

AIRPORT DEVELOPMENT BOARD

April 8, 2009

MINUTES

MEMBERS PRESENT: Lawrence Gill, Chairman, Woody Gilliland, Vice Chairman, Vince Swinney, Jim Leonard, Stan Egger, Joe Crowder

MEMBERS ABSENT: Vic Corley, Kirk Thaxton, Cindy Haley, Jimi Coplen, David Lynn,

AIRPORT STAFF: Don Green, Chris Taylor, Melissa Murphy, Alex Cargile

CITY EMPLOYEES: Dan Santee, City Attorney

VISITORS: Joe Crawford, Abilene Aero, Bob McMillan, Abilene Aero, Jerry Reed, Abilene Reporter News

REGULAR SESSION

1. Call to order.

Mr. Gill called the meeting to order at 3:34pm

2. Introduce visitors

Mr. Gill introduced Mr. Crawford and Mr. McMillan with Abilene Aero.

3. Consideration and Action approving minutes of the February 11th 2009 meeting

Mr. Gill asked if there were any corrections to the minutes of the February 2009 meeting. Hearing none, the February 2009 meeting minutes stood approved as distributed.

4. Tenant Report

Mr. Crawford with Abilene Aero discussed the state of the general aviation industry. General aviation jet fuel sales were down approximately 13% in January, 18% in February and 22% in March. Compared to the national statistics, Abilene Aero is doing well. Mr. Crawford reported some areas having up to 50% reduced fuel sales. Corporate travel is down.

5. Economic Development Department Report

Mr. Green reported that Mr. Burdine and Mr. Hall with EASI visited Blytheville, Arkansas to look at the setup of hangars. Eagle Aviation is considering building a new hangar at some time in the future. Hangar 0, 2, and 3 are scheduled to be re-lighted, but has been postponed. Insulation and bird netting is being installed in the EASI hangars.

6. Finance and Operations Subcommittee Report

Mr. Green gave the Finance and Operations Subcommittee report. During the meeting the current budget status was discussed. Revenue is behind due to leases being renewed and negotiated. The Zee Jet lease is still being reviewed. Despite the increased price, parking lot usage has increased. Overall parking lot revenue is on track. The FY10 budget is expected to be tight.

Mr. Taylor reported that Mr. Fletcher and Mr. Hutchinson with Airport Operations have retired. Currently the airport is looking for new operations employees.

7. **Airport Management Report:**

- a. Review and acknowledgement of the February and March 2009 Statistical Reports

The statistics report was not submitted to the board.

- b. Mr. Taylor Updated the Board on Current Projects:

1. Air Carrier Ramp Area C – 45% complete. Delays due to the strict weather requirements of P501 concrete.
2. T-Hangar Taxilane – Weather delays and a broken water main has delayed testing.
3. New Control Tower – Mr. Green will be attending the final design meeting for the tower. Project is expected to begin towards the end of the year.
4. 17R Localizer – Checking easements in order to run power to the localizer. Construction to begin in approximately 30 days.
5. 17R/35L Lighting Rehabilitation – In the process of being designed.
6. T-Hangar Taxilane Area C – Bids came in under budget by \$1.3 million. The airport is petitioning the FAA to use this funding for another project.

- c. Air Service and Business Development Update

Mrs. Murphy has or will be speaking at the Brownwood Chamber, Aspermont Economic Development, Colorado City Lions Club, Sweetwater Rotary, Coleman Kiwanas, the Abilene Industrial Foundation, the Tye chamber banquet and Dublin Chamber of Commerce.

ABI-VIP program currently has 486 passengers registered. The program has sent out 150 rewards so far.

The airport received two proposals for the Air Service Development RFP. The airports current consultant did not propose due to a timing issue. The airport has selected Meed & Hunt.

The regional committee meets quarterly with 11 counties participating. Generally there are only about 3-4 participants.

- d. Restaurant and Gift Shop Update

Mr. Green reported that the RFP for the Restaurant and Gift Shop are being developed. The temporary agreement is set to expire on April 30th. Currently he has asked that they extend 60 days to allow for the RFP process. There have been 8-9 people who have contacted the airport who were interested in running the restaurant or gift shop.

Executive Session:

Pursuant to Govt. Code Section 551.072, a governmental body may conduct a closed meeting to deliberate the purchase, exchange, lease or value of real property if deliberate on in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person. Additionally, Section 551.087 allows a governmental body to discuss or deliberate on commercial or financial information that has been received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the City and with which there may be ongoing negotiations or deliberate the offer of a financial or other incentive to a business prospect. Further, Section 551.071 provides that a governmental body may seek advice from its attorney regarding a pending or contemplated litigation subject, settlement offer, or attorney-client privileged information. After discussion in executive session, any action or vote will be taken in public.

Executive Session was entered at 4:10pm and ended at 4:22pm with no decisions being made.

8. Consideration and Action on a recommendation to City Council to approve an amendment to Abilene Aero's ground lease

Abilene Aero is planning to build a new hangar that will necessitate an amendment to the current Abilene Aero ground lease. This will be located north of the Abilene Aero T-Hangars. The square footage of the hangar will be 20,880 sf. This will be based off the current rate of 17.7c psfpy. This is an additional \$3,683 per year. This hangar will not impede airport operations or the airports master plan. Abilene Aero already has a client ready to rent and is building in order to accommodate expansion. Completion is expected by this summer. Design will match existing facilities.

Motion to approve recommendation made by Mr. Gilliland and seconded by Mr. Swinney.
Motion Passed.

9. Consideration and Action on a recommendation to City Council to award the contract for construction of Air Carrier Ramp Reconstruction Area D.

The airport received 4 bids for this project. The bid came in at \$2.5 million. This is approximately \$1 million under budget. The winning bidder is Epic Construction. This is expected to go to Council on April 23rd upon approval.

Motion to approve recommendation made by Mr. Crowder and seconded by Mr. Gilliland.
Motion Passed.

10. Consideration and Action on a recommendation to City Council to award the contract for construction of T-Hangar Taxilane Reconstruction Area B.

The airport received 4 bids for this project. The bid came in at \$1,146,888, which is approximately \$300,000 under budget. The winning bidder is Epic Construction. This is expected to go to Council on April 23rd upon approval.

Motion to approve recommendation made by Mr. Crowder and seconded by Mr. Gilliland.
Motion Passed.

11. Consideration and Action on a recommendation to City Council to approve task orders with URS to manage FY09 construction projects.

URS Construction submitted a task order for \$200,806.23 for construction administration on the T-Hangar Taxilane Reconstruction Area B and Air Carrier Ramp Reconstruction Area D projects.

Motion to approve recommendation made by Mr. Egger and seconded by Mr. Crowder.
Motion Passed.

12. Consideration and Action on a recommendation to City Council to approve task orders with URS to design projects.

No action was taken.

13. Consideration and Action on a recommendation to City Council to accept AIP Grant 38.

The airport asks to approve the acceptance of up to \$1,000,000 although the airport expects to receive \$810,000. Currently the airport is looking to amend a grant for an obstruction survey for Runway 17R.

Motion to approve recommendation made by Mr. Swinney and seconded by Mr. Egger.
Motion Passed.

14. Consideration and Action on a recommendation to City Council to contract with Mead and Hunt for air service consulting.

The total amount is not expected to exceed \$50,000, but in the event that it exceeds that amount the airport would like to be ready to accept. There were two proposals with Mead and Hunt coming out ahead.

Motion to approve recommendation made by Mr. Egger and seconded by Mr. Swinney.
Motion Passed.

15. Announcement of the next Economic Development and Public Relations Subcommittee, Wednesday May 6, 2009 at 12:00 PM, to be held in the Abilene Regional Airport Training and Conference Room.

16. Announcement of next Airport Development Board meeting scheduled for Wednesday May 13, 2009 at 3:30 p.m., to be held in the Abilene Regional Airport Training and Conference Room.

13. Adjourn.

Motion to adjourn at 4:37 pm made by Mr. Swinney. Seconded by Mr. Egger. Motion passed.