

**BURLINGTON INTERNATIONAL AIRPORT
BOARD OF AIRPORT COMMISSIONERS
MINUTES OF MEETING
November 10, 2014**

APPROVED – 1/5/15

MEMBERS PRESENT: Jeff Munger (Chairman)
Bill Keogh
Pat Nowak
Jeff Schulman [arrived 4:15 PM]
Alan Newman

BTV STAFF PRESENT: Gene Richards, Director of Aviation
Robert McEwing, Director of Planning & Development
Kelly Colling, Director of Airport Operations
Nic Longo, Accounting Office Assistant
Erin Knapp, Marketing
Dewey Knapp, marketing intern

OTHERS PRESENT: Rich Goodwin, Burlington Asst. CAO (via telephone)
Tim Shea, Heritage
Julie Richards
Marianne Riordan, Recording Secretary

1.0 CALL TO ORDER

Chairman Jeff Munger called the meeting to order at 4:10 PM. Introductions were done.

2.0 AGENDA

MOTION by Bill Keogh, SECOND by Pat Nowak, to approve the agenda as presented. VOTING: unanimous (4-0)[Jeff Schulman not present for vote]; motion carried.

3.0 PUBLIC FORUM

None.

4.0 EXECUTIVE SESSION

4.1 Litigation

Pat Nowak recused herself.

MOTION by Bill Keogh, SECOND by Alan Newman, to go into Executive Session to discuss pending litigation where premature public knowledge would place the City of Burlington at substantial disadvantage and to invite the airport staff present to attend. VOTING: unanimous (3-0)[Jeff Schulman not present for vote]; motion carried.

Executive Session was convened at 4:14 PM.

MOTION by Bill Keogh, SECOND by Alan Newman, to adjourn Executive Session and reconvene the regular meeting. VOTING: unanimous (4-0); motion carried.

Executive Session was adjourned and the regular meeting reconvened at 4:29 PM. Pat Nowak returned to the meeting.

5.0 CONSENT AGENDA

5.1 Approval of Minutes: October 27, 2014

MOTION by Jeff Schulman, SECOND by Alan Newman, to approve the consent agenda as presented including approval of the October 27, 2014 minutes as written. VOTING: unanimous (5-0); motion carried.

5.2 Fare Comparison Report

Nic Longo mentioned the numbers for the fare comparison each month are from one source (Google Flights). Bill Keogh suggested in the future the fare comparison report should be separate from the consent agenda if there is to be discussion of the report. Alan Newman mentioned recent comments from travelers from Montreal about the cost savings by flying out of Burlington Airport (\$600) and other destinations. Gene Richards suggested next time finding out where the tickets were purchased. There was continued discussion of travel cost in Canada and potential benefit to Burlington Airport from additional business. It was noted the fare comparison shows Burlington Airport as more expensive than Albany and Manchester airports (both airports have Southwest Airlines). There was question of the accuracy of some of the number in the fare report so staff will forward an updated report.

MOTION by Bill Keogh, SECOND by Jeff Schulman, to table action on Item 5.2 (Fare Comparison Report) pending additional information. VOTING: unanimous (5-0); motion carried.

6.0 COMMUNICATION/DISCUSSION

6.1 Accounts Receivables Review

Nic Longo reviewed the Accounts Receivables report noting some debt that has been written off (Heritage and Champlain Auto car rental). Effort continues to collect on outstanding accounts.

6.2 Marketing/Advertising Update

Erin Knapp reported:

- The handout shows data collected on users of the purple Wi-Fi service.
- Meetings have been held with Porter Air regarding marketing of the service recommencing in mid-December.
- Video ad boards are being finalized.

It was suggested in the future the Airport Commission preview areas under discussion that are on the agenda by arriving a half hour before the scheduled Airport Commission meeting. For the next meeting board members will arrive a half hour early for a marketing presentation. Jeff Munger suggested the marketing department reach out to UVM and FAHC.

6.3 Rating Agency Presentation Debrief

Rich Goodwin reported:

- As the books are closed some bad debt has been written off and that impacts the debt coverage score. The presentation to the rating agency is a snapshot in time and the debt coverage score shown was conservative. In 2013 the score was 1.57.
- Thanks were extended to Gene Richards and airport staff for their support and effort in compiling the needed reports for the presentation.
- The presentation to the rating agency was polished and professional and will likely result in an upgrade of the airport's rating from "junk" to "investment" grade. The investors need greater confidence before the bonds go out to the market.
- The goal is to decrease the overall debt load by up to \$200,000. Going through the re-fi process will lower debt load and facilitate a higher rating at the airport (win-win situation).

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

6.4 VTANG/BTV Community Financial Benefits

Nic Longo reported per the GBIC report the Air Guard provides fire and rescue services to the airport at a cost of \$2.8 million using their equipment (cost of the equipment is \$13 million). The Air Guard also participates in mutual aid service with the surrounding communities. Gene Richards noted if the Air Guard is not located on the airport with fire/rescue equipment then the airport cannot accept commercial aircraft for landing. The Air Guard has a long term agreement with the airport, but the support is not just at the airport. The Air Guard supports the South Burlington community and the entire country.

Tim Shea, Heritage, commented the Air Guard has many charter planes and training expeditions so there is much money spent on fuel sales and such at the airport.

7.0 DIRECTOR'S REPORT

Gene Richards reported:

- Staff is to be commended for the effort with the financials. The work crews are doing a fine job on the runway projects. All can be proud of the accomplishments at the airport.
- Bob McEwing is retiring in January 2015. Due to his extensive experience and expertise Mr. McEwing will work as a subcontractor on projects at the airport. [Bob McEwing reflected the first flight landed at the Burlington Airport 15 years before he was born and after 44 years of work (24 years in aviation and 20 years in private business) it is time to retire and get involved in volunteer work. Mr. McEwing said working at the airport has been a fantastic experience with a fabulous staff that is the future of the airport.]

- An offer will soon be made to the candidate for the position of Director of Engineering and Environmental Coordinator.
- Salaries at the airport in general are not competitive in the industry and it is a struggle to fill positions. Staff hopes to move forward with the CFO position.
- Noise complaints are being directed to VTANG. The Air Guard can respond to the public more efficiently about noise from their planes.
- The agreement with airlines will continue to move forward once information on the re-fi and South Burlington is received.
- Kelly Colling reported a 30 day extension was approved for the security project to have adequate time for testing the system before going operational.

Jeff Munger mentioned federal funding is being used to insulate houses for noise by JFK Airport and there may be money available to mitigate noise from Burlington Airport. Gene Richards commented South Burlington's building code should require development within the 65 decibel zone to have additional measures to mitigate noise. Pat Nowak mentioned South Burlington is discussing lowering the decibel level to 60 decibels.

8.0 COMMISSIONERS' ITEMS

8.1 Taxi Licensing Board Report

Jeff Munger reported the city attorney's office advised the taxi administration will be moving downtown in January 2015. Jeff Munger and Bill Keogh will help with the transition of the hearings before the taxi licensing panel. Regarding Uber and Lift, according to the city attorney both are in violation of the city ordinance, but there is no one to enforce the ordinance so these two services continue to operate illegally. Uber is not an independent contractor according to the Department of Labor and Vermont Tax Department. Uber should be required to have the same background checks and insurance requirements as the taxis serving the city now. Gene Richards noted the Mayor committed to working out a reasonable agreement with Uber and wants to move the taxi administration downtown. The airport will help with the transition downtown. Mr. Richards said he has used Uber in other states and it was a good experience, but there must be a balance with taxis.

9.0 ADJOURNMENT

Next meeting: January 5, 2015 at 3:30 PM to review purple Wi-Fi service at the airport.

**MOTION by Alan Newman, SECOND by Pat Nowak, to adjourn the meeting.
VOTING: unanimous (5-0); motion carried.**

The meeting was adjourned at 6 PM.

RScty: MERiordan

“To Do” List from 11/10/14 Airport Commission meeting:

1. There was question of the accuracy of some of the number in the fare report so staff will forward an updated report.
2. It was suggested in the future the Airport Commission preview areas under discussion that are on the agenda by arriving a half hour before the Airport Commission meeting.