

# AIRPORT DEVELOPMENT BOARD

March 12, 2014

## MINUTES

**MEMBERS PRESENT:** Lawrence Gill, Chairman, Joe Crowder, Cindy Haley, Myrna Grigsby, Kirk Thaxton, Michael Redden, David Lynn

**MEMBERS ABSENT:** Woody Gilliland, Vice Chairman, Stan Egger, Gray Bridwell

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

**CITY EMPLOYEES:** Richard Burdine, Assistant City Manager

**VISITORS:** Joe Crawford, Abilene Aero, Merry McKenna, Moose's Cafe

### 1. Call to order

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

### 2. Introduce New Member, Tammie Virden and visitors

Mr. Gill introduced Tammie Virden, new Airport Development Board member. Tim Poer with NATCA, Joe Crawford with Abilene Aero and Merry McKenna with Moose's Airport Café were introduced.

### 3. Consideration and Action approving minutes of the February 14, 2014 meetings

Mr. Gill asked if there were any corrections to the minutes of February 14, 2014 meeting. Hearing none, the February 14, 2014 meeting minutes stood approved as distributed.

### 4. Finance and Operations Sub-Committee Report

Mr. Lynn presented the Finance and Operation Sub-Committee report. The committee reviewed the financial data and it is within budget. Rates and charges are going to be reviewed in the future and they will be reviewing the passenger facility charges proposal by the consultants. The 5 year performance of the parking lot revenue shows that the airport is beating the original projections.

### 5. Facilities and Planning Sub-Committee Report

#### •Proposed Aircraft Storage Area – Pulled from the agenda.

Taxiway Area M, N, P reconstruction is going well.

The Airport Blvd landscaping project is in the purchase order stage for Masterscapes Landscaping to begin work. This will add irrigation and a green area at the entrance.

TXU has a tree donation program for non-profits. The airport has 18 trees coming, which will be planted on the northwest side.

Enprotec Hibbs & Todd has begun testing the road around the parking lot. Water has been coming up from underneath the parking lot, causing the concrete panels to lift. This may be the cause of the parking lot problems.

The Runway 17L/35R project has the precision approach with the glide scope. This was expected to be an 8 month project, which would mean encountering winter weather.

Discussion with an existing contractor suggested that they could accomplish the project in 3 months instead of 8 months. This would mean less down time.

## 6. Airport Management Report:

a. **AMR Bankruptcy/Merger** – American Eagle is a brand of regional flying, which will be contracted to other companies to fly. This includes ExpressJet and Republic. American Eagle as a company will become Envoy in April. They are still a subsidiary of the American Airlines group, but must compete. In February, the Master Executive Committee of ALPA for American Eagle pilots decided not to present the contract to the members for a vote. This meant that all pilots would lose their job. However, since that decision they have decided to bring it to the members for a vote. The new contract will also include replacing the E145 aircraft with E175 aircraft.

### b. Review and Acknowledgement of Statistical Reports

February was a tough month due to weather. American Eagle revenue enplanements were up 22% over last year. There has been an increase in leisure travel. The parking lot is up 23% over last year.

### c. Regulatory and Legislative Issues Update

The President's budget was released with a \$450 million proposed cut to AIP funds in FY15.

d. **TRACON Consolidation** – Tim Poer discussed the TRACON consolidation. The issue is now being handled under the "804 Process". There are multiple possibilities for the TRACON reconsolidation. The five possibilities on the table include the TRACON staying in Abilene, or being moved to DFW, Oklahoma City, Lubbock, or Midland. The question was raised about adding infrastructure in Abilene and having other cities managed here. The current tower is not designed for this setup, while the above cities are more ready. The 804 process will require a new study.

e. **Update on Current Projects –Taxiways M, N and P Reconstruction, Parking Lot Repair, Tower Demo, Runway 17L/35R, PFC, Entrance Landscaping, EASI Parking, Projects in design**

### f. Air Service and Business Development Update

The airport has been establishing relationships with larger companies in the surrounding cities. The commercials are running and Business Expo is March 26<sup>th</sup>.

## 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 4:22 and exited at 4:56 with no decisions being made.

**7. Consideration and Action to recommend approval of a resolution authorizing Passenger Facility Charge (PFC) Application #3 and amending the end date of PFC Application #2.**

The airport is in the comment period of PFC Application #3. The airport will meet with any airline who wants to comment. Typically airlines do not comment unless it is a large airport. The airport expects approximately \$4 million over 9 years. The PFC is a \$4.50 charge on tickets that goes back to the airport to fund grant matches.

Motion will amend PFC Application #2 to reflect completion at June 30<sup>th</sup> of 2014 and recommend approval of PFC Application #3.

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

**8. Consideration and Action to recommend acceptance of the FY14 AIP Grant.**

The new AIP grant is within 30 days out. This grant will not exceed \$10,000,000 at a 90/10 split. This pre-approval will allow the grant to be accepted much faster.

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

**9. Consideration and Action to recommend amending the Abilene Aero land lease.**

Abilene Aero is looking at amend their current land lease to allow for the building of a new 14,800 sf hangar. This lease amendment will use the 10 year option.

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

**10. Adjourn.**

Motion to adjourn at 4:56 pm made by Mr. Crowder. Seconded by Ms. Haley. Motion passed.

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