

# AIRPORT DEVELOPMENT BOARD

April 8, 2015

## MINUTES

**MEMBERS PRESENT:** Lawrence Gill, Chairman, Woody Gilliland, Vice Chairman, Joe Crowder, David Lynn, Gray Bridwell, Cindy Haley, Tammy Virden, Mary Lee Brooks

**MEMBERS ABSENT:** Kirk Thaxton, Stan Egger, Michael Redden

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

**CITY EMPLOYEES:** Daniel Santee, City Attorney's Office

**VISITORS:** Carl Kieke, Abilene Reporter News

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

The meeting was called to order at 3:36pm

### **2. Introduce visitors**

### **3. Consideration and Action approving minutes of the February 2015 meeting**

Mr. Gill asked if there were any corrections to the minutes of February 2015 meeting. Hearing none, the meeting minutes stood approved as distributed.

### **4. Facilities and Planning Sub Committee Report**

Mr. Gilliland presented the Facilities and Planning Sub Committee Report. The parking lot canopy replacement started in a five phase process. The landscape design was completed. The outside escalator was down due to a gear system problem, but as of the Airport Development meeting, were running. The EASI Hangar modifications are under way. This will add "dog houses" to allow larger aircraft to be maintained. In June or July, Runway 4/22 will be closed due to work being done on Runway 17R/35L.

### **5. Finance and Operations Sub Committee Report**

Mr. Lynn presented the Finance and Operations Sub Committee Report. Overall revenue and expenses are good. There were three resignations and one unplanned retirement, which increased a few items including Uniforms and Training expenses. There will be an adjustment at midyear. Professional services were high due to PFC 1 and 2 closeouts. The airport retained the services of Leibowitz and Horton and the closeouts are underway. These expenses are reimbursable under PFC application #3. The new American Airlines lease will be added to the revenue, and it's expected to be in place October 1<sup>st</sup>. The FY16 budget will include a video recording system and security camera overhaul and an audio system overhaul.

The airport is in a trial program to allow larger companies to be billed once a month for all of their parking during the month. There have been multiple companies that are interested in this program, but at this time the airport is still testing the program with our trial partner, Milsoft Utility Solutions.

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

### **a. American Airlines Group (AAG) Issues**

Mr. Lawrence Gill, Mayor Norm Archibald, Council Member Jay Hardaway, Mr. Don Green and Mr. Kent Sharp and Ms. Dani Ramsay with the DCOA met with Envoy President and CEO Pedro Fábregas. The meeting discussed Eagle Aviation Services and their future in Abilene. The plans for Abilene are very strong. The additional dog houses for Hangar #1 are on schedule to be completed before the first aircraft begin coming in for regular maintenance.

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

March enplanement statistics showed down at 6%. The parking lot revenue was a little down year to date.

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

There issues will be discussed in the action items.

### **d. TRACON Consolidation**

The TRACON service will stay in Abilene using a “TRACAB” system. This will allow the TRACON functions to remain in Abilene.

### **e. Welcome Home Sign**

The airport is looking replace the Welcome Home sign at the entrance to the airport. Upon inspection, it was found that the existing sign is a framed banner. Therefore replacement costs might be significantly lower than expected.

### **f. Update on Current Projects –**

Parking Lot Canopies- Progressing easily and very quickly.

Taxiways M, N and P Reconstruction- Complete

Runway 17L/35R- Complete

Runway 17R/35L- Design underway.

Sweeper Truck- Finalized and accepted.

Entrance Landscaping- Design is complete. Will keep an eye on the upcoming drought.

Consolidated Rental Car Service Center- Meeting with rental car companies will discuss the future service center. After paying off the ready return construction part of the lot, the CFC revenue will go toward to the new service center.

Projects in design

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

- Community Partnership Plans
- Advertising on Tv, Radio and Billboards as well as in magazines.
- Kate discussed the trial parking program. There are no discounts involved, however the convenience is appreciated by the companies.

**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 not entered into.

**7. Ground Lease with Enterprise Rent-A-Car.**

Enterprise wishes to rent 8,000 square feet of unimproved parking in the temporary parking lot. This is based at a rate of \$0.187/per sf per year. That comes to approximately \$127/mo. This is a one year lease.

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

**8. Consideration and Action recommending a Resolution supporting an increase to the Passenger Facility Charge maximum allowed under Reauthorization of FAA.**

AAAE and ACI are asking for support increasing the maximum for PFC collection, from \$4.50 to \$8.50.

This would update the aging rate of \$4.50. The last time the rate was adjusted was in 2000. The new maximum would be \$8.50. The PFC funds go toward capital improvements on the airports. Other airports can use it as a direct funding source for many projects. The airport isn't looking to increase the rate at this time, but this will allow for the change in the future as needed. Larger airports will drop out of the Airport Improvement Discretionary fund. This will strengthen the AIP fund for smaller airports. Larger Hub airports will see benefit from the much greater PFC funds.

The airlines view this as a tax increase and are very against this change.

This would be a written resolution taken to City Council. Congressman Neugebauer has stated he will support this recommendation with help from Lubbock and Abilene City Councils.

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

**9. Consideration and Action recommending a Resolution regarding FAA’s “Open Skies”.**

This item was removed from the agenda and not discussed.

**10. Adjourn.**

Motion to adjourn at 4:41 pm made by Mr. Crowder. Seconded by Ms. Haley. Motion passed.

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