

AIRPORT DEVELOPMENT BOARD

August 12, 2015

MINUTES

MEMBERS PRESENT: Lawrence Gill, Chairman, Woody Gilliland, Vice Chairman, Joe Crowder, David Lynn, Gray Bridwell, Tammy Virden, Mary Lee Brooks, Kirk Thaxton, Stan Egger

MEMBERS ABSENT: Michael Redden, Cindy Haley

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

CITY EMPLOYEES: Stan Smith, City Attorney's Office

VISITORS: Bob McMillan, Abilene Aero

1. Call to order

The meeting was called to order at 3:33pm

2. Introduce visitors

Mr. Bob McMillan with Abilene Aero was introduced.

3. Public Hearing for Construction Work on Runways 17R/35L and 04/22.

The Public Hearing was entered into at 3:34pm and ended at 3:47pm with one guest in attendance, Mr. Bob McMillan. City Staff and the Airport Board were in attendance.

Runway 17R/35L is currently closed due to cracks on the runway. This reconstruction project is already out for bids. Construction is due to begin in mid-September. Runway 17L/35R is still open.

This project will be phased. The first phase starts from the north end to Taxiway T. Runway 4/22 will be closed during this phase, which will affect general aviation. General aviation does not do well with long distance taxiing. Phase I is anticipated to be 100 days, however airport staff feels it may be longer due to a forming El Nino.

During non-construction hours, takeoffs will be allowed on Runway 22.

Runway 4/22 will be shortened in a future project. This will decouple the runway from runway 17R/35L. This is being driven by safety concerns. The FAA is taking steps to remove overlapping runways.

There were no comments made by the public.

4. Consideration and Action approving minutes of the April 2015 meeting

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

5. Finance and Operations Sub Committee Report

Mr. Lynn presented the Finance and Operation report. The FY15 budget is looking good. The FY16 budget proposal. Expenditures will about \$43,000 more, however this is only a 2% increase. Enplanements have been falling over the last year. There is a worry that revenues might be hurt by lower enplanements.

6. Marketing and Development Sub Committee Report

Mrs. Alvarez gave the Marketing and Development Report. There is a larger gap in ABI ticket prices against DFW pries over the last few months.

The airport is expanding on its Facebook presence. The airport receives a lot of feedback from social media.

The DCOA approved the FY16 marketing budget.

The pricing guide was skewed this month due to flash deals at DFW.

7. Airport Management Report:

a. American Airlines Group (AAG) Issues

The US Airways and American Airlines rewards systems have been merged. The real test will be when they merge their flight schedules.

b. Review and Acknowledgement of Statistical Reports

Enplanements are down coming off a record year last year. Parking is down a 4.8% for the month due to lower enplanements.

Rental cars are down a little for the month of June, however the rental car companies remain optimistic. One of the companies is concerned that they do not have enough vehicles for customer walk ups.

c. Regulatory and Legislative Issues Update

There may be a continuing resolution for the FAA Reauthorization which is up at the end of September.

There will probably not be an increase to the cap of PFCs within the next year.

There has been some talk about privatizing the Air Traffic Control, however there isn't a lot to support these discussions.

d. TRACON Consolidation

It is likely that the ATCT will go to a TRACAB operation instead of the TRACON moving to the DFW area.

- e. Update on Current Projects –
Runway 17R/35L – Closed, ramping up for reconstruction. Will probably start in mid-September. The cracking was inspected by the FAA and found to be very poor. The cracking developed due to heavy rainfall.

Entrance Landscaping – Waiting to see how the weather will benefit. May push back to the start of spring.

Consolidated Rental Car Service Center – Met with the stakeholders to discuss the future center. There is a new potential site near the Airport Maintenance building. This new site will keep car maintenance away from Eagle Aviation future expansion.

- f. Air Service and Business Development Update

- American Eagle delays and cancellations seem to be on par with 2014, however there aren't exact numbers available.
- American Eagle walk ups are often turning away due to high prices at the ticket counter. Prices are far cheaper online.
- The last departure is now at 6:20. This changes the flow of occupancy. People planning to use DFW as a pass through will have less options taking the 6:20 flight.
- The airline is rolling back in more 44 passenger airplanes, but have been booking for 50. This overbooking has caused customer service problems.
- FY16 Budget
- Community Partnership Plans
- Preliminary Commercial Development Planning – Working with the DCOA to look at potential development sites. The Airport and DCOA have started preliminary planning for future development.

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.

Executive Session was not entered into.

8. Consideration and Action recommending acceptance of AIP Grant 45.

This action will be to approve Grant 45 not to exceed \$20,000,000. This will go to council on August 27th. Preapproving this action now will avoid a special board meeting.

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

9. Consideration and Action recommending award of the Runway 17R/35L Reconstruction Project construction contract.

This action will approve Duininck as the contractor for the 17R/35L Reconstruction project. Duininck was the sole bidder on this project. Their bid was significantly higher than engineer's estimates. Due to the single bidder nature and high bid, the FAA will do a separate review. The original engineer estimate was \$16,607,440. The bid came in at \$19,046,000. The original estimate was high than the \$16 million. However, the engineers refined the quantities and came up with the \$16 million cost.

The engineer and Airport Director searched for additional bidders, but nobody was interested. The increased cost is mostly material. One of the biggest increases was due to the aggregate rock. The FAA changed the standards for the coarseness of the rock. There is only one provider in the area. They are located out of Brownwood. This means much higher transportation costs.

In Lubbock a similar situation has occurred with single bidder and higher than expected prices. In Lubbock it looks like they will have to go back out for bids again.

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

10. Consideration and Action recommending Task Order 6 with Garver for Runway 17R/35L Construction Management Services.

This action will be to approve Task Order 6 for \$489,000. This will be covered by AIP Grant 45. If the FAA requires a rebid, there may be an amendment to Task Order 5 (not this task order).

These costs are reviewed by independent engineers, who confirm that the price is reasonable.

Motion to approve recommendation made by Mr. Egger, seconded by Mr. Bridwell.
Motion approved.

11. Consideration and Action recommending Task Order 7 with Garver for design of Runway 04/22 Decoupling design.

Item 11 was removed from the Agenda.

12. Consideration and Action recommending an amendment to the Zee Jet Lease.

Item 12 was removed from the Agenda.

13. Consideration and Action recommending approval of an Airport Use Agreement with Texas Forest Service (TX A&M).

This agreement will allow the Texas Forest Service to operate on the airport ramp. This is in the non-exclusive areas. This will allow them to operate on the airport as a base. This contract is for three years. This is a temporary lease agreement. The airport receives a fuel flowage fee for their operations. They are expecting more fires in the area due to increased vegetation caused by heavy rainfall.

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

14. Adjourn.

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

Signature of Chairman to confirm minutes: _____ Date: _____