable Wage Ordinance
3. Director's Compensation

- **MANAGER'S REPORT**

## EXECUTIVE SUMMARY

**THE PRIMARY FOCUS OF THIS MEETING IS TO DISCUSS ISSUES WITH THE MAYOR AS SHOWN IN THE AGENDA. THE DISCUSSION WILL BE IN EXECUTIVE SESSION.**

### **ORDER OF AGENDA ITEMS:**

- 1. INSURANCE CLAIM:** A Ms. Turen filed an insurance claim against USAirways and the Airport resulting from an alleged trip and fall on the air carrier ramp in August of 1999. The insurance companies have been negotiating this. Her initial claim was for \$ 97,000 for a sprained thumb. The final claim, which our insurance company accepted, was to split \$25,000 with USAirways insurance company. Our deductible is \$25,000. Bill Ellis will present his findings and discuss whether or not we should settle.
- 2. PARKING GARAGE:** Discussion with the Mayor relating to DPW ability to ensure accountability, and adhering to the proper formula for the distribution of funds between the two departments. Also, the militarys last day is Mar 31. An RFP for the vehicle inspection service will be issued with a Apr 1 start date. While we proceed with the rfp process, we can, if the commission concurs, attempt to convince the new Secretary for Homeland Security that there is no significant threat to public safety, thereby having that directive waived. The cost for that service to be performed by a private company is estimated at \$280,000 annually.
- 3. LIVEABLE WAGE ORDINANCE:** The City Attorney considers the option to the restaurant lease to be an extension of the current lease, therefore, the liveable wage ordinance is not applicable. The Mayor is not aware of this, as yet, so it could be news to him at the meeting. Also, general discussion with the Mayor as it relates to the applicability of the ordinance to tenants with a lease hold interest.
- 4. DIRECTOR'S COMPENSATION:** Discussion with the Mayor.

**MINUTES**  
**BOARD OF AIRPORT COMMISSIONERS**  
**WEDNESDAY, FEBRUARY 6, 2002**  
**4:00 P.M.**

**PRESENT:**

Robert Miller, Chairman  
Huck Gutman  
Michael Flaherty  
Hinda Miller  
Gordon Watson

John Hamilton

Bill Ellis – McNeil, Leddy & Sheahan, Mayor Peter Clavelle, Ken Schatz – Burlington City Attorney, Mr. Ewing – AIG Insurance

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

**INSURANCE CLAIM:**

Mr. Hamilton advised that a Ms. Turen filed an insurance claim against USAirways and the Airport resulting from an alleged trip and fall on the air carrier ramp in August of 1999. The insurance companies have been negotiating a settlement. Ms. Turen's initial claim was for \$ 97,000 for a sprained thumb. The negotiations have led to a settlement amount of \$25,000, accepted by our insurance company and to be split with USAirways insurance company. The Airport deductible is \$25,000. Mr. Ellis then presented his findings and discussed whether or not the airport should accept this settlement.

Mr. Gutman made a motion to settle the suit with Ms. Eleanor Turen in the negotiated amount of \$12,500. Seconded by Mr. Watson. All were in favor.



## **LIVEABLE WAGE ORDINANCE:**

A discussion between the Board and Mayor Clavelle ensued regarding the livable wage and its applicability to the airports' lessees. It was agreed that Mr. Hamilton would meet with City Attorney, Ken Schatz and City Treasurer, Brendan Keleher to discuss airport leases and non-aviation business to determine if they should be covered by the livable wage ordinance. Mr. Hamilton then advised that the City Attorney considers the option to the restaurant lease to be an extension of the current lease, therefore, the liveable wage ordinance is not applicable.

Mr. Gutman made a motion to enter executive session to discuss the parking garage management contract, the proposed vehicle inspection contract and personnel matters, the premature disclosure of which would put the airport at a substantial disadvantage. Seconded by Mr. Watson. The meeting entered executive session at 5:10 p.m.

The meeting resumed regular session at 5:32 p.m.

Mr. Gutman made a motion in support of the Burlington Airport seeking a waiver from the requirement of vehicle inspections upon garage entrance. Seconded by Ms. Miller. All were in favor.

No other action taken as a result of the executive session.

Mr. Gutman requested that the off airport user fee materials and research be resurrected for the next meeting.

## **MANAGER'S REPORT:**

In the top 15 markets with the largest percentage decrease in average fares for 2000 and 2001, **JetBlue** was the driver in 5 of those top 15. The Burlington to JFK route was the 4<sup>th</sup> best of the 15 in percent decrease and the #1 route with the largest dollar decrease.

The Airport had a successful meeting with **FAA** last week in Burlington, MA regarding the Airport's Airport Improvement Program (**AIP**)/Passenger Facility Charges (**PFC**) and Capital Improvement Plan (**CIP**) as it relates to the funding of the additional costs attributable to September 11. It appears

**MANAGER'S REPORT (cont.):**

that the Airport will receive 100% reimbursement for its incurred costs, from the \$175 million Federal allocation.

The **Police contract** is currently being finalized. The estimated cost for police services in order to be compliant with the new FAA security directives will be around \$600,000. The current budget is \$275,000.

While in Burlington, MA, the airport also discussed the second phase of the **South End Development**. The FAA environmental personnel concurred with our process.

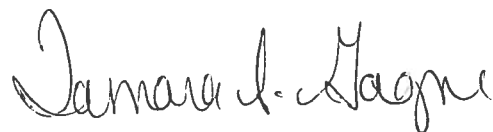
The initial draft of the **FY'03 budget** will be available last week of February. Other than increased costs related to the events of September 11, there is nothing out of the ordinary.

**City Line Car**, a 3060 Williston Road tenant, continues to violate their lease agreement boundaries as well as receiving two notices of South Burlington zoning law violations since we took ownership. They have been notified to vacate the property by February 15.

The next meeting will be scheduled as a regular monthly meeting on Wednesday, February 27, 2002.

There being no further business, the meeting adjourned at 6:00 p.m.

Respectfully Submitted,



Tamara S. Gagne  
Clerk of the Board

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**JANUARY 2002**

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**NO MEETING HELD**

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