

AIRPORT DEVELOPMENT BOARD

September 11, 2013

MINUTES

MEMBERS PRESENT: Lawrence Gill, Chairman, Woody Gilliland, Vice Chairman, David Lynn, Michael Redden, Joe Crowder, Cindy Haley, Gray Bridwell, Kirk Thaxton, Myrna Grigsby, Stan Egger

MEMBERS ABSENT:

AIRPORT STAFF: Don Green, Chris Taylor, Alex Cargile, Kate Alvarez

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

VISITORS:

1. Call to order

Mr. Gill called the Airport Development Board meeting to order at 12:52 pm.

2. Introduce visitors

There were no visitors in attendance.

3. Consideration and Action approving minutes of the August 2013 meeting

Mr. Gill asked if there were any corrections to the minutes of the August 2013 meeting. Hearing none, the August 2013 meeting minutes stood approved as distributed.

4. Economic Development Report

Mr. Burdine presented the Economic Development Report. DCOA is still looking at what might happen to EASI during the AMR merger. The engineering to add a doghouse to Hangar 1 is complete. DCOA is working with EASI to make the process go as smooth as possible. Hangar 0, being the largest hangar is top priority for adding the doghouse to accommodate larger airplanes. The sale tax number arrived for the city. It is ahead 1.8% for the fiscal year and up 6.8% for the month.

5. Facilities and Planning Sub Committee Report

Mr. Gill presented the Facilities and Planning report.

6. Airport Management Report:

a. AMR Bankruptcy/Merger

The Department of Justice (DOJ) is attempting to block the merger of American Airlines and US Airways. There is a concern about smaller community's losing service due to the merger. A judge will listen to testimony starting November 25th with an expected 10 day review.

b. Review and Acknowledgement of Statistical Reports

Revenue enplanements are up 18% for the month. Overall, enplanements are up 6% year to date. Other airports in the region are seeing growth, but nothing this impressive. Pricing is definitely a factor in the increase. Recent prices have been more competitive with DFW. Parking lot revenue is up 15.6%. Rental car revenue is down 2%. They have reported a decrease in government contracts.

c. Regulatory and Legislative Issues Update

The airport is watching the budget to see if FAA gives hints to future funding issues.

d. TRACON Consolidation

No word on the consolidation. They will decide whether to review the case through the established procedure (the 804 process).

e. FAA Annual Safety and Certification Inspection

The inspection is complete, however the results have not been returned at this time.

f. Update on Current Projects –

Parking Lot Repair – Currently under engineer review. The technique being reviewed is called “Injection”.

Tower Demo – A contractor has been chosen and a notice to proceed has been given.

Projects in design – Taxiway M, N, P Rehabilitation. The bid opening occurs September 18th.

The 17L/35R Runway Rehabilitation project is at the testing stage. This project will continue throughout the year.

Body Scan Machine – The TSA pulled the body scanning machine to relocate to a higher risk area. The airport has volunteered to be a pilot airport for a new type of body scanning machine. This is the same technology that is in use at other airports, but uses a smaller amount of space.

Global Entry/Pre Check - A new program under the TSA will allow people to do background checks in advance to speed up the screening process. It was suggested that the airport request a customs officer to approve applications locally. They can come out to Abilene for 40 applications, but will not come out if there aren't 40 people interested.

g. Marketing and Development

Kate has been meeting with advertisers and getting acclimated. Twitter has been set up for the airport to report on events. Kate attended the Brownwood Business Expo to discuss and advertise the airport. A lot of Brownwood residents fly out of Abilene. The airport is focusing on reestablishing a presence on Facebook. Kate attended the AAAE Social Media and Airports conference.

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 1:22pm and ended at 1:26pm with no decisions being made.

7. Consideration and Action to recommend FAA demolition of original Air Traffic Control Tower.

There is no cost to the destruction of the tower. This will allow for the FAA to demolish the Air Traffic Control Tower, which is owned by the City of Abilene. The FAA is being meticulous on planning the demolition. After demolition, there will be a grassy area with the old beacon mounted and benches placed. This area could be designated as a viewing area.

Motion to accept recommendation made by Mr. Crowder, seconded by Ms. Haley. Motion approved.

8. Consideration and Action to recommend City's acceptance of AIP Grant 43 (Revised).

This action will be to accept AIP Grant 43 up to \$8,800,000 from the FAA. This is a revision as the previous amount accepted in August by the Airport Development Board was below the offered amount.

Motion to accept recommendation made by Ms. Haley, seconded by Mr. Gilliland. Motion approved.

9. Consideration and Action to recommend approval of an air service development consulting contract with Boyd Group.

The airport conducted an RFQ and received 3 responses. Boyd was selected. Boyd is a nationally respected company.

Motion to accept recommendation made by Mr. Gilliland, seconded by Ms. Crowder. Motion approved.

10. Announcement of the next Finance and Operations Sub Committee, October 2 at 12:00 p.m., to be held in the Abilene Regional Airport Training and Conference Room.

11. Announcement of next Airport Development Board meeting scheduled for Wednesday October 9 at 3:30 p.m., to be held in the Abilene Regional Airport Training and Conference Room.

12. Strategic Planning

a) **Air Service Development** – Boyd group will be the airport's new Air Service Consulting company. The focus will be to retain passengers. Ideally increase passenger retainage to 70-80%. Airport staff will continue to focus on the 16 market area. The airport is not able to directly influence customers. Many elements of advertising and retaining customers are effectively out of the airport's control. For that reason, the focus is on why people travel and to attempt to make contact with businesses that do so often. Fare prices fluctuate across multiple websites.

b) **Economic Development**

• **On-Airport Use** – The airport will look to develop Airport and City owned land near the airport. Development must be done cautiously. Previously on the Tige Boats lease the airport lost a few feet on Runway 22 approach. First the areas must be planned out and then businesses will be approached to seek out development.

• **Military Flight Use** – The airport has met with Abilene Aero hoping to go out to military bases to encourage travel into Abilene. This brings in pilots who refuel, stop and eat at local restaurants. Further, the operations that occur benefit with staffing the Air Traffic Control Tower.

c) **Capital Improvement**

• **CIP** – The overall program priorities seem to be relatively set in stone. The airport will be getting its full funding this year, while many others may not. In FY14 total funding will be over \$9 million due to runway work during those years. The FAA wants to focus on airport taxiways and runways. The airfield sweeper in the plan will help prevent foreign object debris (FOD). The airport is looking at adding GPS guidance to Runway 35L.

• **Master Plan** – The FAA has informed the airport that this Master Plan update will be abbreviated instead of a full plan update.

d) **Marketing**

• **Goals** – The airport is trying to meet with energy companies and establish a relationship. Also, the airport is looking to establish a presence in social media. The airport is going to attempt a time lapse photograph series to show the tower demolition.

• **Execution** – Reestablish presence on Facebook and start posting on Twitter. For the tower demolition airport staff will be attempting to create a time lapse video.

e) **Staff Development**

• **Staffing Review** – There are two main divisions of Operations. One is ARFF Operations the other is Airport Maintenance. Pay was increased for ARFF officers in order to retain employees. Due to this change, fewer employees have needed to be replaced. Further, the airport was able to install leadership positions necessary to running ARFF Operations. Officers work 24 hours a day. They inspect all taxiway and runway surfaces as well as opening up the terminal in the morning. 1,700 acres are monitored. Further, grass height and wildlife are monitored and documented as part of the Wildlife Hazard Management Plan.

Maintenance maintains the airport buildings, grass, and machinery. Maintenance will be getting a new maintenance truck as well as new lawn mowers. Currently, maintenance is short one position due to budget cuts in previous years. In FY14 the airport is trying to get that position back.

• **Training** – Training procedures were not discussed in this meeting.

f) **Rates and Charges** – The airport is looking at prices for the American Eagle lease. It is anticipated that this will end up at a higher rate. The airport will look to forward part of the costs associated with operating the airport to the airline.

g)Minimum Standards – Looking to update within the next year. These minimum standards are what the airport expects out of operators at the airport.

h)Sub-Committee Chairs' Comments

•Sub-Committee Effectiveness/Scope

- Mr. Gilliland spoke on suggestions for the Facility & Planning committee. Mr. Gilliland was concerned that the progress made over the last few years may be lost if funding changes occurred. Mr. Gilliland reiterated the need to make use of airport property for business development.
- Mr. Lynn spoke on suggestions for the Finance and Operations committee. Mr. Lynn stated that quarterly meetings were often at odds with budgeting timelines. He suggests timing meetings for optimal benefit. This would allow for budget reviews and reviews of other time sensitive materials.

•Sub-Committee Makeup –

- Mr. Crowder spoke on suggestions for the Economic Development & Public Relations committee. He stated that it was very difficult for board members far away from Abilene to make it to meetings. The current by-laws state that some members must originate from within the airports 16 market area. Mr. Crowder suggested that this policy be reviewed.

13. Adjourn.

Motion to adjourn at 3:10 pm made by Mr. Crowder. Seconded by Mr. Redden. Motion passed.

Signature of Chairman to confirm minutes: _____ Date: _____