

**BURLINGTON INTERNATIONAL AIRPORT
BOARD OF AIRPORT COMMISSIONERS
MINUTES OF MEETING
October 14, 2016**

DRAFT

MEMBERS PRESENT: Jeff Munger (Chairman)
Bill Keogh
Alan Newman
Pat Nowak

MEMBERS ABSENT: Jeff Schulman

BTV STAFF PRESENT: Gene Richards, Director of Aviation
Nic Longo, Director of Planning and Development
Marie Friedman, Airport CFO
Amanda Clayton, Director of Engineering &
Environmental Compliance
Kelly Colling, Director of Operations
Shelby Losier, Administrative Assistant

OTHERS PRESENT: Robert McEwing, Property Acquisition Program
Erin Desautels, Vermont Small Business Acceleration
Megan McGovern, Donahue & Associates
Tim McCole, Heritage Aviation
Ben Meyer, Heritage Aviation

1.0 CALL TO ORDER

Chairman Jeff Munger called the meeting to order at 12:05 PM on October 14, 2016.

2.0 AGENDA

MOTION by Bill Keogh, SECOND by Jeff Munger, to approve the agenda with the addition of a status report of Airport Ambassadors employment as Item 7.6 and a statement on the Kirby Road meeting as Item 9.2. VOTING: unanimous (4-0); motion carried.

3.0 CONSENT AGENDA

3.1 Approval of Minutes: September 12, 2016

MOTION by Bill Keogh, SECOND by Alan Newman, to approve the consent agenda including the minutes of September 12, 2016 as presented. VOTING: unanimous (4-0); motion carried.

4.0 PUBLIC FORUM

None.

5.0 FINANCIAL PACKAGE

Marie Friedman highlighted:

- Revenues and expenditures are in good shape.
- Landing fees have been billed out (Trend Report does not reflect landing fees for August).

- Debt coverage ratio is 2.6 presently. The ratio is always high at the beginning of the fiscal year.
- The line of credit was renewed for \$7 million to cover AIP projects until reimbursement from the FAA.
- Airline lease billing is delayed slightly until the correct amount is confirmed. The contract is retroactive to August 1st.
- The annual city audit is underway beginning with the airport.

Alan Newman requested a single page, bullet point narrative on the finance report for each meeting highlighting any issues.

MOTION by Bill Keogh, SECOND by Pat Nowak, to accept the financial package and place the information on file. VOTING: unanimous (4-0); motion carried.

6.0 ACTION NEEDED

6.1 Professional Services Agreement

MOTION by Bill Keogh, SECOND by Alan Newman, to adopt the Professional Services Agreement and recommend to City Council for approval.

DISCUSSION: Amanda Clayton noted the following:

- Passero Associates was selected from the many responses to the RFP and will be working with airport staff on the grant applications to the Grants Administration Services.
- The statement of work in the contract is general. Staff will delegate tasks.
- The contractor will meet the more stringent requirements for a federal project including paying a livable wage.
- The contract amount is a “not-to-exceed” amount and is not expected to be reached this year.

There were no further comments.

VOTING: unanimous (4-0); motion carried.

6.2 PARCS System Consultant

MOTION by Bill Keogh, SECOND by Alan Newman, to approve and recommend to City Council for approval the PARCS System Consultant.

DISCUSSION: Staff explained the work with Burlington Public Works on the transition of the garage. Three proposals were received and ranked. Staff is recommending Desman Design Management at a cost of \$94,685 (low bidder). Burlington Public Works will pay 59% of the cost (\$55,864) and the airport will pay 41% (\$38,821). Alan Newman asked if VIP parking and long term parking will be addressed with the software or with physical space. Marie Friedman said there is opportunity with physical space and at a minimum cost to better serve customers. The contract with the consultant is for software and hardware. The airport will set up the criteria (VIP, long term, appropriate charges, and such) and the consultant will determine the system needs. The system must have flexibility to address needs that are ever

evolving. Alan Newman commented flexibility has cost so revenues need to be maxed. There were no further comments.
VOTING: unanimous (4-0); motion carried.

7.0 COMMUNICATION/DISCUSSION

7.1 Airport Property Update

Meg McGovern with Donahue & Associates gave an overview on properties owned by the airport and highest/best use to maximize occupancy. The properties include:

- 23 Airport Drive (Aviation Deli) – has lease option with escalators until 2020. Property is commercial zoned residential.
- 700 Airport Parkway (former Budget Rental Car) – Enterprise has long term lease and will spend \$90,000 in upgrades.
- 41 White Street (formerly a park-and-ride) – can be redeveloped. Would be a good Aviation Deli location.
- 1250 Airport Drive with gated access – has Class B office space. Meetings are scheduled with companies who may be interested in having a satellite office.
- 3060 Williston Road (fully occupied) – Class C office/retail space. Are many short and long term opportunities with the building. TSA location is an idea to be explored.
- 3062 Williston Road (fully occupied) – Hardscape Landscaping leases the site presently.
- 3090 Williston Road – commercial building space and Class B office space.

A list of the properties with the square footage and rental income will be sent to the Airport Commission.

Gene Richards noted the airport owns 40 acres along Williston Road including a gravel pit. Part of the parcel area is a foreign trade zone. The airport needs someone to manage that zone.

7.2 Construction Update

Amanda Clayton reported:

- Two phases of the apron rehab project have been combined into one phase. There is \$30 million of construction work to be done over two years. Funding is in place. The apron project will start April 2017.
- Taxiway Kilo is opened for use. There is some additional work to do.
- North apron glycol project is on schedule.
- Air Guard project will start with the demolition of Taxiway Foxtrot this year.

7.3 Marketing Update and 7.4 Fare Comparison

Shelby Losier reported:

- Champlain College will hold a press conference to highlight Flight and Graffiniti.
- The airport hosted Live2Lead and a Rock-Paper-Scissors fund raiser that raised \$16,000. There are several other events scheduled at the airport as well. [Gene Richards pointed out the events show how well the airport can be used in a different way.]

7.4 Fare Comparison

Fare comparison report was provided for review/information.

7.5 Dynamic Planning Tool

Staff report the travel cost calculator tool that allows the traveler to calculate the complete cost of travel from different airports including fuel use, parking, roundtrip fare, miles to airport, time, and other factors. Comparing cost of travel from Burlington versus Boston or Manchester shows an average savings of \$322 to fly out of Burlington.

Jeff Munger mentioned flights being less expensive out of Montreal. Nic Longo said the data show only 5% of people are traveling to Montreal for flights.

7.6 Status of Airport Ambassadors Employment

Gene Richards reported there will be one job description for Airport Ambassador/Garage Attendant once the garage transition project is complete in the second quarter of 2017. HR is working on the salaries. There will be some temporary employees to relieve the pressure. Shelby Losier added there will be four airport garage attendants. All the other workers are temporary and being trained to work both the garage and as Airport Ambassadors.

8.0 AVIATION DIRECTOR'S REPORT

Gene Richards reported:

- The airline lease is finalized and includes favorable terms for the airport. The lease addresses low volume carriers as well.
- Staff continues to work with Porter Air on service to Burlington. [Alan Newman mentioned having Air Canada treat Burlington Airport as a spoke in their hub. Gene Richards said the conversation is ongoing with Air Canada. Their hub is Toronto with preclearance and connections across the world.]
- Meetings with JetBlue hold promise. There have been five consecutive months of increases in seats (1.6% increase for the year).
- The meeting with South Burlington City Manager, Kevin Dorn, was very disappointing and gives the appearance South Burlington does not want to work on a solution with the airport. Also, it appears South Burlington City Council is spreading false words and false advice on the airport. South Burlington is proposing a solar field on the former landfill site. The airport is pro-solar, but the proposed installation goes through the location for the highway as noted in the 2030 Plan. The airport asked for a letter from South Burlington saying the city will make provision to work with the airport.
- The home removal program was reviewed with South Burlington City Manager and the South Burlington City Council President, but these individuals apparently did not pass along the information about the program as public officials because at the sound mitigation meeting the South Burlington Planner was not aware of the details of the program. The airport is a vital part of the state. The airport did not build the houses that are being removed, South Burlington did. The airport is acting as a facilitator for the FAA of the noise program. Jones Payne Group has

been hired to work on the project. The airport only had a week's notification about the current program and informed the Mayor and City Council then South Burlington as soon as possible. Staff will provide The Airport Commission with a timeline of events with the noise program.

- RFP for janitorial services is still being reviewed.
- RPF for the Chamber desk is still not decided.
- South hangar bid will be awarded to Mansfield Heliflight.
- Year 2020 marks the 100th anniversary of the airport. A committee is being formed to plan a celebration. Updates on the progress will be provided.

There was discussion about the relationship between the airport and South Burlington over time and currently with the housing program. Pat Nowak said the comment she heard was that the home buyout piece was introduced at the end of the meeting in South Burlington and was not clear. Regarding the solar field, according to the South Burlington City Manager a letter cannot be drafted because the financing would not take place. Ms. Nowak said she had hoped once the battle over the value of the airport was settled there would be a spirit of collaboration and cooperation.

Bill Keogh asked if there is resistance to the buyout program. Gene Richards said South Burlington is claiming they know nothing about it and were not given enough notification of the grant being received by the airport. The situation is being portrayed as the airport having the information many months in advance when the airport only knew days in advance.

Jeff Munger pointed out the new sound mitigation program cannot be started until the first program is complete which South Burlington knew so South Burlington's frustration is confusing. Also, the airport has no option but to follow FAA rules.

Pat Nowak said people are hearing there are 39 homes to be taken and are unsure if their house is involved or not. People feel they were blindsided with the new program. The issue is communication of information. Many of the residents have been in their homes for 40 years and are wondering what the program means to them and the neighborhood. The relationship with the airport and South Burlington is not new and existed before the housing program. It is true offers went through and the program is voluntary, but people are seeing affordable housing being taken that cannot be replaced. There is a lot of concern and angst. There were a lot of questions that were not answered.

Alan Newman questioned the city's management being antagonistic rather than trying to find a solution. Pat Nowak said the issue is timing. South Burlington wants to be involved in the decision and know what is coming down the road. Alan Newman pointed out Pat Nowak is a member of the Airport Commission representing South Burlington and should be the communicator. Also, the Airport Commission meetings are open to the public. Gene Richards assured Pat Nowak is delivering the message, but South Burlington is not hearing it and is continuing to fight a battle from years ago. Pat Nowak conceded there is some difficulty with a few neighbors who feel they have improved their homes and will not get a fair value for it, and they are suspect as to the complete

transparency the airport has with the neighborhood. At a meeting there were 15 people in attendance who were eligible for the program and half of them wanted to stop the process until there were more answers from the meeting on 10/14/16. At the South Burlington City Council meeting people spoke out and shared frustration in not knowing what will happen with housing that is co-owned with Champlain Housing Trust, for example, or whether the FAA will have to be reimbursed for houses that are mitigated for sound and then sold. The relationship with the airport has been strained for years with South Burlington with the lawsuit involving the homes.

Gene Richards commented much of the tension is about the F-35 which the airport does not control. Questions about the FAA should be directed to Nic Longo. Questions about the sound program should be directed to Nic Longo and/or the Jones Payne Group.

9.0 AIRPORT COMMISSIONERS' ITEMS

9.1 Sound Mitigation Efforts

9.2 Statement on Kirby Road Meeting

Pat Nowak read a statement on the house buyout program highlighting the following:

- It is hoped this is the final buyout.
- Kirby Road residents and South Burlington City Council discussed concerns about the buyout program and the 39 additional homes.
- Long term residents were not approached about the buyout, feeling like they were the last to know.
- The city feels there is no involvement of residents or the city management in the decision and it is a foregone conclusion that what is decided cannot be discussed in advance.
- Questions/concerns that have been expressed:
 - Sound impact on the remaining houses
 - Who establishes the fair market value
 - Appealing offers that are not acceptable
 - “Humanizing” the area after the houses are removed
 - Who determined the sound boundary lines
 - What happens if refuse to participate in the program
 - Does the FAA need to be paid back
 - How much time is there to accept the offer and relocate
 - Does funding include closing costs
 - Is Chamberlin School and the public works building included in the program
 - Will there be another buyout program
 - Will FAA fund walls/berms versus home buyout
 - What happens with co-owned homes (affordable houses co-owned by Champlain Housing Trust)

Ms. Nowak said South Burlington is compiling a list of questions from the meeting with residents that will be forwarded to the airport. South Burlington wants a relationship with communication on the issues that impact residents and the city, and to be part of the discussions and decisions.

Pat Nowak will forward a copy of her statement to the Airport Commission and staff.

Alan Newman suggested the airport do a blog and post questions and answers as well as other pertinent information each day.

Bill Keogh asked what could have been done to avoid the allegations from South Burlington. Pat Nowak said the issues are timing and communication. Nic Longo pointed out the grant application was submitted the first week of September. The money is discretionary so the airport was not even certain the money was available. Word of the grant award was received September 7th and meetings with Burlington and South Burlington were held. The information was publicized on September 13th in the newspaper. Jeff Munger noted the headline in the newspaper was inaccurate and misleading. Pat Nowak stressed the approach to apply for the grant was done with foreknowledge of houses being in the original DNL. Gene Richards pointed out Kevin Dorn knew in July about the program and the airport told the FAA that both cities and the airport do not want to take any more homes. The FAA indicated they know the best decision for the airport and will not issue any funding until the program is complete. Gene Richards stressed he communicates information to both cities as it becomes available.

Gene Richards said 60% of his time is spent on South Burlington matters, but he will continue to micromanage the relationship until it improves. Bill Keogh suggested having someone mediate the dispute over communication. Pat Nowak suggested having regular sessions with South Burlington, Burlington, and the airport to have dialogue. Gene Richards said he sent a letter to Kevin Dorn offering to answer questions and post the information online. Consultants hired by the airport will be meeting with neighbors who will have ample time to participate. Pat Nowak suggested setting up a link to the FAA buyout program for information purposes.

10.0 ADJOURNMENT

Next meeting is November 28, 2016 at 3 PM.

MOTION by Bill Keogh, SECOND by Alan Newman, to adjourn the meeting.

VOTING: unanimous (4-0); motion carried.

The meeting was adjourned at 2:53 PM.

RScty: MERiordan