

**MINUTES
BOARD OF AIRPORT COMMISSIONERS
MONDAY, NOVEMBER 26, 2007
4:00 P.M.**

PRESENT:

Michael Flaherty, Chairman
Bobby Miller
Miro Weinberger
Eugene Richards

Brian R. Searles
Tamara Gagne
Robert McEwing

The meeting was called to order by the Chairman, Mr. Flaherty at 4:09 pm.

MONTHLY STATEMENTS:

Mr. Miller made a motion to approve the **minutes of October 29, 2007** as presented. Seconded by Mr. Richards. All were in favor.

The **October operating statements** were presented for review and discussion. The **October warrant** was signed by all present commissioners.

PROJECT DEVELOPMENT REPORT:

Robert McEwing reported that the Airport held its **annual capital improvement planning** meeting with FAA. They have indicated that BTV will be the recipient of discretionary funds for its south end development and for land acquisition to a potential of \$8M. The runway overlay project is a high priority project for the FAA. The **parking expansion project phase 2 (PEP2)** continues with an overbuild analyses being conducted. The expansion of the north end will result in 300 spaces per level for a total of 600 and 400 spaces per level at the south for a grand total of 1400 new spaces. The initial projected costs were approximately \$20K per space. The new analysis indicates that this will be much less. Mr. Miller indicated that construction costs are declining rapidly. As a part of the PEP2 project, work continues with FAA for the relocation of their antennae. A potential location could be the roof of an **expanded**, second floor, to the **Flight Service Station building**. This second floor expansion would provide for much needed office and operational space for the TSA. Heritage is moving forward with the **renovation of 890 building** – the airport is holding a weekly meeting in order to be a partner through the process. The Airport is proposing to do the initial borings of the ground area for the **Pratt & Whitney expansion**.

SOUTH BURLINGTON CITY COUNCIL:

Mr. Flaherty reported that the City Council had a favorable response to the implementation of off airport users fees and the negotiated fees to be received by South Burlington. Mr. Flaherty also reported that the Airport land acquisition program was presented and discussed. Following the meeting a problem arose from the City Clerk's office regarding an interpretation of the presentation, but Mr. Flaherty and Brian are to meet with Chuck Haftner to resolve.

NOISE WORKSHOP RESULTS:

Mr. McEwing explained the planning process behind the evaluation of noise activity at an airport and indicated that the firm of Campbell & Paris' role was to revalidate the noise contours, even though they have not changed much since the original 1990 study. The plan at the time of the original study was that, on a volunteer basis, the Airport could acquire properties within the 70 DNL. The FAA has now approved, under a similar plan, the purchase/mitigation of homes in the 65 DNL. A meeting was held with the South Burlington Planner, Julie Beth Hinds to create a realistic purchase plan. Discussion. The South Burlington City Council mistaken impression is that the Airport is "gobbling up homes left and right" and are concerned about what happens once the homes in eligible zones are purchased and removed and what happens to the neighbors that become more affected by noise due to the removal of the other homes. There has been and will continue to be discussions and planning for this event to include noise buffers in the form of land burns, tree planting and other mitigations acceptable to South Burlington.

MANAGER'S REPORT:

Air Service Marketing & Business Forecast Update: Mr. Searles advised that the legacy carriers were finally making money and the watch is now on fuel increases with the 3rd quarter airline reports showing a 10-12% profit. The 1st quarter of 2008 is likely to be the first reports which will reflect the impact of the rising fuel costs. Also reported is that the air transportation system is smaller than it has been in years in terms of seat availability. The industry is mirrored in activity at Burlington. The available seats at BTV is approximately 2600 vs a previous figure of 3000, which is still lower than when BTV had the Independence Air carrier. **Enplanements** at Burlington are up again by 1% for October. Burlington's growth will be capped without a new air carrier or additional seats. Discussion regarding the possibility of either for Burlington. Mr. Searles advised that, generally, the airlines are transitioning their focus to international travel. Mr. Richards questioned the status of the **international air service study**. Mr. Searles advised that there is a meeting scheduled between the Airport and the consultant for a presentation at the January meeting. Discussion. **Thanksgiving travel period** through

MANAGER'S REPORT (cont.):

Burlington was smooth because many travelers got out ahead of the Thanksgiving holiday. Regarding **new air service**, the Airport has received communication from AirTran that they will be letting the airport know soon, one way or the other, about service. A visit from their facilities staff is imminent. Discussion. **Commutair** has signed a letter of intent and is scheduled to move into the hangar by December 1. A meeting was held with **Pratt & Whitney** in which they agreed to the terms of an option on additional property to develop a future add-on facility.

Livable Wage: Mr. Searles indicated that he would likely need Commission support with regard to the livable wage ordinance and the impact on Airport and its tenants. When the ordinance was first enacted, there were exemptions from certain leaseholders within the City but the Airport lessees were not. The Airport agrees with the intent of the ordinance as it relates to contractors but cannot with leasehold arrangements. The Airport position is that there is a huge different between a contractor that Airport pays versus a national or international service that simply leases space. Discussion. The Airport will be pursuing a change to the ordinance that will distinguish between the two. Discussion.

There being no further business, the meeting adjourned at 5:48 p.m. on a motion from Mr. Miller. Seconded by Mr. Wienberger.

Respectfully Submitted,

Tamara S. Gagne
Clerk of the Board

**MINUTES
BOARD OF AIRPORT COMMISSIONERS
MONDAY, OCTOBER 29, 2007
4:00 P.M.**

PRESENT:

Michael Flaherty, Chairman
Eugene Richards
Mary Sprayregen
Miro Weinberger

Brian R. Searles
Tamara Gagne
Robert McEwing

The meeting was called to order by the Chairman, Mr. Flaherty at 4:03 p.m.

Mr. Searles requested that the Commission accept a change to the agenda under New Business by adding "Information Services Contract". Change accepted.

MONTHLY REPORTS:

Ms. Sprayregen made a motion to approve the **minutes of September 24, 2007** as presented. Seconded by Mr. Richards. All were in favor.

The September operating statements and reports were not available due to conflicts with the annual audit.

SMALL COMMUNITY AIR SERVICE DEVELOPMENT GRANT:

Mr. Searles reported that the Airport did not receive an award of a \$500,000 grant it had sought under the Federal Small Community Air Service Development grant program. He explained that the Airport had created an \$800,000 program which was designed to cover a twelve to eighteen month period for marketing to outlying passenger regions as well as supporting new air carrier service. The \$800,000 program was a combination of the \$500,000 grant, \$150,000 airport contribution, and matching and leveraged funds from other partners (State tourism, hotels, restaurants, etc.). The Airport will now have to move forward without the grant funds by creating additional partners and extending the duration of the plan over an eighteen to twenty-four month period. Mr. Searles speculated that the reason for Burlington not being successful in the award of a grant was purely political. Vermont was the only state with a commercial served airport that did

not receive a grant award. Discussion. Concern expressed regarding funding for the international air service study. Mr. Searles advised that the Airport was already committed to the first phase of this study (\$50,000) and may need to consider shelving this initiative until additional funding sources are identified. Discussion.

PROJECT DEVELOPMENT REPORT:

Mr. McEwing provided a project development and update report regarding the numerous projects that are on going or upcoming;

- A **noise study workshop** will be conducted on Wednesday, November 7, 2007 in the Hamilton Room at the One Flight Up restaurant. Several public media notifications as well as door to door flyers have been distributed as notice of this meeting so that Airport neighbors would have an opportunity to attend and participate.

- The **annual FAA capital improvement planning meeting** will be held on Wednesday, November 7, 2007 at 10:00 a.m. in the Airport conference room. It is at this meeting tha the Airports' master plan and airfield construction items are reviewed with a discussion regarding funding sources and allocations. The commission is invited to attend.

- The **south end development phase1** is reaching completion. The second phase, the one for which there were no discrepancy funds allocated, will begin pending the FAA meeting on the 7th where the reassurance that funding will be available should be received.

- **Parking expansion project 2** design is moving forward slowly. Efforts with the FAA regarding their antennae relocation is on going. The Airport has asked the FAA to consider the possibility of location of the antennae on the roof of an expanded flight service building. Communications and options discussion will continue.

- Meetings have been held with **Heritage** regarding their proposal and desires regarding the **use of Building 890**. The proposal is to de-construct the exterior shell of the old Army Guard hangar and rebuild the outside to match the new ASH facility with a connection from 890 to it.

- A meeting was also held with **US Customs** regarding a facility they will need so that it can be considered and worked into the plan for the space at the air cargo site (between Pratt & Whitney and Building 890). US Customs has been asked to identify and define the type of customs service that BTV requires keeping in mind that this facility could handle/enhance the Rutland and Lebanon customs. US Customs does not pay for space at BTV so a funding sources needs to be identified and secured to build a new facility.

PROJECT DEVELOPMENT REPORT (cont.):

- **Terminal modifications** behind the USAirways ticket counter have been completed to accommodate a **CTX80 installation**. The CTX80 is an electronic bomb detection system that will enhance the TSA operations by eliminating the need for manual baggage checking, except when rejected by the equipment. This unit is being installed as a test at BTV and if successful and if accommodations can be made behind other ticket counters, BTV could see additional units after the first of the year.
- The **south end hangar** (previously Continental) is ready for **Commutair** occupancy as it has received a full facelift to include office, shop and hangar painting as well as a thorough clean up. Occupancy is expected by December 1, 2007.

SOUTH BURLINGTON COUNCIL MEETING:

Mr. Flaherty advised that the Airport would be meeting with the South Burlington City Council to provide that council with an airport business update, project status report with a concentration on the Airport land acquisition program, off airport user fees and the tax stabilization agreement. Discussion. Mr. Flaherty reported that the Council was resistant to the collection of off airport fees but is now amenable because of a revenue sharing opportunity.

NEW MARKETING PARTNERSHIPS:

Mr. Searles asked that the Commission provide guidance, assistance and resources for the Airport to create additional air service marketing partners in order for it to be able to attain its marketing goals as established. Discussion.

INFORMATION SERVICES CONTRACT:

The Lake Champlain Regional Chamber of Commerce has had two (2), three year agreements with the Airport for the provision of information services and has also served as the Airports' marketing partner in securing new air carrier service. The current agreement is up for renewal. This service has not traditionally been put out for bid but is brought before the Commission for their thoughts in this regard. Tamara Gagne advised that the two contract terms with the Chamber have been a very successful working partnership with little to no contract management needed by Airport and many, many positive customer comments over the years. The original contract amount paid to the Chamber was based on a rate paid under a previous agreement with a private contractor with adjustments and consideration of the City livable wage. Discussion. Mr. Richards

INFORMATION SERVICES CONTRACT (cont.):

indicated that he felt that the bigger role for the Airport is to be professional and work hand in hand with the Chamber to support it as a part of local Burlington services. Ms. Sprayregen agreed that the partnership and the opportunity and services provided through the Chamber are a more important aspect of this contract than the manning of the information booth. Mr. Weinberger provided agreement with the idea that the Chamber is a tool and resource for the airport and its travelers and would not be easily replaced by a private or other contractor who would simply provide labor for the desk at the Airport. Further discussion including the number of years proposed for the renewal term. Commission agreed that three years was the desired term.

MANAGER'S REPORT:

Mr. Searles provided the following updates and information as a manager's report;

- **Air Service Marketing/Business Forecast:** Airport representatives attended the annual forecasting conference, hosted by Boyd Aviation Group – a leader in aviation planning, resources and forecasting. The concern in the industry at this time is the rising cost of fuel. At \$60/barrel business was good for the airlines, at \$80/barrel they were “hanging on”, but the current level of \$90/barrel is too great a burden for the air carriers to run profitably. Air carriers are making decisions to cut back and even eliminate service at cities. Erie, for example, lost two Atlanta flights as a result of the most recent fuel hike. Burlington will be losing one of its Atlanta flights. Discussion. The government is seeking to reduce traffic at major hubs, specifically and including New York. If successful, this could cause air carriers to add larger aircraft. Discussion.
- **Delta Connection** at BTV is adding staff for some unknown reason. They have taken over their own ground handling at Burlington. **Continental** is also talking about adding air carrier sub-contractors.
- **Organizational change update:** Good feedback is being received from the field regarding the change in leadership of the maintenance team. The only change that has not yet been addressed is the additional planned staff in the planning department. The organization changes have not yet received City Council approval.
- **Lake Champlain Regional Chamber of Commerce:** The LCRCC asked that Brian join their board and he has agreed to do so. The annual chamber dinner is scheduled for November 13, 2007 at 5:30 p.m. and the Airport Commission is invited to join.
- **Governor's Climate Change Committee:** Brian has spent a fair amount of time over the last two years serving on the GCCC and that obligation has now passed. The final report is published on the State ANR site.

The next meeting of the Airport Commission will be held on Monday, November 26, 2007 at 4:00 p.m..

Ms. Sprayregen reported that Mylan Technologies continues to expand their operation with the purchase of a Canadian based firm and that they should be kept on our 'radar' for possible marketing partnerships.

There being no further business, Mr. Richards made a motion to adjourn. Seconded by Ms. Sprayregen. All were in favor. Meeting adjourned at 5:07 p.m.

Respectfully Submitted,

Tamara S. Gagne
Clerk of the Board

MINUTES
BOARD OF AIRPORT COMMISSIONERS
MONDAY, SEPTEMBER 24, 2007
4:00 P.M.

PRESENT:

Michael Flaherty, Chairman
Mary Sprayregen
Eugene Richards
Bobby Miller
Miro Weinberger

Brian R. Searles, Director
Tamara Gagne, Clerk
Robert McEwing

The meeting was called to order by the Chairman, Mr. Flaherty at 4:08 p.m. with the above listed present.

MONTHLY OPERATING STATEMENT & MINUTES:

Mr. Miller made a motion to approve the **minutes of August 27, 2007** as presented. Seconded by Mr. Richards. All were in favor.

Ms. Gagne presented the August operating statements. Discussion and challenge of the receivables with questions related to the airport collection procedures.

The **August warrant** was reviewed and received Commission signatures.

NATIONAL CAR RENTAL REQUEST:

A discussion ensued regarding previous Commission meeting and discussion in this regard including a reiteration of the financial impact and process that would be required to affect a change to City ordinances to allow for the preservation of a car rental ticket counter for a locally owned business. The Commission agreed that they would not take long term action to preserve a car rental counter for a local car rental vendor.

PROJECT UPDATE:

Mr. Searles advised that the Airport had received word from FAA that it would not be receiving the discretionary funds that had been anticipated for the south end development projects, an approximate \$2.7 M and that this would require some creative "jockeying" of other projects to proceed forward with **South End Development** in anticipation of funding in next fiscal year.

PROJECT UPDATE (cont.):

Mr. McEwing advised that the **Parking Expansion Project (PEPII)** had been previously reported to have a June 2008 timeline. Based on several factors – the FAA antennae relocation is a one year project to study and relocate, the need to create a plan of finance and secure appropriate revenue bonds and the potential delay in steel – the expansion to the parking garage has been delayed for a spring 2009 start. The interim plan to accommodate the Airports' parking needs is to expand the surface parking, through the South Burlington planning process, up to an additional 1,000 cars, in the areas of houses that have been purchased for development. Discussion. Mr. McEwing reported that the Airport would be incurring costs, to approximate \$600,000, for temporary parking and plans and permitting for the garage expansion – all of which need to be done before the bonds would be in place. Other projects that could be included under a proposed revenue bond would be the **purchase of Airport Grocery** because the owner wants to sell and has indicated that a developer has expressed interest. The business would be purchased separately from the property and is estimated to be a cost of \$200,000. The property purchase, eligible for AIP reimbursement, is estimated to cost \$325,000. **Federal Express** has indicated that their new facility needs would require a \$2.5M hangar, and **Pratt & Whitney** expansion would cost approximately \$7M. Discussion. Mr. Miller indicated that slowing the parking garage project plans could be advantageous from both the financing aspect as well as the cost of materials which are expected to go down. As a follow up to the **south end development** report, Mr. McEwing indicated that the Airport would still need to spend approximately \$300,000 before reimbursement from FAA and to continue the projects. On November 7, 2007 the Airport will host a public hearing on the **noise compatibility report**. Regarding **land acquisition**, Mr. McEwing reported that there are at least eight properties that are desired in the 2008 plan, but only four are currently approved. The Airport will seek City Council approval on four more. Mr. Richards questioned the land acquisition reimbursement process and challenged whether we could count on the FAA to come up with the proposed \$2M anticipated outlay on these properties – in light of their lack of funding for the south end. It was acknowledged that funding is not guaranteed but “there has never been a problem” for land acquisition and the FAA has designated a separate allocation for noise impacted properties. Mr. McEwing felt confident that the Airport would be successful in getting a grant to cover all of the proposed property purchases in the 2008 plan. Discussion. **Heritage** is evaluating the condition of Building 890 in their proposal to take over the hangar for their use.

CUSTOMER SERVICE ISSUES:

Mr. Searles indicated that this agenda item was based on comments and concerns expressed by Commissioners regarding customer service complaints. Mr. Searles acknowledged that airline customer service is very poor and not manageable and that these problems are not owned by the Airport, thus making it more difficult to handle. Discussion. Mr. Richards suggested that the Airport create/publish a pamphlet that provides information to the traveler – “how to survive the new air system” (or lack thereof). Discussion. Commission understood that the challenge is a national one vs an airport by airport issue but continued to express concern about the impression that travelers get when airline customer service is poor.

AIRPORT SALARY STUDY:

Mr. Flaherty indicated that he read the posting for the Manchester NH Airport Director salary and realized that the salaries for the Burlington Airport director and the higher level staff positions are way out of line and would like the Commission to support an analysis and corrective action in this regard. Mr. Searles advised that the City has two enterprise fund departments. BED has been successful in creating a separate pay scale for their department and the Airport has not. Discussion. Mr. Searles indicated that T. Gagne would research and compile some relevant information for Commission review. Mr. Richards requested that an outside source be used so that there was a solid foundation for any presentation and offered to assist in this effort as needed.

MANAGER’S REPORT:

Air Service Marketing Update – AirTran will be visiting Burlington in the next two (2) months and if committed would look at a spring 2008 start up. AirTran’s plans are dependent upon aircraft arrival and availability, hiring of employees, etc.. The proposed service is to Baltimore. Allegient will launch service in November from Plattsburgh to Fort Lauderdale running two flights per day on Tuesdays & Thursdays. There has been no word or decision on the allocation of the small community air service development grants. The Airport Director will be on a national travel show in Montreal on January 5, just prior to the launch of the new JetBlue direct to Orlando service.

The **organizational change** has been implemented (Heather Kendrew taking over maintenance) with job descriptions submitted to HR for classification and hope for Finance Board approval.

The **FAA reauthorization bill** has been passed by the House and needs Senate approval. The House proposal is more favorable as it has an enhanced PFC cap. BTV is currently collecting \$4.50 per passenger and the proposal is to raise that cap to \$7.00. Discussion. BTV can only increase its collection based on an approved PFC plan that would spend that money on capacity related projects.

MANAGER'S REPORT (cont.):

A meeting is scheduled with **South Burlington City Council** on November 5 to discuss airport projects and implementation of the off airport user fees. The **tax stabilization agreement** between South Burlington and the Airport is yet unsigned. There remains some disagreement over how the storm water allocation fees were to be charged. There is concern that the property acquisition program is becoming an issue again with South Burlington Council and residents.

Ms. Sprayregen expressed a concern about the intersection of Shamrock Road and the new Lime Kiln bridge, as expressed by South Burlington businesses and home owners. Discussion. Question posed as to why the VT Army Guard, which just built the new Black Hawk Facility, wasn't or couldn't be held responsible. Mr. Searles to bring up with South Burlington.

Commutair has committed to the lease of the "Continental Hangar" at the south end under a three year with three year option rental term.

The Commission agreed to the proposed six month agenda.

There being no further business, a motion to adjourn was made by Mr. Richards. Seconded by Mr. Wienberger. All were in favor.

Respectfully Submitted,

Tamara S. Gagne
Clerk of the Board

AGENDA
BURLINGTON INTERNATIONAL AIRPORT
BOARD OF AIRPORT COMMISSIONERS
September 24, 2007

MONTHLY REPORTS

1. Minutes of August 27, 2007
2. August Warrants
3. Financial Statements

OLD BUSINESS

1. Resolve DeSarno Enterprises Request
2. Project Development Report (Priorities/Finances)

NEW BUSINESS

1. Customer Service Issues
2. Airport Salary Study

MANAGER'S REPORT

1. Air Service Marketing Update
2. Organizational Change Update
3. FAA Reauthorization
4. South Burlington City Council Mtg. – 11/05/07 (Projects, Fees, Tax Stabilization, Property Acquisition etc.)
5. Commutair and Aerodyme Moves

OTHER BUSINESS

1. Other Business
2. Schedule Meetings for 6 months. (Proposed: 10/29/07; 11/26/07; 01/07/08; 02/11/08; 03/10/08; 04/14/08)
3. Adjourn

MINUTES
BOARD OF AIRPORT COMMISIONERS
MONDAY, AUGUST 27, 2007
4:00 P.M.

PRESENT:

Michael Flaherty, Chairman
Bobby Miller
Miro Weinberger
Mary Sprayregen

Brian Searles, Director
Tamara Gagne, Clerk
Robert McEwing

Huck Gutman, David DeSarno

The meeting was called to order by the Chairman, Mr. Flaherty at 4:06 p.m. with the above referenced present.

Mr. Flaherty welcomed Mr. Gutman and presented him with a dedication picture plaque for his years of service to the Airport and Airport Commission with thanks and comments about the pride that Mr. Gutman should have for the growth and development of the Airport for which he participated. Mr. Gutman responded that it was a privilege to have helped Burlington and the Airport and he appreciates the relationships that were formed during his tenure. Mr. Gutman's plaque read, "Presented to Stanley "Huck" Gutman for 22 Years of Dedicated Service to the City of Burlington, the Airport and the Community as Commissioner at Burlington International Airport".

Mr. Gutman left the meeting at this time.

DESARNO ENTERPRISES REQUEST – DAVID DESARNO:

Mr. David DeSarno approached the Commission to confirm his written request for a local vendor protection clause to be written into the next contract. Mr. DeSarno indicated that he has 20 years left on a franchise agreement with National/Alamo and that this franchise is currently the only locally owned car rental operation in Chittenden County. Discussion. Commission expressed similar concern from previous month relative to City Council action that would be required to enact an ordinance change in this regard and whether they would accept such a request. Commission also expressed concern about the financial implications and discussed same. T. Gagne to do legal follow up.

Mr. DeSarno left the meeting at this time.

PROJECT DEVELOPMENT REPORT:

Airport Planning & Development Director, Bob McEwing advised that he spoke recently with an FAA project officer regarding discretionary funding for the **South End Development project** and that receipt of same will be “weather dependent”, meaning that FAA is waiting to see if monies are turned back from other airport projects in order to determine whether there is any more for BTV. **Repairs** are under way **on the third deck** of the garage to prevent the leaking of concrete chemical to the second deck where it has been doing damage to vehicles parked there. Engelberth Construction is sharing in the repair cost because of installation issues discovered during the evaluation process. A conceptual drawing of the **Parking Garage Expansion part 2 (PEP2)** was presented for review. Mr. McEwing indicated that the key to the start of the project is the pre-cast and steel orders. The schedule calls for a June 2008 start at an estimated cost of \$13,200,000 which is the build up of two additional levels on the south end, a 640 space addition at \$21,000 per space. The cost of the original three level garage was \$8,500 per space and the additional three level to the north was built at \$12,500 per space. Discussion. The Airport has a briefing scheduled with South Burlington council and one yet to be scheduled with Burlington. **Electronic Detection System (EDS)** equipment will be deployed and installed behind the USAirways ticket counter for TSA. This single unit will be a test installation before other similar units are retrofitted behind the other airline ticket counters. The units are provided by TSA and the Airport responsibility is to renovate the space to accommodate them.

MONTHLY REPORTS:

Mr. Miller made a motion to approve the **minutes of July 23, 2007** as presented. Seconded by Ms. Sprayregen. All were in favor.

The **July operating** statements were presented and reviewed with clarification and explanations offered by T. Gagne. The warrant was circulated and signed.

ORGANIZATIONAL CHANGES:

Mr. Searles presented a letter of explanation regarding organizational changes that would combine airport maintenance and its employees under the engineering department, headed by Heather Kendrew and would add the current Director of Maintenance as a maintenance engineer.

OFF AIRPORT USERS FEES:

Mr. Searles advised that the City of Burlington has already passed an ordinance change that allows the Airport to implement the collection of fees from off airport users. The Airport has offered the City of South Burlington a revenue sharing opportunity which they have agreed would make the imposition of fees a more palatable situation. An official meeting with the South Burlington Council to advise of the implementation schedule has not yet been scheduled.

AIR SERVICE UPDATE:

Mr. Searles advised that jetBlue has announced new non-stop service between Burlington and Orlando and will start that service on January 10, 2008. The Airport also continued its efforts and dialogue with AirTran at a meeting on August 22 and Southwest Airlines visited Burlington Airport and the area on August 22, but any plans that they may have would be a few years off.

AIRPORT ACCESS:

Mr. Searles reported that he is concerned about the proposed "Exit 12B" which is a new Hinesburg Road exit and interchange system from the interstate and the significant opposition in the State to even discuss the project. He believes that it is important to the Airport for the project to move forward and will be talking to Lt. Governor Brian Dubie about his concerns. Discussion.

A short discussion ensued regarding a date for the next meeting. August 24, 2007 was set as the next meeting date.

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
MONDAY, JULY 23, 2007
4:00 P.M.

PRESENT:

Michael Flaherty, Chairman
Gene Richards
Mary Sprayregen
Miro Weinberger
Bobby Miller

Brian Searles
Tamara Gagne
Heather Kendrew
Robert McEwing

The meeting was called to order by the Chairman, Mr. Flaherty, at 4:07 p.m. with Commissioners Sprayregen, Richards & Flaherty in attendance.

MINUTES:

The **minutes** of **May 14, 2007** and of **June 29, 2007** were presented for review. Mr. Flaherty made a motion to accept the minutes as presented. Seconded by Ms. Sprayregen. All were in favor.

Commissioners Weinberger and Miller entered the meeting.

MONTHLY OPERATING STATEMENTS:

The **June** operating statements were presented for review. T. Gagne explained that while the Airport's fiscal year ended on June 30, the presented reports did not reflect the completion of the expenses or revenues for the fiscal year. Other noted items were that the AIP receivable list was excluded from this report and will not be re-introduced into the reports until a new format is constructed. Also, the report is not reflective of the total interest income for the fiscal year, \$231,000, most of which is restricted based on PFC earnings. Mr. Richards questioned the receivables and the Airport procedure or policy with regard to collection. Discussion. The **monthly enplanement report** was presented, showing a 3.74% increase for June over last year with this June being the highest June in Airport history. Discussion.

PROJECT DEVELOPMENT REPORT:

Bob McEwing reported that the Airport was in receipt of an **FAA grant** for land acquisition which will cover the purchase of three properties on Dumont Avenue – all of which have been purchased and will be removed upon close out. Another

PROJECT DEVELOPMENT REPORT (cont.):b

FAA grant that was received was that for the noise compatibility update. The FAA and Airport's noise plan currently requires the mitigation of noise for residential homes that fall in the 70 LDN or above. FAA is now recommending the purchase of properties that lie in the 65 LDN or above. The Airport needs to update the plan to correctly identify where the 65 LDN contours lie (changes in aircraft types, frequency, etc. can change the contours over time). The third grant received from FAA is for the reimbursement of land purchased in 2000 – Roberts. FAA would not previously reimburse for this property until the environmental study was completed for the south end development, which has been done. The last FAA grant to be received will be issued at the end of the FAA grant issuing year. The grant is for the paving portion of the south end development project. Burlington is eligible for discretionary monies, but the amount will not be known until other airport funding, turned back to the FAA, is identified.

TSA has agreed to make some modifications to the **south security checkpoint** that they believe will enhance the through put of passengers. These modifications will be made and tested before going forward with any major renovation to that area. Brian Searles explained that while these changes are seemingly small, it was the "shaving" of seconds per bag handling operations that made the difference of whether passengers made their flights or not. Discussion.

THE ARNO GROUP PROPOSAL:

Tamara Gagne explained that the Arno Group was the entrepreneurial team who had provided the business development proposal for international air service. The Airport, based on previous Commission direction, has successfully negotiated an engagement fee and benchmark fee that is relative to stages of work that would allow the Airport to evaluate and cancel the remaining components of the contract. The contract start date has been given as September 1, which should also coincide with the knowledge of whether the SCASD grant will be received. Discussion. Mr. Richard questioned the Arno Group previous work and references. Explanation of process to date with regard to the Arno Group by both the staff and commissioners.

NATIONAL CAR RENTAL REQUEST:

Brian Searles summarized a letter received from David DeSarno, owner/operator of the National/Alamo Car Rental franchise. National makes the case that they have been at Burlington Airport for 25 years and that at the time that they started, all of the car rentals were locally owned and the competition was all on the same level of

NATIONAL CAR RENTAL REQUEST (cont.):

playing field. Today, National/Alamo is the only locally owned business and they are faced with competing against large scale, corporately branded and run, larger resourced car rental companies. Mr. DeSarno requests that the City of Burlington adopt an ordinance that would guarantee a counter space and garage parking for a locally operated car rental business. Mr. DeSarno reports that this type of guarantee is not unprecedented. Discussion. Many questions were raised by the Board regarding revenue impact to Airport, logistics of how this would work, ethical application, precedence setting, etc.. The Commission agreed to have Mr. DeSarno on the next Commission agenda in order to present his request directly and to have Mr. Searles explain the Commission's concerns in this regard so that Mr. DeSarno is aware and prepared.

MANAGER'S REPORT:

The 90th anniversary of air service at BTV happens in the year 2010. There has been discussion about hosting an airshow, creating an in-terminal museum of airport history, updating the 1982 publication as well as the possibility of creating an artists design, using the space over ticket counters, depicting the airport history. Discussion. Ideas from all welcome.

Meeting held on July 20 with **jetBlue router planners** regarding direct Orlando service. JetBlue has indicated that they know it could be successful from November to April but wonder about the May to October period and do not have resources to allocate an airplane for seasonal service. They also responded that the Airports' marketing incentive program for reaching out to the Canadian traveler was weak. The Airport plan shows a \$10,000 direct marketing allocation to work with a partnering airport for new direct service. This number could be enhanced with receipt of the grant. Jetblue also indicated that they have looked at serving Boston from Burlington, but believe that their hub in Boston is not yet developed sufficiently to add Burlington service.

Other **air service development** information is the scheduled meeting with AirTran on August 22 to also discuss direct Orlando service as well as their start up in the Burlington market with service to Baltimore. This discussion with AirTran has been going on for some time. Also on August 22, Southwest has scheduled a visit to Burlington. It is unknown at this time whether BTV is a stopover on their visit to Plattsburgh or because they are interested in seeing the Burlington Airport facilities. More information to follow.

MANAGER'S REPORT (cont.):

The Airport has received documents from the VTARNG for the **transfer of the Building 890** to the Airport. The law offices of McNeil, Leddy & Sheahan are reviewing the corresponding documents and will ensure that the Airport is held harmless from all possible indemnity claims, building infrastructure issues and environmental concerns.

The City of **South Burlington** has a new **City Council Chair**, Chris Smith with whom the Airport had a meeting last week. Mr. Smith was briefed on a number of Airport on going projects and issues. In particular, Mr. Smith reviewed the off airport users fee implementation and agreed that there should be no problem with moving forward as long as the airport enters into a revenue sharing agreement with South Burlington.

The next meeting of the Commission was discussed and set for August 27 at 4:00 p.m.

There being no further business, the meeting adjourned at 5:44 p.m..

Respectfully Submitted,

Tamara S. Gagne
Clerk of the Board

AGENDA
BURLINGTON INTERNATIONAL AIRPORT
BOARD OF AIRPORT COMMISSIONERS
July 23, 2007

MONTHLY REPORTS

1. Minutes of May 14 and June 29.
2. June Warrants
3. Financial Statements

OLD BUSINESS

1. FY-07 Budget Wrap-Up
2. Project Development Report
 - a. South End Development
 - b. Kirby Road/Dumont Ave. Project
 - c. Garage Expansion
3. Arno Group Proposal Final Review

NEW BUSINESS

1. DeSarno Enterprises Request

MANAGER'S REPORT

1. Update on 90th Anniversary Planning
2. July 20th Meeting with jetBlue.
3. Other Air Service Issues
4. Transfer of Bldg. 890 to BTV
5. Meeting with So. Burlington Council Chair Chris Smith

OTHER BUSINESS

1. Other Business
2. Next Meeting (Proposed: August 27, 2007)
3. Adjourn

MINUTES
BOARD OF AIRPORT COMMISSIONERS
FRIDAY, JUNE 29, 2007
12:00 P.M.

PRESENT:

Michael Flaherty, Chairman
Mary Sprayregen
Miro Weinberger
Eugene Richards

Brian R. Searles
Tamara Gagne
Heather Kendrew

The meeting was called to order by the Chairman, Mr. Flaherty, at 12:15 p.m..

Newly appointed commissioner, Eugene Richards was introduced to the staff and fellow commissioners and welcomed to the Board.

MONTHLY OPERATING STATEMENTS:

An in-depth review of the May operating statements ensued to provide some back ground for Mr. Richards. Ms. Gagne invited Mr. Richards to set up a separate time to review the airport operating statements and financial methods used. The **May warrant** was reviewed and signed.

PROJECT DEVELOPMENT REPORT:

Heather Kendrew reported that the staff continues to evaluate the need for the **parking garage expansion** and that a formal request has been made to South Burlington for the use of the airfield for parking when existing facilities are full. Responses to the construction management RFP for the parking garage expansion were received with Engelberth as the apparent low proposal. Freeman, French & Freeman has been charged with evaluation of adding additional levels to the south end parking facility. There has been no additional progress toward the start of the **corridor/bathroom** project as reported at the last meeting. Application for the grants for **land acquisition** have been filed with a quick turn around anticipated. Discussion regarding the Airport land program and impact to South Burlington. SD Ireland is the apparent low bidder on the taxiway paving for the **south end development** project. This piece of the work is scheduled to begin in late fall and will go through spring of next year.

BUSINESS DEVELOPMENT:

Brian Searles advised that **enplanements** for April and May were very strong, largely due to Canadian traffic which continues to be very strong. Several media outlet interviews regarding the Canadian traveler have been held with publications resulting. USAirways will have two additional departures in July and Burlington will lose its Commutair Boston service effective July 7 but it will return on August 20 provided by Delta.

The staff continues its **air service development** efforts with meetings scheduled with jetBlue on July 17 and AirTran in August to promote direct service to Florida.

The staff continues to work with **Heritage and Pratt** for the **development** of the space between their existing hangars. Aerodyme will be expanding its business into the old Heritage hangar in the south end with Contact Communications (who conducts a small aircraft avionics business) requesting space on the airport (preferably in the vacated Aerodyme spaces). **Federal Express** has advised that they are ready to proceed with a **new facility** in the south end and plan to occupy same by 2010.

APPOINTMENTS:

Tamara Gagne, Clerk of the Board opened the floor to nominations for Chairperson for the upcoming fiscal year (July 1, 2007 to June 30, 2008). Mary Sprayregen nominated Michael Flaherty. There being no further nominations, the floor was closed to nominations. Mary Sprayregen made a motion to appoint Michael Flaherty as the Chairman to the Board of Airport Commissioners for the new fiscal year. Seconded by Miro Weinberger. All were in favor.

Mike Flaherty opened the floor for nominations for Clerk of the Board. Mary Sprayregen nominated Tamara Gagne. There being no further nominations, the floor was closed. Mary Sprayregen made a motion to appoint Tamara Gagne as Clerk of the Board for the new fiscal year. Seconded by Miro Weinberger. All were in favor.

MANAGER'S REPORT:

The Airport has received approval from City Council to accept four **AIP grants** – (1) for the noise compatibility update, (2) for land acquisition and (1) for taxiway paving associated with the South End Development.

There has been no additional information or update on the status of the Small Community **Air Service Development (SCASD)** grant request of \$500K to support the Airports' \$800K marketing plan.

MANAGER'S REPORT (cont.):

The Airport has applied for a **federal reimbursement of law enforcement officer (LEO)** charges for services related to TSA requirements. The amount of the request is \$250K and there is a reasonable expectation that Burlington will receive \$150K.

Eugene Richards asked whether BTV, because of its size, could be a test airport to enhance the security screening process. Brian Searles responded that the Airport has been working in conjunction with TSA to enlarge the south end screening area. However, TSA has indicated that they would not provide additional personnel to enhance the flow through. This will be an ongoing topic of discussion for resolve.

ATC at Burlington has been an on going problem due to the federal government down sizing of the air traffic control (ATC) system. The **VTANG** has announced a new mission for which they will be hosting "ready" aircraft. This mission requires 24 hour ATC. The Department of Defense (DOD) will not request 24 hour ATC because they do not want to pay for it. ATC will not add the staffing needed to have 24 hour ATC in effect. The Airport may need to act on this issue to ensure that the Air Guard mission is supported.

Burlington Airport was one of the scheduled stops for the **Air Race Classic**, a national women's air race, that started in Oklahoma and went to New Brunswick. There was no media coverage. Kelly Colling, Airport Senior Operations Specialist, handled the entire Burlington piece and did a great job.

Dave DeSarno, owner of **National Car Rental** has submitted a request to be on the next Commission agenda to discuss the car rental bidding and allocation process at Burlington.

The **FAA annual inspection** was held last week and it appears that the Airport passed. An official letter is sent from FAA that outlines the areas of correction and official status.

The Airport participated in the **VT History Expo** held at the Tunbridge Fair. A combination of airport history pictures, large scale model airplanes, a power point picture slide show and old runway lighting fixtures created a very inviting display. Thanks to Bob McEwing and Reggie Mobbs and the volunteers for coordinating and pulling this event together.

OTHER BUSINESS:

A discussion ensued regarding the proper acknowledgement for service years provided by former Commissioner Huck Gutman. An acknowledgement/appreciation event will be scheduled for August.

The next Commission meeting was scheduled for Monday, July 23, 2007 at 4:00 p.m..

There being no further business, the meeting was adjourned at 1:47 p.m.

Respectfully Submitted,

Tamara S. Gagne
Clerk of the Board

MINUTES
BOARD OF AIRPORT COMMISSIONERS
MONDAY, MAY 14, 2007
4:00 PM

PRESENT:

Michael Flaherty, Chairman
Mary Sprayregen
Bobby Miller
Miro Weinberger

Brian Searles
Tamara Gagne
Robert McEwing

The meeting was called to order by the Chairman, Mr. Flaherty at 4:07 p.m.

MONTHLY REPORTS:

The **minutes of April 16, 2007** were presented and approved with a motion by Bobby Miller and a second by Mary Sprayregen. All were in favor.

The **April warrants and operating statements** were presented and reviewed. The warrant was signed by the Commission as presented.

Mr. Searles introduced the new Continental station manager, Bob Cone and greetings were exchanged.

PROJECT DEVELOPMENT REPORT:

Mr. McEwing provided an update on the status of various airport projects as follows; The **South End Development (SED)** is in its second phase, which is the development of the taxiway to the fill area. A significant portion of the total \$3M cost of this phase will be received this year with discretionary funding and AIP entitlement. A pre-bid is scheduled for the 24th with bid opening on May 31. The Airport has also received \$1M in discretionary funding for **land acquisition** of noise impacted homes. Mr. McEwing reviewed the airport layout plan and the corresponding LDN contours supporting the additional funding and property purchases. The reimbursement of the purchase of the Roberts' property is also included in the grant funding for this fiscal year. The **second floor hallway and restroom facility renovations** continue to be analyzed and planned. This project consists of the public restrooms near the restaurant being renovated for modernization, enlargement and handicap accessibility and the elimination of the stairs outside of the administration office and creation of a ramp for handicap accessibility to the back hallway, which includes access to/from the police services office, gates 1-8 and

PROJECT DEVELOPMENT REPORT (cont.):

the restaurant. The Airport has selected Freeman, French & Freeman as the architect for the **Parking Expansion Project (PEP2)**. A pre-bid for the construction manager RFP is scheduled for May 15 with the proposals due on the 24th. The Airport continues to work on the acquisition of property off from Poor Farm Road. The Air Guard needs and wants the property but cannot buy it on their own. The Airport will be the conduit for the purchase with the Air Guard providing reimbursement. The Air Guard will also be responsible for the mitigated clean up of the site.

AIR SERVICE DEVELOPMENT:

Mr. Searles advised that the Airport successfully submitted its application for the Small Community Air Service Development (SCASD) grant. There were a total of 73 proposal submitted which is more than what was anticipated. It is anticipated that approximately 30 applications will be approved. The Airport's request was for \$500,000 to market and attract new air service to at least one targeted O&D airport, attract low fare or other air carrier service to/from a highly concentrated low cost carrier market and market our service to NY, Canada and VT. The Airport partners in this endeavor are VTTrans, GBIC, LCRCC, BBA, VT Economic Development, Sheraton and One Flight Up.

BUSINESS DEVELOPMENT PLAN – THE ARNO GROUP:

Mr. Searles advised that the Airport staff had continued its discussions with the Arno Group regarding their proposal to evaluate and develop opportunities for the European air service market, as presented in April. The scope of the project phases has been changed to reflect components of the previous commission meeting discussion – ie: the evaluation of feasibility related to infrastructure being an earlier part of the process. The rate structure for the phased approach has remained the same, but there is still a need to understand and resolve the proposed success fee. Bobby Miller suggested that it be a percentage based fee of the number of new enplanements up to \$250,000. Discussion. Commission agreed that there should be involvement from the State and the region in the success fee because they all will benefit from the successful launch of international service. Miro Weinberger indicated that he was very excited about the concept and that he would be willing to go forward with this proposal. Discussion. Funding for this effort could be included in the SCASD grant, if successful.

Mary Sprayregen expressed a concern about a call that she received from Mr. Pizzagalli regarding corporate hangar space at Burlington. Mr. Searles assured her that the Airport has been in communication with Mr. Pizzagalli and has shown him the plans for a corporate hangar, for his use, in the south end.

FY 2008 BUDGET:

Ms. Gagne presented a summary of the FY 2008 Airport operating budget for review. The Airports' proposed expense budget reflects a 9.0% increase over last year for a total expense budget of \$13,822,378. The Airports' projected revenues reflect a 5% increase for a total of \$13,866,004.

MANAGER'S REPORT:

Under the **legislative report**, Mr. Searles advised that the **aviation sales tax** received a four year exemption after an effort of some significance with assistance from Jim Condos and Lt. Governor Dubie and that the **Airport Drive extension project** should receive a higher priority than previously slated to have in the current legislature. The Airport agreed to participate in an amount of \$25,000 to get the study/engineering process under way.

A "**Taste of Vermont**" **reception** was held in Washington DC where industry representatives of Vermont and legislative leaders including Senators Leahy and Sanders and Congressman Welch welcomed Washington residents and businesses to showcase Vermont. The Burlington Airport was represented by Mr. Searles and Mr. McEwing.

CBC television did an in-depth interview and terminal visit between Thursday and Saturday for a special broadcast in September about the Burlington Airport and its Canadian travelers.

Commutair has advised that they are no longer interested in leasing the Continental Hangar. Commutair's business plan was based on getting the contract for Boston service which was awarded to Delta Airlines with Big Sky operating as the carrier.

A discussion ensued regarding the commission member vacancy.

Brian advised that the Board needed to schedule an end of June meeting to appoint the Commission chairperson. Discussion. The meeting was scheduled for June 29, 2007 at noon. Also discussed was whether the July and August meetings should be combined into one because of summer schedules. To be reviewed at the June meeting.

There being no further business, Bobby Miller made a motion to adjourn. Second by Miro Weinberger. All were in favor. Meeting adjourned at 5:23 p.m.

Respectfully Submitted,

Tamara Gagne
Clerk of the Board

AGENDA
BURLINGTON INTERNATIONAL AIRPORT
BOARD OF AIRPORT COMMISSIONERS
May 14, 2007

MONTHLY REPORTS

1. Minutes of April 16, 2007
2. April Warrants
3. Operating Statement

OLD BUSINESS

1. Project Development Report
2. Air Service Development – Review of Small Community Air Service Grant.
3. Business Development Proposal – The Arno Group

NEW BUSINESS

1. FY-2008 Budget

MANAGER'S REPORT

1. Legislative Report – Aviation Sales Tax, Airport Drive Project
2. Taste of Vermont Reception – May 10, 2007
3. Business Report

OTHER BUSINESS

1. Other Business
2. Summer Schedule of Meetings & Next Meeting
3. Adjourn

MINUTES
BOARD OF AIRPORT COMMISSIONERS
APRIL 16, 2007
4:00 P.M.

PRESENT:

Michael Flaherty
Bobby Miller
Mary Sprayregen
Miro Weinberger

Brian Searles
Tamara Gagne
Bob McEwing

David Rocchio, The Arno Group

The meeting was called to order by the Chairman, Mr. Flaherty at 4:02 p.m. with the above listed present.

MINUTES:

Mr. Miller made a motion to approve the minutes of March 19, 2007 as presented. Seconded by Mr. Miro. All were in favor.

BUSINESS DEVELOPMENT PROPOSAL – David Rocchio, The Arno Group

Mr. Rocchio explained that his proposal is for the development of international air service for the Airport. He indicated that he, an attorney by trade, and his business partners have done some preliminary research for the idea of point to point international service between Burlington, Vermont and England. The Burlington area has a 4,000,000 person catchment area by including Montreal. The low cost air carrier service in England is exploding and the competition among legacy carriers and the changes in equipment will revolutionize international air service. He believes that BTV can be a part of this new evolution. Discussion. Commissioners posed many questions including the number of proposed flights per day/week, who in the catchment area would be actually using the service, what type of equipment, etc. Mr. Rocchio responded that their goal would be for one flight per day, depending on the demand. That a study of the catchment area statistics and international travel trends would provide information on who is and would be using service from Burlington and gave as an example, that Ryan Air and Easy Jet were investing heavily in new equipment and were operating all new Airbus fleets. They are the low cost carries in Europe, are well established and are providing real competition for the legacy carriers there. Discussion.

BUSINESS DEVELOPMENT PROPOSAL (cont.):

Mr. Rocchio explained that their approach would be to charge an engagement fee, a benchmark fee and their pay would be based on a success fee that would be client driven. The first phase of work (A & B) covered by the engagement fee would be for the collection and analysis of raw data. The second phase, if warranted by the raw data and with payment of the benchmark fee, would be to take the raw data analysis and study the ancillary services and do a systems, structures and support analysis. Should all of these factors continue to support the international air service concept, the third phase would be the implementation in the form of air carrier presentations. A success fee would be implemented, in the form of a % of the benefit, for new air carrier service to/from BTV. Mr. Miller questioned the duration of the success fee. Mr. Rocchio explained that their proposal is for the engagement fee to be \$50,000, the benchmark fee to be \$25,000 plus \$25,000 for the air carrier presentations and a 5% success fee. The discussion continued regarding whether that success fee was paid in a lump sum or over time. General discussion continued including how the State of Vermont and the Chamber of Commerce could/should become partners in this effort as it will have a large economic impact for the State. Mr. Rocchio left the meeting. The Commission continued a general discussion of this concept and agreed to have Mr. Searles pursue the idea and finalize the concept in this regard.

WARRANTS & OPERATING STATEMENTS:

The March 2007 warrant and operating statements were reviewed. There were no questions about the operating statements and the warrant was signed as presented.

PROJECT DEVELOPMENT REPORT:

Mr. McEwing advised that the Airport has begun the process, with initial meetings, to **add parking spaces to the north garage** with a two (2) floor addition. The estimate at this time is \$11 million which would add 620 additional spaces. During the Airports' peak travel this winter break, there were 300+ vehicles parked on the airfield and the garage was closed daily in January. The other capital project that has been started is the **second floor hallway and restroom facility renovations**. The public restrooms near the restaurant will be renovated for modernization, enlargement and handicap accessibility. They will be expanded into the existing employee restrooms and cause the elimination of separate employee facilities, except that a shower provision will be included in these spaces for employee use. The goal of the hallway renovation is to eliminate the stairs outside of the administration office and create a ramp for handicap accessibility to the back hallway, which includes access to/from the police services office, gates 1-8 and the restaurant. This project is budgeted at \$400,000 and is funded under the PFC program. At the same time that this renovation will happen, the Airport and One Flight Up restaurant will be partnering to make **cosmetic changes in the restaurant** as well as an opening of the wall between the corridor and the existing lounge.

PROJECT DEVELOPMENT PROJECTS (cont.):

A very preliminary look is on the drawing board for the potential **expansion of the terminal building on the second floor** in the area outside of the administration offices. This space was built to accommodate a future expansion of the terminal. The Airport is at a point that this may be needed. **South end development** has been written to involve twelve phases over the next 10 years with the second phase to begin this spring (first phase was the filling project) which will include the base course and paving of the taxiway into the valley. Heritage Flight Services will be presenting a proposal for the use and occupancy of **Building 890**.

AIR SERVICE DEVELOPMENT UPDATE:

The Burlington Airport will receive two new daily round trip flights to Boston in August of this year, served by Delta Airlines and operated by Big Sky..

MANAGER'S REPORT:

Grievances regarding the CDL unfair labor practices and the operations foreman position **have been resolved**.

The **aviation exemption from sales tax** issue is still not resolved. The Airport testified last week to the Senate committee and they seemed to see the reasonableness of the testimony. However, the House had already passed a version of this bill that does not benefit the Airport or the region.

A meeting was held with the Senate Transportation Committee regarding the status of **Airport Drive extension**. The meeting was productive and the Airport is hopeful that the project got upgraded back to design and engineering phase and will receive a budget for same.

The Burlington Airport appears in a four page spread in the **Interior Sources Magazine**, a national publication, for the north terminal design, layout and art.

The Burlington Business Association annual awards dinner is on Thursday, April 19 and the **Burlington Airport will be the recipient of the Hertzels Pasackow award** for "significant contribution to the architectural quality of Burlington" with its design and art inclusion in the north terminal. M. Flaherty and B. Miller will accept the award on behalf of the Airport.

MANAGER'S REPORT (cont.):

The City of Burlington **taxi license** hearing board **revoked** the license of a taxi driver whose record had not been fully disclosed and who had offenses that would preclude him from operating a vehicle in the City of Burlington and at the Airport. The taxi licensing appeal board upheld the revocation. Discussion regarding the system, time and resources taken.

Enterprise **Car Rental** has purchased the National/Alamo Car Rental companies. Thrifty is now owned by Dollar/Thrifty. T. Gagne advised that Dave DeSarno, National Car Rental franchise owner has advised that the Enterprise purchase does not affect his operation due to his franchise ownership. Ms. Gagne also advised that Mr. DeSarno will be asking to come before the Board to discuss his franchise operation. Also noted by Ms. Gagne was that the new "Dollar" company, located off airport, has asked for information regarding the applicable ordinance and fees for his off airport operation and wants to be sure to be in compliance with such fees.

The next meeting was scheduled for Monday, May 14, 2007 at 4:00 p.m.

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

Respectfully Submitted,

Tamara S. Gagne
Clerk of the Board

AGENDA
BURLINGTON INTERNATIONAL AIRPORTS
BOARD OF AIRPORT COMMISSIONERS
April 16, 2007

MONTHLY REPORTS

1. Minutes of March 19, 2007
2. March Warrants
3. Operating Statement

OLD BUSINESS

1. Project Development Report
2. Air Service Development Update - Boston

NEW BUSINESS

1. Business Development Proposal – David Rocchio

MANAGER'S REPORT

1. Personnel Update
2. Aviation Exemption from Sales Tax
3. Airport Drive
4. Interior Sources Magazine
5. BBA Annual Dinner/Awards
6. Taxi Revocation/Hearing
7. Rental Car News – Enterprise Purchase of National/Alamo

OTHER BUSINESS

1. Other Business
2. Next Meeting Date (Proposed: May 14, 2007)
3. Adjourn

**MINUTES
BOARD OF AIRPORT COMMISSIONERS
MONDAY, MARCH 19, 2007
4:00 P.M.**

PRESENT:

Michael Flaherty
Robert Miller
Mary Sprayregen
Miro Weinberger

Brian Searles
Robert McEwing
Tamara Gagne
Lynn Zizza

The meeting was called to order by the Chairman, Mr. Flaherty at 4:15 p.m. with the above referenced present.

MONTHLY STATEMENTS:

The minutes of the previous board meeting were reviewed. Commissioner Miller made a motion to approve the minutes of February 12, 2007 as presented. Seconded by Commissioner Sprayregen. Minutes passed in favor.

The February operating statement and the warrant were presented for review. Ms. Gagne advised the commission that the statements would now reflect a "true" fiscal year with the removal of the previous June.

OLD BUSINESS:

WiFi & Website:

Ms. Gagne reported that the estimated annual cost for Wifi had been projected at \$55,000.00. The month of February had 4,000 users at a cost of \$5,141.50.

Ms. Gagne also reported that the City has been helping to make small adjustments to the website.

Business Development Update:

Commutair has agreed to move to BTV by leasing the Continental Express hangar, likely by May 1st but no later than June 1st.

The airport is meeting with Pratt & Whitney about future expansion. They are also talking with Heritage to consolidate efforts in this regard. Pratt & Whitney and Heritage have expressed a need for 20,000 square feet of additional hangar space.

Old Business Cont'd:

Air Service:

The airport has had two meetings with Air Tran.

Paul Kaza of Kaza Marketing Associates has done some research in the Canadian area for the airports marketing plan.

Spirit Airlines would provide seasonal, non-stop, and 2-3 flights per week.

The airport met with the new planner of Jetblue. He does not think four flights a day is sufficient and they have already made changes to their schedule.

Project Development:

Mr. McEwing presented the construction updates.

The first phase in the South End project is the taxiway system for access to the valley.

The airport is also looking at expansion of the TSA screening area at the south concourse, the cost of the project is estimated at \$100,000.00.

The parking has also become a problem and the airport needs to seriously look at the need for additional levels on the garage. Discussion.

The Delta ticket counter has been expanded to accommodate their needs for baggage handling space.

NEW BUSINESS:

Personnel Matters:

The airport has received two grievances as a result of the hiring process for the Operations Foreman position; both are expected to be settled this week. Discussion.

Airport Signage:

Mr. Flaherty advised that he had received a complaint regarding the inadequate signage at the entrance of the airport. The airport needs a comprehensive sign review from Exit 11 South to Exit 17 North and along Route 2 corridor. The airport will need to work with South Burlington for on airport signage. Discussion.

Green Initiatives:

The press release was sent and solar and wind has real possibilities.

New Business Cont'd:

Airfield Parking and Zoning:

The airport received a zoning ordinance violation on the recent temporary use of the airfield for overflow parking. Mr. McEwing explained the need and concern for the airport to have support for the Airport Drive project. This project would allow for relocation of the car rental car wash facility off premises and free that space for parking. The problem is that the state has taken this project off their active list, delaying it till 2010. Discussion.

Small Community Air Service Grant Application:

The airport is considering applying for a Small Community Air Service Grant to use for marketing support. This grant program is intended for small or non hub airports to improve air service. The request is for \$500,000.00. Discussion.

MANAGER'S REPORT:

Hertzel Pasackow Award:

The airport is receiving an award for its north end concourse project issued by the Burlington Business Association. The airport is sponsoring a table with the commission invited.

Customer Service Issues:

The airport is receiving legitimate complaints regarding the airlines that the airport is trying to keep ahead of. The biggest problem is baggage. Discussion.

Black Hawk Facility:

The ribbon cutting for the Black Hawk Facility is May 5th.

Valentine's Day Storm:

The airport had no departures on February 14th and lost 63 flights. The airport was open and other flights were diverted here. Discussion.

OTHER BUSINESS:

The next meeting is scheduled for April 16, 2007.

There being no further business, the meeting adjourned at 5:30 p.m.

Respectfully Submitted,

Lynn M. Zizza for
Tamara S. Gagne
Clerk of the Board

MINUTES
BOARD OF AIRPORT COMMISSIONERS
MONDAY, FEBRUARY 12, 2007
4:00 P.M.

PRESENT:

Michael Flaherty
Robert Miller
Mary Sprayregen

Brian Searles
Robert McEwing
Tamara Gagne
Lynn Zizza

The meeting was called to order by the Chairman, Mr. Flaherty at 4:15 p.m. with the above referenced present.

MONTHLY STATEMENTS:

The minutes of the previous board meeting were not available for approval.

The January operating statement and the warrant were presented for review. Ms. Gagne advised the commission of changes that were being made to the financial statements.

OLD BUSINESS:

WiFi Implementation:

Ms. Gagne reported that the Wifi has been in service for almost two months and the airport has had no service issues or complaints.

Business Development Update:

Mr. Searles advised that the airport had a positive meeting with AirTran and that they have requested follow up information on the airport's marketing efforts in Canada. The three routes that AirTran would consider are Baltimore/Washington, Atlanta and Orlando (nonstop) November through April. The incentives the airport offered AirTran were terminal and landings fees waived for (6) months and \$10,000 for advertising. Discussion.

Project Development:

Mr. McEwing presented the construction updates. Mr. McEwing reviewed the airports' plans with the FAA on January 31st. The top priority project for the FAA for this region is offering an additional 1.5 million in discretionary fees to be ready by fall of next year to start aggressive work on the taxiways and ramp systems for the South End Development. Discussion.

Project Development Continued:

Mr. McEwing met with the Army Guard; the project is 50% complete with move out in mid March. The open house of the new facility is scheduled for May 5th.

Mr. Miller and Ms. Sprayregen advised that Mr. Pizzagali had contacted them both regarding his request for a personal hangar. Mr. Miller expressed his concern that the Airport was not providing Mr. Pizzagali with the appropriate response and attention. Mr. Searles explained the contact and communications that had occurred with Mr. Pizzagali over the past two years including a recent discussion in which he was given a specific site in the South End. Mr. Miller requested additional follow up with Mr. Pizzagali. Discussion.

Mr. Searles advised that Security Screening is the biggest customer service problem across the country. The requirements keep changing which confuses the customer. Airports through ACI have made a decision to force TSA to keep to passenger screening and not in other airport affairs and to concentrate on doing screening right. The airport will be meeting with TSA this week to discuss options to expand the South End.

NEW BUSINESS:

Personnel Matters:

Mr. Searles advised that Carl Gross resigned after (16) years of service.

The airport operations department has a National Guard employee who is only on duty about 30% of the time. The airport has assigned him a shift where his absence would not affect the operations of the airport, the employee challenged this assignment and the Department of Labor has overturned that decision.

An unfair labor action claim has also been filed against the airport based on CDL requirements.

Food Service Contract:

Ms. Gagne advised that the airport was close to finalizing the contract terms with the existing operator with renovations to the bar and restaurant and required changes to the kiosk hours.

Airport Commissioners Association:

Mr. Searles advised of a commissioner committee that was becoming very active in ACI. This committee wants to start communications with all airport commissioners. The airport would like to send ACI contact information on the behalf of its commissioners.

Plattsburgh Update:

There has been new press regarding Plattsburgh Airport's grand opening in July. In the press release Senator Schumer mentions all the airlines that he is speaking to which "includes all the "name brands" and that they are an hour closer to Montreal than Burlington and that Plattsburgh is Montreal's U.S. Airport". The ATC will be handled by Burlington.

MANAGER'S REPORT:

Commutair Update:

The draft agreement for Commutair is ready for review and the Continental Express hangar will be vacant at the end of March.

Chittenden Solid Waste:

The Chittenden Solid Waste District is trying to get the airport to say "that a new landfill would be hazardous to aircraft, etc." The airport has no position on this issue.

CEO Forum Report:

Mr. Searles stated that the number of passengers is up 1.5 % and that the numbers of flights are down 3%. The load factors are up to 80% nationally and almost all airlines will be profitable this quarter. The cost of jet fuel is down but ticket prices are higher. The analysis done on this "squeezing" is that there will be no affect on large hubs and great impact to small and medium hub airports. Discussion.

Miscellaneous:

The airport may need help from the state to keep the Airport Drive development project going. It is currently on hold.

OTHER BUSINESS:

The next meeting is proposed for March 19, 2007.

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

Respectfully Submitted,

Lynn M. Zizza for
Tamara S. Gagne
Clerk of the Board