

**BURLINGTON INTERNATIONAL AIRPORT
BOARD OF AIRPORT COMMISSIONERS
MINUTES OF MEETING
April 18, 2018**

DRAFT

MEMBERS PRESENT: Jeff Munger (Chairman)
Bill Keogh
Jeff Schulman [arrived 4:10 PM]
Alan Newman [left 4:27 PM]
Helen Riehle

BTV STAFF PRESENT: Gene Richards, Director of Aviation
Nic Longo, Deputy Director of Aviation
Marie Friedman, Director of Finance
Larry Lackey, Director of Engineering & Environmental
Compliance
Kelly Colling, Director of Operations
Shelby Losier, Director of Transportation

OTHERS PRESENT: Erin Desautels, Vermont Small Business Accelerators
Tim McCole, Heritage Aviation
Tony Speranza, Vermont Flight Academy

[Note: Minutes reflect the order of the published agenda.]

1.0 CALL TO ORDER

Chair, Jeff Munger, called the meeting to order at 4:03 PM on April 18, 2018. The work and dedication of airport commissioner, Pat Nowak, who recently passed away was recognized. Ms. Nowak was an asset to the Airport Commission and the community and will be greatly missed.

2.0 AGENDA

MOTION by Bill Keogh, SECOND by Helen Riehle, to approve the agenda with advancement of the construction update on the agenda. VOTING: unanimous (4-0) [Jeff Schulman not present for vote]; motion carried.

3.0 PUBLIC FORUM

Tony Speranza, Vermont Flight Academy, provided information on the June 9, 2018 Vermont Aviation Expo hosted by the Vermont Flight Academy. To help keep costs down concessionaires are being sought. There will be exhibits on aircraft and aircraft careers. Skilled aircraft mechanics are in demand.

Gene Richards expressed appreciation for the work done by Mr. Speranza in revitalizing the program offered by the Flight Academy.

4.0 APPROVE/RECOMMEND TO BOARD OF FINANCE AND CITY COUNCIL

4.01 Budget Amendment and Multiple Projects

MOTION by Bill Keogh, SECOND by Alan Newman, to approve and recommend to the Board of Finance and City Council for approval the budget amendment and multiple projects as presented.

DISCUSSION:

- **Marie Friedman explained per the agreement signed by the airport and the airlines at year's end if the debt ratio of 1.5 is met and there is a surplus of revenue the money will be returned to the airlines. There was a surplus at the end of the last fiscal year and the airlines agreed the airport should use the funds on projects as identified. The projects were prioritized and will be completed by June 30, 2019.**
- **Gene Richards said the airlines have great confidence in the management of the airport.**
- **There was further explanation of management of airport revenues and expenses, and use of the surplus on airport projects as prioritized. The debt coverage score and charges to the airlines were also explained.**

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

5.0 COMMUNICATION/DISCUSSION

5.01 Noise Compatibility Program (NCP) Update

Nic Longo reported the NCP is on hold while the Noise Exposure Map (NEM) is updated to include F-35 data. Lots of coordination will be necessary to compile the needed information for the computer models to produce the noise contours. This will be the first NEM with F-35 data approved by the FAA as part of the Part 150 process in the nation.

Helen Riehle asked if the noise study for the Chamberlin School will measure noise inside and outside the building. Nic Longo explained acoustical testing will be done inside and outside the building. The testing is to determine if the school is eligible for mitigation, and if so, then another grant application will be done for construction and implementation of the mitigation measure. Gene Richards noted the school district is doing an independent sound study at a cost of \$15,000, but the airport effort is the only sound testing that will qualify for funding from the FAA.

5.02 Legislative Update

Nic Longo reported on the Transportation Bill (H.917) which contains the budget for the airport. Gene Richards said historically the airport receives approximately \$500,000 from the state though more is requested due to all the projects at the airport. The state receives tax money from fuel sales at the airport and will disperse the funds throughout the state rather than returning the money to the airport that generated the revenue. As a result Burlington Airport must adjust its budget accordingly. Burlington Airport is the largest transportation hub in the state providing 99% of the transportation in the State of Vermont. Burlington Airport, Heritage, Jeff Munger, and the airlines have all been very helpful in giving testimony to the state. Burlington Airport generates a tremendous amount of money for the state and it is not logical for the state not to pay the state's share of FAA grants for projects at the airport. The airport has been quite successful in securing

federal funds, but has not been as successful in getting the state to look at the importance of safety of aviation at the airport.

Helen Riehle asked if the state is obligated to pay a certain amount to the airport. Gene Richards said the state is not obligated and will do what it is able to do. The state has done a poor job at best complying with the FAA, but has made arrangements with the FAA to comply moving forward.

Nic Longo noted per H.917 a portion of the jet fuel tax and local options tax goes to South Burlington. There is some issue with all aviation jet fuel tax being spent on the aviation program. The airport has been working diligently to ensure no increase in the jet fuel tax to airlines. The issue is on hold presently. Discussions continue on how the taxes are allocated and whether general aviation tax will be separate from commercial aviation tax. Gene Richards said the legislators had to be educated on the impact of over-taxation which could cause the airlines to end their service in Burlington. This would have a devastating impact on the airport and the entire state.

Jeff Schulman asked about a tax on purchasing aircraft. Tim McCole with Heritage Aviation said Heritage will submit a proposal next legislative session on taxing the sale of private aircraft. Vermont is the only state between Maine and New Jersey to charge a tax on the sale of private aircraft. Gene Richards added Vermont is already not business friendly and is becoming extremely business unfriendly. The state needs to start taking care of businesses.

5.03 Update on FAA AIP Grants

Larry Lackey reported the following grant applications have been submitted:

- Study of the noise level at Chamberlin School in South Burlington (\$75,000)
- Phase 2 of the reconstruction of the north end terminal apron (\$2.5 million)
- Update of the Airport Master Plan (\$1.3 million)

Alan Newman asked for an update on the hotel. Nic Longo said a presentation on the hotel was given to the Board of Finance and to the South Burlington DRB. Information that is not yet for public release can be discussed in Executive Session.

5.04 Construction Update

Nic Longo reported the taxiway project is in the second phase of a multi-phased project so there is much construction work to occur. The Master Plan process will provide a future forecast of airport projects.

6.0 CONSENT AGENDA

6.01 Minutes: March 21, 2018

6.02 Passenger and Operational Statistics

6.03 Fare Comparisons with Cost Estimate Calculator

6.04 Financial Package

MOTION by Bill Keogh, SECOND by Helen Riehle, to approve the consent agenda, Items 6.01 – 6.04, as presented and take the action indicated.

DISCUSSION:

- **Nic Longo reported enplanements are showing a significant increase for the third consecutive month (4% over March of last year, 6% over the same three month period last year, .5% over last fiscal year).**
- **Scheduled seat traffic for April, May, and June is showing up to a 20% increase. Over the next six months up to a 25% increase is anticipated in scheduled seats.**
- **Parking garage numbers are strong. Uber and Lyft service is doing well.**

VOTING: unanimous (4-0) [Alan Newman not present for vote]; motion carried.

7.0 SOUTH BURLINGTON SEAT UPDATE

Helen Riehle said she will serve the remainder of Pat Nowak's term on the Airport Commission and then a new appointment will be made.

8.0 DIRECTOR'S REPORT

Gene Richards reported:

- Pat Nowak will be greatly missed. Ms. Nowak's commitment and service to the community and the airport was unbelievable and much appreciated.
- Discussion is ongoing on an agreement between the airport and South Burlington for a dog park across from the airport parking garage. The FAA approved use of the land for a dog park for five years only. The airport will maintain the park.
- Enplanements and parking garage numbers are up. New software and hardware is anticipated for the parking garage. The re-organization and hiring of staff for the parking garage is nearly complete. Shelby Losier, Transportation Director, is doing a stellar job.
- Advertising is up. Vermont's brand is being reinforced. Champlain College will have an interactive advertisement beginning in May.
- Work continues with Walt Houghton on the air show and airport video for the 2020 celebration.
- The hotel proposal was presented to the South Burlington DRB. No issues were raised. Further information will be provided to the Airport Commission at the next meeting.

9.0 COMMISSIONER ITEMS

- Bill Keogh asked about the Leung's cutout. Gene Richards said the airport was paid for the stolen cutout and Leung's is adding two more at the north and south information desks.
- Jeff Schulman asked how the airport will respond to the 60 Minutes broadcast on airline safety. Gene Richards explained the recent airline accident was unfortunate and had ties to Vermont, but the aviation industry in general is the safest form of transportation with millions of people flying each day without incident. The industry is diligent on safety. Some airlines, like Allegiant, are lean and frugal, but still are diligent on safety. The FAA demands safety.

10.0 NEXT MEETING/AGENDA and ADJOURNMENT

Next Meeting: May 16, 2018 at 4 PM.

**MOTION by Bill Keogh, SECOND by Helen Riehle, to adjourn the meeting.
VOTING: unanimous (4-0) [Alan Newman not present for vote]; motion carried.**

The meeting was adjourned at 5:09 PM.

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