

AIRPORT DEVELOPMENT BOARD

August 14, 2019

MINUTES

MEMBERS PRESENT: Lawrence Gill, Chairman, Woody Gilliland, Vice Chairman, Randy Williams, Joe Crowder, Gray Bridwell, Kathy Keane, Kirk Thaxton, Courtney Queen, Jordan Hibbs, Cindy Ramsey

MEMBERS ABSENT: Steve Rodriguez

AIRPORT STAFF: Don Green, Chris Taylor, Alex Cargile

CITY EMPLOYEES: Kelley Messer, Legal

VISITORS:

1. Call to order

The meeting was called to order at 3:32 pm.

2. Consideration and Action approving minutes of the July 2019 meeting

Mr. Gill asked if there were any corrections to the minutes for the July 2019 meeting.

Motion to approve the minutes made by Mr. Thaxton, seconded by Mr. Williams. Motion passed.

3. Agenda Items:

1. Airport Management Report:

a. Review and acknowledgement of Statistical Reports

American enplanements are doing well. Car rentals depend on their national contracts. There is an increase in parking lot revenue.

b. Regulatory and legislative issues update

The FAA's Annual Certification Inspection was performed at the Airport. The FAA gave the airport a rare, "No Discrepancies" report. The TSA inspection is ongoing. Mr. Green met with Senator Cornyn's office about increasing the cap on the Passenger Facility Charge. Congressman Arrington is on board for the PFC increase. PFC funding can only be used for Capital Projects.

Update on current projects:

Master Plan – Draft drawings received for the ALP.

Fire Station Improvements Design – Discussed in Item 4.

SCASD Program – Submitted July 11th. Currently awaiting results.

Land Use Planning – Currently waiting on the ALP from Garver.

c. Air Service Development

The pricing guide shows prices down from July.

2. Committee Reports

- **Facilities & Planning Subcommittee**
- **Finance & Operations Subcommittee**
- **Marketing & Development Subcommittee** - The Subcommittee met August 7. Mr. Crowder discussed the SCASD Grant. The 737 Max grounding is a big issue and it is straining most commercial carriers. There was an article in the Abilene Reporter News that needed clarification. Ms. Alvarez reached out to the author and discussed the issues presented in the article. The subcommittee discussed marketing with Zachry Associates.

4. Consideration and Action on Aircraft Rescue and Firefighting (ARFF)

This new task order designs the construction of a new ARFF fire station. The previous task order for ARFF redesign will be stopped and the funds will be used for this project. Cost of renovation was estimated at \$2.2 million with a new building being \$3.6 million. The current building does not meet training needs and the sleeping quarters are in rough condition. There are reports of exhaust leaking into the sleeping areas. The new building would have individual rooms, which would provide support for female operations officers without changes to the existing station. This design would include a drive through bay. The current facility can be repurposed into an Airport Maintenance building. This building would be more secured than the existing building. The area where the existing maintenance building is located could be used for development. This would be 90% funded by the FAA. The airport has banked their FY 18 and FY 19 funds. With FY 20 funds, the project should be funded. This includes the building, the drive way and some furniture. These prices were reviewed via an independent fee proposal, which came in below Corgan. The board expressed interest in visiting the existing ARFF facility. This Task Order 3 is \$308,020. \$117,896 from the previous task order will be applied to this task order funding. Motion would be for the full \$308,020.

Motion to recommend approval made by Mr. Crowder seconded by Mr. Gilliland. Motion approved.

5. Consideration and Action on Phase 2 Rates and Charges Contract with Kutchins & Groh

This contract would allow Kutchins & Groh to evaluate the old SAAB storage area for commercial or industrial development. They would help with FAA compliance, contract development and negotiations.

No action was taken.

6. Consideration and Action on American Airlines Lease

The Airport negotiations with American have been successful. The new rate is \$21.50 for terminal rental with increases to landing fees. Terminal rental rates increase each year. The landing fee will increase from the existing \$0.43 per 1000 lbs maximum gross landed weight to \$0.60 MGLW increasing by \$0.10 per year up to \$1.00. This year there is a net increase of approximately \$97,000. The Airport will go to City Council to amend landing fees. American wants a 3 year contract with two 1-year options. This contract includes fees for City Employees who come out to handle diversions. Fuel flowage fees will remain unchanged at this time.

Motion to recommend approval made by Ms. Keene seconded by Ms. Haley. Motion approved.

7. Consideration and Action on GSA Lease

This item was not discussed.

8. Consideration and Action on Runway 04/22 Closure

Runway 4/22 is nearing the end of its life. The FAA will not fund any improvements or maintenance on this runway. Runway 4/22 is used very little. In the FAA inspection the inspector said it needed to be painted as the reflectors cannot be seen at night. With no further funding and little use by pilots, the runway would need to be shut down. This would be a permanent closure. It is mostly used by general aviation. The FAA has a process to go through to close a runway. There would be yellow X's painted on the runway. The expected closure date is September 1st. The FAA may need to perform an environmental survey.

Motion to recommend approval made by Mr. Thaxton, seconded by Mr. Crowder. Motion approved.

9. Discuss Non-AIP Project List

The Airport has dedicated funds for updating the Terminal. Corgan is contracted to help refurbish the Terminal building. The 2007 Certificate of Obligation for Terminal Enhancement has \$335,676 available for use. This would replace seating, carpet, paint and other furniture.

10. Discuss Terminal Furniture Replacement and Minor Modifications

See item 9.

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. Additionally, Section 551.076 provides that a governmental body may conduct a closed meeting to deliberate the deployment, or specific occasions for implementation, of security personnel or devices; or a security audit. After discussion in executive session, any action or vote will be taken in public.

There was no executive session.

11. Adjournment

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

Signature of Chairman to confirm minutes: Lawrence J. Hill Date: 12/11/19