

**BURLINGTON INTERNATIONAL AIRPORT  
BOARD OF AIRPORT COMMISSIONERS  
MINUTES OF MEETING  
April 30, 2015**

APPROVED – 6/3/15

**MEMBERS PRESENT:** Jeff Munger  
Bill Keogh  
Pat Nowak  
Alan Newman  
Jeff Schulman

**BTV STAFF PRESENT:** Gene Richards, Director of Aviation  
Nic Longo, Director of Planning and Development  
Marie Friedman, Financial Advisor  
Kelly Colling, Director of Operations  
Amanda Hanaway-Corrente, Director of Engineering &  
Environmental Compliance  
Robert McEwing, Planning

**OTHERS PRESENT:** Dave Stiller, Heritage Aviation

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**1.0 CALL TO ORDER**

Jeff Munger called the meeting to order at 3:10 PM.

**2.0 AGENDA**

Additions to Agenda:

- Pre-TSA Space Study as Item 7.5
- Bid Items as Item 7.6

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

**3.0 PUBLIC FORUM**

Dave Stiller with Heritage Aviation reported things are going well at Heritage. An FBO Director has been selected and can be introduced to the Airport Commission at the next meeting. The individual has 15 years of experience and was previously with Signature in White Plains, NY.

Gene Richards reported meetings are held every other week with Heritage including brainstorming ideas to bring in more revenue to the airport.

**4.0 FINANCIAL PACKAGE**

Marie Friedman highlighted:

- The Budget Performance Reports shows revenues year-to-date at 75% (on target) and expenses at 71%. Staff has been holding expenses as much as possible.
- Parking fees are less than budgeted. A fee increase as previously discussed was not implemented. Staff wants to better understand the situation before increasing the parking fee. It appears there are fewer people using the garage than a year ago.

Staff is researching how to reduce expenses with the garage to be more in line with revenues.

- Trend Analysis is in line.
- Debt coverage score is consistent with expectations. Presently the score is 1.71%. Moody's wants a score of 1.40%. The bond covenants require a score of 1.25% or higher.
- AIP reimbursements are doing well so the AIP receivables are reduced. Approximately \$1 million in March alone was received in federal and state money.
- AIP outstanding receivables for federal money is at \$981,000. Nic Longo is to be commended for his efforts with receivables.
- Cash on hand and cash investments and reserves are all strong.
- Money owed to the city is being whittled down (\$1.87 million reduced to \$600,000) due to reimbursements from grants, PFC drawdown, and leases. As projects increase the amount owed will increase until reimbursement is received.
- Staff will present the airport budget at the City Council work session on May 27, 2015.

There was discussion of the parking garage revenues. Gene Richards said the busiest day ever for income from the garage was \$30,000. Research back three years is being done to look at trends in the numbers (revenues, expenses, number of parkers, number of days of use, and so on). Staff is meeting with a parking consultant and working with Burlington DPW to look for ways to improve the situation. Alan Newman suggested the top floor of the garage could be used for long term parking which will help generate revenue. Staff will investigate the matter. Jeff Schulman asked about automating the garage. Gene Richards expressed concern about people "gaming the system" with automation, but will discuss automation with the parking consultant. An update on the garage will be given to the Airport Commission at the next meeting.

Pat Nowak asked if there are any "red flags" with the financials. Marie Friedman said some items did not play out as anticipated. For example, utilities were higher than expected. Analysis needs to be done to come up with a better solution. The airport is holding expenses as best possible.

Jeff Schulman asked about long term debt in the financials. Marie Friedman said long term debt is considered a liability and can be included in the financial report in the future. A breakdown of debt and due dates will be provided at the next meeting.

Marie Friedman suggested staff present the budget to the Airport Commission prior to the May 27<sup>th</sup> work session with City Council. Gene Richards stressed the budget is "skinny", but must still allow some flexibility. The directive from Mayor Weinberger is to have a balanced budget.

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

**5.0 CONSENT AGENDA**

5.1 Approval of Minutes: March 30, 2015

**MOTION by Bill Keogh, SECOND by Pat Nowak, to approve the consent agenda and minutes of 3/30/15 with the global correction of the spelling of “Rustin”. VOTING: unanimous (5-0); motion carried.**

**6.0 ACTION REQUIRED**

6.1 Approve AIP Land Grant and Purchase of Four Properties

6.2 Approve AIP Grant and Associated Contracts for Phase 2 Apron Reconstruction

6.2.a Approve AIP Grant

6.2.b Approve Contract with Hoyle, Tanner and Associates

6.2.c Approve Construction Contract with S.D. Ireland

Staff explained the AIP grants and property acquisitions.

**MOTION by Bill Keogh, SECOND by Jeff Munger, to approve Items 6.1 and 6.2(a), (b), (c), adopt the resolution and forward the information to City Council. VOTING: unanimous (5-0); motion carried.**

6.3 Approve AIP Grant and Associated Contract for Construction of Taxiway “K”

6.3.a Approve Grant

6.3.b Approve Contract with Stantec Consulting

6.3.c Approve Construction Contract with S.D. Ireland

**MOTION by Bill Keogh, SECOND by Jeff Munger, to approve Item 6.3 (a), (b), (c), adopt the resolution and forward the information to City Council. VOTING: unanimous (5-0); motion carried.**

6.4 Taxi Queue Permittees – Mandatory Credit Card Requirement

Jeff Munger reported some taxi drivers are refusing to take credit card payment of fares which is in violation of the taxi ordinance. Gene Richards said if drivers do not follow the rules at the airport then they will lose their privilege to be here. The Visa/MasterCard placard must be posted on the vehicle window.

**MOTION by Jeff Munger, SECOND by Alan Newman, to enforce the taxi ordinance that mandates the following:**

- **All airport taxi queue cabs shall accept credit cards for payment of fares.**
- **Credit card decals shall be displayed on the vehicle window.**
- **Drivers shall have the technology on hand to do credit card transactions.**
- **A receipt of the credit card transaction shall be provided to the passenger.**

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

### 6.5 City Department Head Evaluation and Reappointment Recommendation Request

Jeff Munger noted each year the Burlington Mayor requested an evaluation and reappointment of the Director of Aviation. Chairman Munger read a letter to Mayor Weinberger endorsing the reappointment of Gene Richards as Director of Aviation and highlighting the significant achievements by Mr. Richards' during his tenure.

**MOTION by Bill Keogh, SECOND by Pat Nowak, to approve and send the letter endorsing reappointment of Gene Richards as Director of Aviation as read. VOTING: unanimous (5-0); motion carried.**

### 6.6 National Weather Service Lease Renewal

Nic Longo reported the National Weather Service is now paying the current terminal rental rate which means the airport will receive \$3,000 more per month. The lease has a three year term. The federal agencies are trying to sync all their leases. The cost to relocate the weather service if the airport wants to move them would be close to \$500,000.

**MOTION by Bill Keogh, SECOND by Pat Nowak, to approve the National Weather Service lease recommendation to City Council and the Board of Finance as presented. VOTING: unanimous (5-0); motion carried.**

## 7.0 COMMUNICATIONS/DISCUSSION

### 7.1 Air Service Development Update

Gene Richards reported:

- The airport now has new air service to Charlotte, North Carolina.
- Meetings with American Airlines and Southwest Airlines were very productive in Dallas. New relationships are being formed. Talks will continue.
- Staff met with United in Chicago and had good dialogue on problems of overbooking and cancelling flights. United is sending larger aircraft to Burlington.
- Delta is sending an MD-80 aircraft for the Atlanta route.
- Meetings are scheduled with Allegiant.
- The airport needs more affordable air service. If fare prices can be reduced then the number of passengers will increase. Staff is working on this.
- Staff is working on better communication of flight status to passengers at the airport.

Gene Richards commended Nic Longo, Erin Knapp, and the rest of the staff for a fabulous presentation to the airlines. Jeff Schulman requested the presentation be given to the Airport Commission at some point.

### 7.2 Passenger and Operational Statistics

Staff will present a report next month. Jeff Munger reported the airline industry had a record breaking first quarter making billions of dollars, but airfares were only reduced 66 cents.

### 7.3 Fare Comparison

The Airport Commission received the fare comparison report.

### 7.5 Pre-TSA Space Study

Bob McEwing explained the 2010 study of space at the airport looked at what can be done to address the anticipated doubling of growth of TSA. A master plan was done with concepts that include baggage claim on the first floor, a second level roadway and ticket counters, and operations, maintenance and administration on the third level. Estimated cost at the time was \$25 million. The concepts need to be refined if the plan moves forward at this point in time. Alan Newman suggested moving TSA to the second floor of the airport terminal now and opening up the area post-security for a lounge to generate more revenue. Amanda Hanaway-Corrente said the short term plan is to have the weather service and administrative services on the second floor. There is 13,000 s.f. of space and if all is available post-security at \$53/s.f. the airport could realize over \$700,000 in revenue. National Weather Service pays \$216,000 now for space. Even if the administration space remained and was better utilized the airport could realize over \$300,000 for the space. Staff will send a sketch of the floor plan and a list of interested tenants to the Airport Commission for discussion at the next meeting.

### 7.6 Bid Items

Bill Keogh mentioned the Airport Commission was not notified of the bid opening for Phases 2 & 3 of the home removal project. (Staff apologized for the oversight.) Gene Richards reported the bids are still being reviewed. The low bidders are Casella and Parker. The resolution need to be updated to reflect the new bid awards. The project is progressing well. Collaboration between all parties is working at its best.

## **8.0 DIRECTOR'S REPORT**

Gene Richards reported on the following:

- Testimony was given to the House Transportation Committee requesting that Burlington Airport receive a fair share of state dollars spent on aviation. Burlington serves 1.2 million people compared to Rutland Airport which serves 5,000 people. Burlington serves the general public, not just general aviation, and wants to provide affordable air fares to Vermonters.
- Staff will continue the outreach effort and promotion of the airport as an asset to the state.
- Staff will continue to work on additional routes and affordable air service.
- Application will be made earlier for pre-engineering grants and projects will be shovel ready in order to capitalize on any money that is available in the region.

- The recent Make-A-Wish event for Noah for a trip to Los Angeles was a wonderful success with participation by area fire and police departments, the airlines, and Skinny Pancake.
- The home removal project is going well with the neighbors.

Bill Keogh asked about the new noise study. Gene Richards explained every five years a noise study must be done with a report at yearend on noise and land use. With the current study the methods of measuring noise have been combined to get a more accurate result. Pat Nowak said the neighborhood planning committee needs to be reminded their charge is to look at land use, transportation, and collaboration at a high level with noise as a secondary item. The group is interested in noise changing and noise evaluation. Gene Richards said it can be expected to have a larger sound. The airport will not be purchasing more houses. Residents should communicate their comments to the consultants working on the project. Pat Nowak said it might be beneficial to make a presentation to the committee.

## **9.0 COMMISSIONERS' ITEMS**

### **9.1 Taxi Licensing Board Report**

Gene Richards reported Uber is operating illegally and is being ticketed. Bob Rustin expects to hire a taxi administrator in the next two weeks. Jeff Munger said the airport is getting no help in enforcing the ordinance and the drivers are breaking the rules because there is no enforcement. The Taxi Administration can impound cars, but has been told not to because they need to do due process. Uber can be at the airport, but must do so legitimately and drivers must be covered by insurance. Gene Richards assured Uber must be fully licensed for the city and airport. Not being licensed to serve the airport will be fully enforced by staff.

## **10.0 OTHER BUSINESS**

### *Next Meeting(s)*

- Staff will contact the Airport Commission with the date of the budget discussion (can participate via telephone). The meeting will be prior to May 27<sup>th</sup> budget work session with City Council.
- Next regular Airport Commission meeting is June 3, 2015 at 3 PM

### *Agenda Items for June 3<sup>rd</sup> meeting*

- Meet the new FBO at Heritage
- Update on parking garage financials
- Long term debt breakdown and deadlines
- Presentation given to the airlines
- Discussion of sketch of floor plan and post-TSA space and interested tenants
- Executive Session: legal matters (update on tax issues with South Burlington)

## **11.0 ADJOURNMENT**

With no further business before the Airport Commission the meeting was adjourned at 5:11 PM.

*RScty: MERiordan*