

# **AIRPORT DEVELOPMENT BOARD**

November 14, 2012

## **MINUTES**

**MEMBERS PRESENT:** Woody Gilliland, Vice Chairman, Cindy Haley, Michael Redden, Joe Crowder, Myrna Grigsby, Jacque McCoy

**MEMBERS ABSENT:** Lawrence Gill, Chairman, Stan Egger, Gray Bridwell, David Lynn, Kirk Thaxton

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

**CITY EMPLOYEES:** Richard Burdine, Assistant City Manager, Daniel Santee, City Attorney

**VISITORS:** Paul Cristina, Kimley-Horn

### **1. Call to order**

Mr. Gilliland called the Airport Development Board meeting to order at 3:36 pm.

### **2. Introduce visitors**

Mr. Green introduced Mr. Paul Cristina with Kimley-Horn

### **3. Consideration and Action approving minutes of the October 2012 meetings**

Mr. Gilliland asked if there were any corrections to the minutes of the October 2012 meeting. Hearing none, the October 2012 meeting minutes stood approved as distributed

### **4. Economic Development and Public Relations Sub Committee Report**

The airport is hosting a Christmas Tree Decorating Contest with Non-Profit organizations. The Abilene Philharmonic, KACU Radio, The Center for Contemporary Arts and Junior Achievement are all participating. The airport and the non-profits are advertising the event, which will be held on December 12th at 4:30pm.

Work has begun on the new airport website and the new airport marketing materials.

The restaurant is tentatively expected to open November 19<sup>th</sup>. The beer and wine permit will come at a later date.

## **5. Economic Development Report**

Mr. Burdine presented the Economic Development Report. Economic Development is currently looking at what will happen to Eagle Aviation Services Inc after the bankruptcy. It is expected that EASI will be spun off. This will allow it to do maintenance work for other carriers.

Aircraft sizes will be increasing. Mr. Burdine shows that aircraft sales with fewer seats are being phased out. Orders for the ERJ 145, 50 seat aircraft, have slowed to a crawl, while the larger capacity ERJ 170/190's continue to receive aircraft orders.

In order accommodate the larger aircraft Mr. Burdine discussed adding a "doghouse" to the EASI hangars to completely cover the airplanes. Engineering services for Hangar 0, 1 and 3 comes to \$400,000. Design time will be 5-6 months. At that time, the DCOA board will have to decide which hangars to modify. The least expensive hangar will most likely be completed first. Initial estimates for all three come to \$4,140,600 for engineering and construction on all three hangars. Hangar 2 is not able to be modified in this way. Hangar 4 was just finished but is a smaller hangar. The modifications to Hangars 0, 1, and 3 will have the greatest benefit.

Other airlines will not do business with a subsidiary of American. Once divested, airlines may be more open to having maintenance performed by EASI or having aircraft operated by American Eagle.

There was talk that American may be pushed to merge with US Airways. American does not appear willing to merge.

## **6. Airport Management Report:**

### **a. AMR Bankruptcy**

AMR requested an extension to the January 28<sup>th</sup> deadline on the bankruptcy. The divestiture or merger is up in the air right now.

AMR is negotiating a new contract with pilots.

### **b. Review and Acknowledgement of Statistical Reports**

Enplanements are down 7% for the year. Parking lot revenue is flat compared to last year. Rental Car Revenues are down approximately 30%. This is most likely related to the loss of Forest Service travel.

### **c. Regulatory and Legislative Issues Update**

There is a new organization in the state, the Texas Commercial Airports Association. This will focus on state legislative issues and some federal issues.

Safety Management System is a looming federal regulation. Larger airports have a bigger staff capable of implementing the Safety Management System. In Abilene it will most likely be Mr. Green and Mr. Taylor. Speaking for smaller airports, they will lobby to make the Safety Management System tailored to the individual airports needs and requirements.

### **d. TRACON Consolidation**

No word at this time. The Inspector General report should be available in mid-December.

**e. TSA Screening Opt Out**

Florida Congressman Mica sent a letter to all air carrier airports saying that airports may consider opting out of TSA screening and going to a private contractor. In Abilene the airport is very pleased with the TSA. At this time, it does not appear necessary to bring in private contractors.

**f. Update on Current Projects**

**Taxiway C Reconstruction** - 35% complete

**Taxiway EASI Reconstruction** - Substantially complete.

**SRE Building** – 25% complete

**Zee Jet Ramp Rehab** – Estimated to start next week.

**Wildlife Hazard Management Plan** - In final review.

**Upper Level Driveway** – The staining and logo placement is complete.

**Projects in design** – Taxiway M, N, P design is awaiting approval of Task Order 31.

**g. Air Service and Business Development Update**

Pricing Guide changes: DFW will not be allowed layovers, while Abilene and Midland are allowed one, through Dallas. Also, flights must not have a layover longer than 2 hours 15 minutes.

**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 deliberation 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.**

The Executive Session was entered into at 4:10pm and exited at 4:25pm with no decisions being made.

**7. Consideration and Action to recommend approval of Task Order 31 with URS.**

Taxiway M, N, P Reconstruction was moved to FY13. This will be bid next spring. Since that time, the FAA has submitted a new design circular that requires airports the size of Abilene's, to add paved shoulders along the taxiways. This project falls under that circular and will add additional costs to the project. It does not appear that Abilene will be grandfathered in on this project.

URS submitted a revised design estimate that will increase the price of design by \$91,000. The original amount was \$241,000. This amount seemed high, but the city engineer reviewed the cost increase. He felt that the increase price was in line with the total cost of the project. The project construction phase will be \$7,400,000. Mr. Marcelino Sanchez with the FAA is trying to find funding for this increase.

This approval would allow for the airport to seek these additional funds upon receipt.

Wording by Mr. Green, "Pending funding confirmation by the FAA we would recommend council approval for Task Order 31."

Motion to accept made by Mr. Crowder and Seconded by Ms. Haley. Motion passed

**8. Consideration and Action to recommend approval of a change order to URS Task Order 28**

Task Order 28 Amendment 3 was received by URS. There is no additional cost to this change order. The Taxiway C, South project was expecting 120 days over schedule. This item does not need a motion. This will modify the contract to increase the number of days.

**9. Adjourn.**

Motion to adjourn at 4:37 pm made by Mr. Crowder. Seconded by Ms. Grigsby. Motion passed.

Signature of Chairman to confirm minutes: \_\_\_\_\_ Date: \_\_\_\_\_