

**BURLINGTON INTERNATIONAL AIRPORT
BOARD OF AIRPORT COMMISSIONERS
MINUTES OF MEETING
July 28, 2014**

APPROVED – 8/18/14

MEMBERS PRESENT: Jeff Munger (Chairman)
Bill Keogh
Gene Palombo
Jeff Schulman
Alan Newman

BTV STAFF PRESENT: Gene Richards, Director of Aviation
Heather Kendrew, Director of Engineering & Maintenance
Kelly Colling, Director of Airport Operations
Nic Longo, Accounting Office Assistant

OTHERS PRESENT: Rich Goodwin, Assistant CAO, City of Burlington
Gregg Meyer, City Attorney, City of Burlington
Tim Shea, Heritage Aviation
Dave Stiller, Heritage Aviation
Marianne Riordan, Recording Secretary

TOUR OF AIR TRAFFIC CONTROL FACILITIES

Prior to the regular meeting the Airport Commission toured the radar room and air traffic control tower at Burlington Airport.

1.0 CALL TO ORDER

Chairman Jeff Munger called the meeting to order at 4:15 PM. Introductions were done.

2.0 AGENDA

MOTION by Bill Keogh, SECOND by Alan Newman, to approve the agenda as presented. VOTING: unanimous (5-0); motion carried.

3.0 PUBLIC FORUM

There were no comments from the public.

4.0 CONSENT AGENDA

4.1 Approval of Minutes: June 16, 2014

MOTION by Bill Keogh, SECOND by Alan Newman, to approve the consent agenda including approval of the June 16, 2014 minutes as written.

VOTING: unanimous (5-0); motion carried.

5.0 EXECUTIVE SESSION

MOTION by Bill Keogh, SECOND by Jeff Schulman, to go into Executive Session to discuss an item of potential litigation where premature public knowledge would place the City of Burlington at a substantial disadvantage, and to invite airport staff and legal counsel to attend. VOTING: unanimous (5-0); motion carried.

Executive Session was convened at 4:18 PM.

MOTION by Bill Keogh, SECOND by Alan Newman, to adjourn Executive Session and reconvene the regular meeting. VOTING: unanimous (5-0); motion carried.

Executive Session was adjourned and the regular meeting reconvened at 4:38 PM.

6.0 FINANCIAL REPORT

Rich Goodwin reported:

- As of the end of FY14 on June 30, 2013 the overall level of profitability for the airport was approximately \$5.8 million. Accrual for \$100,000 in additional expenditure was done because the books have not yet been closed for the fiscal year.
- Trend Analysis shows projections are solid for parking revenues overall. In the new fiscal year there will be separation of car rental, concession, and parking fees.
- Debt coverage score was recalculated due to the refinance. The result is less money for debt being used from the PFC so more money (approximately \$700,000) can be used for terminal improvements. [Rich Goodwin will calculate the revised amount of available debt and debt coverage score.]
- The debt coverage score (unaudited) is 1.52 which is better than in 2013 and well above the target of Moody's and Fitch and the bond covenants. PFC available for debt service and funds available for debt service provide the ratio.
- Enplanements show good growth (3%-5%).
- Aging Report reflects the good job done by Nic Longo in collecting outstanding receivables. Going forward major cleanup of receivables will be done and bad debt will be written off. The debt coverage score will not be impacted.
- Airport Improvement Project Receivables are at \$500,000 which is down from \$1.5 million.
- Reserve funds were invested and earned \$40,000 in interest income or gains.
- Cash in the bank as of 6/30/14 was \$1.2 million. Money in reserves is \$10 million.
- AIP Funds show the amount the airport owed the city to be \$951,000 as of 6/30/14 offset by cash in bank for the airport of \$1.2 million.
- Restricted funds include cash in the bank (\$1.2 million), prepaid account to improve debt score (\$486,000), and carve out of CFC.

Gene Richards praised staff for success in managing the budget and assured work will continue to reach the goals of the airport and face the financial challenges.

MOTION by Bill Keogh, SECOND by Alan Newman, to accept the financial report and place the information on file. VOTING: unanimous (5-0); motion carried.

7.0 ACTION NEEDED

7.1 Property Lease Agreement: -700 Airport Parkway

Nic Longo reported Green Mountain Motor Company, LLC is interested in leasing the building and lot at 700 Airport Parkway to sell used cars and do some maintenance work. The airport will install a new heating system, carpet, and paint

the building (estimated cost is \$20,000). The three year lease with a three year option requires first and last month and a deposit at signing.

MOTION by Bill Keogh, SECOND by Alan Newman, to approve the property lease agreement with Green Mountain Motor Co., LLC for 700 Airport Parkway as presented. VOTING: unanimous (5-0); motion carried.

8.0 COMMUNICATION/DISCUSSION

8.1 Open Meeting Law – Act 143

Nic Longo reported Act 143 was enacted as of July 1, 2014. Enforcement will not be done until 2015. Gregg Meyer stated the City Attorney's Office has a document outlining the changes to the Open Meeting Law. The document will be sent to all city boards, committee, and commissions and a brief presentation will be given. Bill Keogh asked if attachments must be posted with the meeting agenda on line. Gregg Meyer said he did not think so, but will confirm the answer.

8.2 BTV Minimum Standards

Heather Kendrew reported staff drafted a document with standards for businesses that operate or want to operate at the airport. Bill Keogh asked if a public hearing on the document is needed. Gregg Meyer advised a public hearing is not necessary.

MOTION by Bill Keogh, SECOND by Gene Palombo, to accept and place the BTV Minimum Standards document on file. VOTING: unanimous (5-0); motion carried.

8.3 Project Update

Heather Kendrew reported projects at the airport include the terminal apron reconstruction at Gate 13 and the air cargo apron. Also, the contract for a new camera/security system has been signed.

8.4 Air Service Update

Gene Richards reported discussions are very active with airlines regarding service. Erin Mack has been hired to fill the marketing and air service position previously held by Ryan Betcher.

8.5 Passenger and Operational Statistics

Nic Longo reported the statistics show the airport is on cue with four year trends. More enplanements and heavier weighted aircraft are expected this time of year

8.6 Fare Comparison Report

There were no comments or questions on the fare comparison report.

9.0 DIRECTOR'S REPORT

Gene Richards reported:

- Social media and marketing at the airport is going well.
- The airport welcomes David Stiller at Heritage.
- A meeting will be held with Attorney Ellis on the appeal period and when tear down of the houses purchased by the airport can begin. An RFP will be done for the tear down work. It is hoped to have the work done by winter time.
- The Finance Board approved a grade increase for the Operations staff.
- As of September 31st the airport will manage all advertising in the terminal.

10.0 COMMISSIONERS' ITEMS

10.1 Airport Commission Annual Report

Jeff Munger will sign and forward the report to Lori Olberg.

10.2 Taxi Licensing Board Report

Gene Richards mentioned Tom Torti expressed interest in the Chamber assuming taxi administration for the city and the airport. Discussions will continue. There is a better taxi system in place today albeit better enforcement of the ordinance is needed, but the question remains as to where the administration belongs.

10.3 Announcements

Gene Palombo announced he is stepping down from the Airport Commission because the administration and city council in South Burlington indicated they want more communication from their representative. Mr. Palombo said he feels he does keep the administration and city council well informed. Jeff Schulman commented South Burlington may want the individual to represent South Burlington's interests first rather than the airport's interests first. Gene Richards mentioned his ongoing communications with the South Burlington administration and city council, and that work will continue on how the airport and the city can better co-exist. The Airport Commission thanked Mr. Palombo for his service.

11.0 ADJOURNMENT

Next meeting: August 18, 2014 @ 4 PM.

MOTION by Bill Keogh, SECOND by Jeff Schulman, to adjourn the meeting.

VOTING: unanimous (5-0); motion carried.

The meeting was adjourned at 5:55 PM.

RScty: MERiordan

“To Do” List from 7/28/14 Airport Commission meeting:

1. Rich Goodwin will calculate the revised amount of available debt and debt coverage score.
2. Gregg Meyer will confirm whether attachments must be posted with the meeting agenda on line per the Open Meeting Law.