

**BURLINGTON INTERNATIONAL AIRPORT
BOARD OF AIRPORT COMMISSIONERS
MINUTES OF MEETING
February 21, 2017**

DRAFT

MEMBERS PRESENT: Jeff Munger (Chairman)
Bill Keogh
Alan Newman [via teleconference]
Jeff Schulman
Pat Nowak

BTV STAFF PRESENT: Gene Richards, Director of Aviation
Nic Longo, Director of Planning and Development
Amanda Clayton, Director of Engineering &
Environmental Compliance
Rick Brown, Director of Maintenance
Shelby Losier, Administrative Assistant

OTHERS PRESENT: Erin Desautels, Vermont Small Business Acceleration
Bob McEwing, Airport Consultant NEAC
Tim McCole, Heritage
Ben Myer, Heritage
Jimmy Leas, South Burlington
Karen Paul, Burlington City Council

1.0 CALL TO ORDER

Chairman Jeff Munger called the meeting to order at 3:08 PM on February 21, 2017.

2.0 AGENDA

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

3.0 CONSENT AGENDA

3.1 Approval of Minutes: January 17, 2017

MOTION by Bill Keogh, SECOND by Jeff Schulman, to approve the consent agenda including the minutes of January 17, 2017 as presented.

DISCUSSION: Bill Keogh noted two outstanding “to do” items for staff in the minutes:

- **Investigation of future state funding for the airport;**
- **Opinion from the Chamber on the value the Chamber brings to the airport.**

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

4.0 PUBLIC FORUM

Tim McCole, Heritage Aviation, commented he has worked at four major airports in his career and finds the administration at Burlington Airport to be professional, engaged, energetic, responsive, and sometime funny.

5.0 FINANCIAL PACKAGE

In the absence of Marie Friedman, Nic Longo gave the financial report noting the following:

- The date on the detailed performance report included in the previous meeting packet should be corrected to read “2016”.
- Revenues are above projections through 12/31/16. Revenues are at 51% and expenditures are at 44%.
- Debt coverage score is 2.3 compared to 2.2 the same time last year.
- AIP accounts are mainly caught up. Land acquisition grant of \$1 million is pending due to delays in titles and deeds. There are also a couple AIP project where the grant money has not yet been received. (The grant process with AIP projects was briefly described.)
- Reimbursements totaling \$6.5 million for AIP projects have been received in the last six months.
- Initial planning of the FY2018 budget has started.
- Moody’s has started their initial annual review. Moody’s is very pleased with the litigation with South Burlington being settled in favor of the airport and the airline lease with 200 days cash-on-hand guaranteed.

Jeff Munger observed that halfway through the fiscal year the debt coverage score is still high. Staff will investigate the matter.

Jeff Schulman asked for a comparison of debt coverage scores from last year at this time to this year. Nic Longo reported for FY2016 as of December 2015 debt coverage score was 2.13 compared to December 2016 at 2.24. Debt coverage score in February 2016 was 2.21 compared to February 2017 with a score of 2.32.

Pat Nowak noted the airport owes Key Bank \$1.9 million on the grant anticipation note (GAN) as of January 31st. Nic Longo said this is standard. The airport has a \$7 million revolving GAN with Key Bank and expends funds anticipating grants from the FAA then the account is reimbursed. Amanda Clayton noted the GAN typically cannot be used unless the airport has a grant offer from the FAA. The GAN bridges the gap between the airport spending the money on projects and reimbursement from the FAA.

Pat Nowak commented South Burlington feels the litigation settlement is a win-win for both parties. Ms. Nowak asked about Moody’s rating process. Gene Richards said the process can take two weeks to three months. Typically for the airport the timeframe is short. Staff continues to communicate and forward information to Moody’s.

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

6.0 ACTION NEEDED

6.1 Task Order #3: JPG Acquisition

MOTION by Bill Keogh, SECOND by Pat Nowak, to approve and recommend to City Council for approval Task Order #3: JPG Acquisition.

DISCUSSION: The following was explained:

- The acquisition grant of \$1.2 million is AIP-109 for 39 parcels by the airport. Task Order #3 is a continuation of the task order with more detail and is for the subcontract with the consultant in the field who will be working with homeowners.
- A majority of the 39 homeowners want to sell their property.
- The goal is to wrap up the acquisitions by 2018 (18 month timeframe) in order to move to the next phase of the program (sound mitigation).

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

6.2 Task Order #4: JPG NCP

MOTION by Bill Keogh, **SECOND** by Jeff Schulman, to approve and recommend to City Council for approval Task Order #4: JPG NCP.

DISCUSSION: The following was discussed:

- Bill Keogh pointed out Exhibit A refers to the Burlington Air National Guard. Nic Longo will have the Jones Payne Group correct the text.
- Nic Longo noted when Task Order #3 is complete (acquisitions) the noise mitigation program will begin. The mitigation strategies that the community wants will define the task order. Up to a dozen public meetings will be held over the next 18 months to hear public input then the plans will be sent to the FAA for approval and funding. Once funding is received the program can be completed.
- Pat Nowak confirmed residents can ask for the mitigation they want as long as it is eligible per the FAA. The Airport Commission will have oversight over the program so South Burlington residents can contact Ms. Nowak for information.
- Jeff Schulman asked who will be involved in the conversations on mitigation. Nic Longo said any stakeholders at the airport and the neighbors. There will be an advisory committee for the mitigation program that will include the Sound Mitigation Committee, representatives from the state, neighboring land use jurisdictions and municipalities, and the airport. The project will be wider and more detailed. The \$450,000 grant starts immediately and implementation of the mitigation plan that is determined follows.
- Gene Richards clarified the airport administration is looking for input, not approval, from South Burlington. The airport will make the decision in the end and will push to have the 900 people affected by sound at the airport to be involved. People will be informed of the pros and cons of each mitigation device and which will provide the most relief. All, including the South Burlington City Council and the Airport Commission, are urged to attend the meetings to be educated and gain direction on the possibilities of the program.

There were no further comments.

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

7.0 COMMUNICATION/DISCUSSION

7.1 Construction Update

Amanda Clayton reported:

- Taxiway Kilo will be closed out with the name change following FAA approval for the additional funding that is involved.
- The punch list for the glycol treatment system will be complete in the spring and includes removal of the old system from the ground.
- Terminal apron rehab needs to be coordinated with the airlines. The project is expected to be complete by mid-November. United will occupy the JetBlue space for 112 days during the project. Clumping the airlines together is a positive safety measure.
- The power feed has been installed for the Quick Turnaround Facility. The project will likely not start this year. Negotiations are ongoing for the \$6 million project and the airport wants to have all the details in place before the project begins. The reserve fund for the project continues to accrue so less money will have to be borrowed. Details on the project will continue to be provided to the Airport Commission, Board of Finance, and City Council.
- Taxiway Bravo extension is awaiting FAA funding. The project is expected to begin in August.
- Taxiway Gulf realignment is waiting for FAA funding. The taxiway is moving farther away from the neighbors.
- VANG has \$40 million in projects that include Taxiway Foxtrot (in 2017), Taxiway Delta (in 2018), and the apron.
- The airport beacon will be replaced with a new beacon that meets current FAA requirements.

Pat Nowak asked about the monitoring wells and the SMAC report with the glycol system. Amanda Clayton said the wells will be installed this year. Ms. Clayton will forward the SMAC report to Ms. Nowak.

Gene Richards noted the South Burlington City Manager asked that the fill from the Taxiway Gulf realignment be used to build a berm west of the taxiway. The FAA does not consider berms to be effective and will not fund them. The airport does not have the financial capability to fund the work and cannot lose the land capacity and still function as an airport. The dirt from the project will be moved to the nearby 35-acre industrial park to be used as sub-base. Pat Nowak asked where the public can get information and follow the construction timeline. Staff will post the information on the airport website.

7.2 Marketing Update

Shelby Losier highlighted events and activities at the airport that include:

- Chittenden County Humane Society Purses for Paws
- CEDO retreat
- Stem Center education courses
- Make-A-Wish
- Private birthday parties
- March 18, 2017 Fashion Show for the Vermont Refugee Program
- American Cancer Society Pulling for Hope (plane pull) in September

- Johnson Woolen Mills kiosk in the terminal (airport ambassadors were given mittens to wear).
- Efficiency VT installation
- Wi-Fi and charging station
- Advertising revenue from FY16 to the second quarter of FY17 shows an increase of 95.8%.

Gene Richards said the airport is looking for Vermont advertisers and would like input, suggestions, and ideas from everyone. Alan Newman mentioned marketing the garden space on the top of the parking garage for summer events. Shelby Losier said airlines have hosted barbeques in the summer and the airport has held events there in the past. Staff will work on promoting the space.

7.3 Passenger and Operational Statistics

Nic Longo noted through January 2017 total passenger numbers are up 3%. January 2017 is the top performing January month since 2013. Many of the other months are positive as well. Load factors are strong and there are fewer cancelled seats. There is talk of adding flights on the Charlotte route.

Staff will try to provide individual flight stats (where people are going and the load factors).

Alan Newman urged getting a JetBlue flight to Boston. Nic Longo said staff is working on a grant opportunity for a direct flight to Boston with any airline. Gene Richards noted there have been conversations with JetBlue about the Boston market.

Jeff Schulman asked if landing weights signify revenue. Nic Longo said everything coming into the airport is billed on landed weight. The landing weight is also a good indication of the type of aircraft at the airport.

7.4 Fare Comparison with New Cost Estimate Calculator

Shelby Losier reported getting to Detroit directly has become expensive in the past few months. Air fare cost is driving the costs. It still remains cheaper to fly out of Burlington.

Alan Newman urged finding a way to promote the cost savings of flying out of Burlington. Staff will put the cost estimate calculator on the website for ease of use.

7.5 Airport Commission Status List

Shelby Losier reported:

- Technology is being explored relative to the taxi RFP.
- Hardware and software work continues in the parking garage. An RFP will be done to find a company to manage the system and help with the end product. The new citywide parking system will be implemented by September beginning with the airport.
- Short term parking will be done at the parking garage.

- Stats from the Chamber show 29,000 walkups in 2016, 25,000 walkups in 2015, 1200 calls, and 890 emails. Staff is working on a new application with touchscreens and iPads at the information desk to provide information to the public.

8.0 AVIATION DIRECTOR'S REPORT

Gene Richards reported:

- The cost for Channel 17 to videotape meetings at the airport is between \$500 and \$700. The amount cannot be justified with the budget for the meetings. There are further meetings with Channel 17 to discuss how to utilize social media or even install a camera at the airport or other ideas that are economically feasible. (Pat Nowak mentioned South Burlington uses a digital audio recorder for meetings.)
- A recording of the FAA meeting is on the website for public access. The meeting was very informative and hopefully helped people understand the issues. Questions should be sent to Nic Longo or Gene Richards.
- Airport staff has spent over 200 hours gathering and providing information to South Burlington which is taxing when trying to operate an airport. The relationship with South Burlington is important to the airport and the airport wants to be responsive, but staff cannot be working every day and every weekend to meet the requests. There is much potential with the relationship if the positive, not the negative, is emphasized. The relationship right now is more strenuous than can be recalled. There is lack of patience and respect. More effort is needed to understand everyone's limitations and make the relationship work, but not at the expense of grant assurances. South Burlington needs to know the airport wants a successful relationship and positive solutions that are mutually beneficial.
- VANG is returning to the airport this week from their recent deployment. Their mission is complete. The sacrifice made by all the members and their families is acknowledged and appreciated.
- Neither the airport nor Burlington City Council want to tear down the Kirby cottages. Options include having a local developer relocate the cottages, having a developer from Bristol remove the cottages intact (South Burlington would lose the housing), turning the units into a commercial complex (dentist or doctor offices). South Burlington needs to participate in the conversation.
- Much has been learned about the history of the airport from members of the 100 Year Committee. At the last meeting the former chairman of the Champlain College Board now in his 90s told of painting circles on the airport so pilots would know they were at the airport. The plan is to publish the interviews digitally in Year 2020.

Pat Nowak commented on the FAA meeting and agreed the meeting provided clarity and definitive answers to help clear up the issues. Regarding the Kirby cottages, South Burlington hopes to find a mechanism to collaborate with Champlain Housing Trust and move the units back into the affordable housing mix in the city.

Jeff Schulman commended airport staff on the time and effort spent with South Burlington trying to be a good neighbor and responding in a productive and good way, but the airport cannot lose the focus of operating an airport.

Bill Keogh said he is bothered the Airport Commission has not given staff the support that is deserved. Gene Richards and Nic Longo have taken the brunt of the animosity that has been expressed. The FAA runs the airport. The airport administration manages the airport. The FAA did not ask South Burlington's opinion on the houses or the F-35. The letters being circulated lately underscore the relationship between South Burlington and the airport is at a new low point. This needs to be turned around. South Burlington needs to cooperate.

9.0 AIRPORT COMMISSIONERS' ITEMS

9.1 FAA Sound Mitigation Questions and Answers Update

Nic Longo said the video and transcription will be posted on the website.

10.0 ADJOURNMENT

Next meeting(s):

- March 20, 2017 – Airport Commission meeting, 3 PM

MOTION by Bill Keogh, SECOND by Pat Nowak, to adjourn the meeting.

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

The meeting was adjourned at 4:47 PM.

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