

**BURLINGTON INTERNATIONAL AIRPORT
BOARD OF AIRPORT COMMISSIONERS
MINUTES OF SPECIAL MEETING
July 20, 2015**

APPROVED – 8/10/15

MEMBERS PRESENT: Jeff Munger
Jeff Schulman
Alan Newman
Pat Nowak

MEMBERS ABSENT: Bill Keogh

BTV STAFF PRESENT: Gene Richards, Director of Aviation
Nic Longo, Director of Planning and Development
Amanda Hanaway-Corrente, Director of Engineering
& Environmental Compliance
Marie Friedman, Financial Advisor
Erin Knapp, Director of Marketing

OTHERS PRESENT: Tim Cole, Heritage
Karen Paul, City Council

1.0 CALL TO ORDER

Gene Richards called the meeting to order at 3:04 PM.

2.0 ELECTION OF CHAIR

MOTION by Pat Nowak, **SECOND** by Alan Newman, to nominate and elect Jeff Munger as Chairman of the Airport Commission. There were no other nominations. **VOTING: unanimous; motion carried.**

Jeff Munger is Chairman of the Airport Commission and assumed facilitation of the meeting.

3.0 ELECTION OF VICE CHAIR

MOTION by Pat Nowak, **SECOND** by Jeff Schulman, to nominate and elect Bill Keogh as Vice Chairman of the Airport Commission. There were no other nominations. **VOTING: unanimous; motion carried.**

Bill Keogh is Vice Chairman of the Airport Commission.

4.0 AGENDA

MOTION by Pat Nowak, **SECOND** by Jeff Schulman, to approve the agenda as presented. **VOTING: unanimous (4-0); motion carried.**

5.0 PUBLIC FORUM

None.

6.0 FINANCIAL PACKAGE

Marie Friedman highlighted the following from the financial statements provided to the Airport Commission:

- Budget Performance Report through May 31, 2015 (11 months of the fiscal year) shows revenues at 94% of budget and expenses at 84% of budget. June figures will be incorporated in the yearend report available at the next meeting.
- Parking revenues are less than last year. As of the end of June the amount for the fiscal year will be down \$150,000 from last year. Staff is analyzing the situation. License plates continue to be checked to determine where people using the garage may be from and it appears Canadian traffic is down nearly 15%. Staff is working toward electronic operation of the garage to free up the attendants to do other work. The software will provide data on who is using the garage, the number of empty spaces, and such. Once the software is fully operational the payment to Burlington Public Works for operation/management of the parking garage will cease saving the airport \$750,000. Staff is working with Burlington Public Works on the RFP for the software.
- Trend Analysis shows terminal concessions, car rentals, and CFCs are trending upward. Landing fees are higher because rates were increased, larger planes are coming to the airport, and there is new service to Charlotte, North Carolina.
- Debt Coverage Score for May was 1.64. The score at the end of FY14 was 1.61. Fitch rating agency did an annual review of airport financials on July 1st. Staff provided the requested materials which demonstrated the airport exceeded the requirements so an increase in the rating from “BBB-“is deserved. The rating from Fitch should be available by the next Airport Commission meeting.
- AIP Accounts Receivables through June 29th show expenditure for the housing removal project which is to be reimbursed (\$300,000 receivable is anticipated). Many grants are being closed out. Funds are transferred from the PFC account to reimburse the airport for the local share of the project cost.
- Cash and Investments show \$1 million owed to the city by the airport as of the end of May. The amount will be paid by the end of June leaving a zero balance.

There was discussion of the garage operation. The Airport Commission requested data on the percentage of people parking in the garage for one day or less, for two days, for three to five days, for five to seven days and beyond seven days. Staff will compile the information and report next month. The Airport Commission affirmed staff should continue looking at efficiencies in the garage and how to manage the garage better on both the revenue and expense sides.

There was discussion of cash reserves and the conservative approach taken by the airport administration. Marie Friedman explained cash reserves include money in various bank accounts plus CFCs and pooled cash. Per the bond requirement funds are held in reserve in the O&M account. Gene Richards stated all staff members including maintenance are working unbelievably hard to ensure the airport functions at high efficiency. Any equipment purchases are smart and thoughtful. The garage is the weakness at this time so that is where the focus will be.

Pat Nowak commented positively on the yeoman's job done by staff always being prepared, creative, having fiscal acuity and marketing acuity. Ms. Nowak said the changes at the airport are very positive and make each visit a wonderful experience.

MOTION by Alan Newman, SECOND by Pat Nowak, to accept the Financial Package and place the information on file. VOTING: unanimous (4-0); motion carried.

7.0 CONSENT AGENDA

7.01 Minutes of May 14, 2015

7.02 Minutes of June 3, 2015

7.03 Minutes of June 18, 2015

MOTION by Pat Nowak, SECOND by Jeff Schulman, to approve the consent agenda including minutes from May 14, 2015, June 3, 2015, and June 18, 2015 as presented. VOTING: unanimous (4-0); motion carried.

8.0 COMMUNICATION/DISCUSSION

8.01 Enterprise Fuel Tank Agreement

Nic Longo reported the 6,000 gallon above-ground fuel tank will be installed in the existing rental car location to serve their vehicles. There are strict federal, state and local regulations that must be followed for underground tanks and that will be followed with the above-ground tank as well. Staff will further investigate regulations for above-ground tanks.

8.02 Construction Update

Amanda Hanaway-Corrente reported on the three projects at the airport this summer:

Housing Removal

- The housing project is over 50% complete (97 houses to be removed). Contract 1 is complete with 37 houses removed. With Contract 2 the site work is being done prior to removal of the structures. Contract 3 is halfway complete. Pat Nowak mentioned there has not been one negative call to the City of South Burlington about the housing removal which bodes well to the early neighborhood meetings and the quality of work by the contractors. Gene Richards agreed the neighbors have been very positive and are now even proud of the project.

Terminal Rehab

- The second phase of the nine phase terminal apron project on the south end will be done this summer.

Taxiway K (Kilo)

- The first phase of three phases to complete a parallel taxiway will begin with Taxiway Kilo. FAA wants parallel taxiways for safety reasons. The next priority is dealing with "hot spots" also known as areas with a "sea of pavement". Provisions have been made to not disrupt air service during the project. Air Traffic Control will be involved in the planning as the

project proceeds. Gene Richards noted a master plan for the airport is to be done for better planning and to secure more funding for the airport.

8.03 Multiple Airport Studies Underway

Nic Longo reported on the following two airport studies:

Noise Exposure Map Update

- The update will use a hybrid of the Air Guard's "Noise Map" based on 228 days and the airport's integrated noise model approved by the FAA and based on 365 days. The study will be complete by the end of calendar year 2015 for submittal to the FAA for approval. The map will identify a larger area of 65 DNL.

Land Use Reuse Grant

- An inventory of land acquired through the FAA program will be done and exchange of the land for a noise buffer zone will be determined. There will be public meetings held and draft reports generated.

8.04 Marketing Update

Erin Knapp reported on the following marketing efforts:

- Online, television, and radio advertising of the new Charlotte route is being done to target business and vacation travelers. August 19, 2015 is the first flight.
- Advertising in the terminal has been ramped up with more digital. Six screens will be added (two at baggage, two at TSA, and two post-security).
- The airport is co-branding with Echo on the airplane movie to be shown in October at Echo's newly redone theatre.
- Conversation is ongoing with the instructors of Dancing with Style for free dance lessons post security at the airport.
- Conversation is ongoing with LLBean on Purple WiFi at the airport.
- A second "mamava" lactation room has been added at the airport.

Gene Richards said staff is trying to maximize marketing opportunities at the airport and asked the Airport Commission to forward any contacts for advertising. Alan Newman volunteered to help.

8.05 Passenger and Operational Statistics

8.06 Fare Comparisons

Nic Longo reported the numbers show a 2.7% decrease in enplanements, but with marketing and larger aircraft serving the airport as well as the new route to Charlotte positive numbers are anticipated for July and August, the biggest months of the year for travel. There were 41 cancellations in June due to weather which impacted 20,000 seats. Gene Richards said a "leakage study" has been commissioned to help give a perspective on enplanements. More information will be available next month. Alan Newman said the issue is cost and convenience so having more direct flights to key cities should help capture more passengers. Erin

Knapp said the consultant doing the study may provide a cost calculator on the website so people can calculate the cost of different flights.

9.0 DIRECTOR'S REPORT

Gene Richards reported:

- The RFP for a hotel at the airport is being fine-tuned and should be done by the end of July.
- An RFP is being done for a restaurant in the terminal pre-security.
- Conversion of the former airport administration office space is underway for more concession area and other options.

10.0 COMMISSIONER ITEMS

10.01 Taxi licensing Board Report

Jeff Munger announced he will attend the next Ordinance Committee meeting. The Taxi Board was under the assumption the Ordinance Committee was going to rewrite portions of the taxi ordinance to remove glaring problems, but according to the committee the discussion will be of the contract with Uber. The airport will retain jurisdiction over queue permits and collecting fees from contract vehicles coming to the airport. Hiring an enforcement officer has been mentioned. Bill Keogh and Jeff Munger will remain on the Taxi Board through the transition of the taxi administration to downtown.

Pat Nowak mentioned South Burlington has become aware that hotels from outside the area have their vans parking on neighborhood streets by the airport waiting to pick up their passengers. Also, Green Cab has been parking on the side streets. Gene Richards agreed there is a problem with cars not licensed at the airport waiting in the surrounding neighborhood to pick up passengers. The cars can use the cell lot, but choose not to do this. Mr. Richards said there needs to be discussion by next spring of managing taxis at the airport. Some places have outside entities do this. Taxi service at the airport needs new direction. Alan Newman said the current taxi service at the airport is terrible. The drivers lack knowledge of the area and the ability to communicate with customers. Many will not take credit cards.

11.0 ADJOURNMENT

Next meeting: August 10, 2015 at 3 PM.

MOTION by Alan Newman, SECOND by Jeff Schulman, to adjourn the meeting.

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

The meeting was adjourned at 4:57 PM.

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