

AIRPORT DEVELOPMENT BOARD

December 14, 2022

MINUTES

MEMBERS PRESENT: Lawrence Gill, Chairman, Woody Gilliland, Vice Chairman, Randy Williams, Lori Dodd, Robert Lopez, Gray Bridwell, Cindy Ramsey

MEMBERS ABSENT: Jordan Hibbs, James Boone, Darrin Black, Kirk Thaxton

AIRPORT STAFF: Don Green, Zach Cothorn, Kate Alvarez, Alex Cargile

CITY EMPLOYEES: Stanley Smith, City Attorney

VISITORS: Mary Gill, Fred Johnson

1. Call to order and Introductions

The meeting was called to order at 3:32 pm. Mr. Gill introduced his wife Mary Gill, and Fred Johnson

2. Consideration and Action approving Minutes of the November 9, 2022 meeting

Mr. Gilliland asked if there were any corrections to the Minutes for the November 9, 2022 meeting.

Motion to accept made by Ms. Dodd, seconded by Mr. Williams. Motion passed.

3. Agenda Items:

1. Airport Management Report:

a. Review and acknowledgement of Statistical Report

Enplanements are down 1% for the month. Envoy is still up 10% for the year. Most airports have not reached their pre-COVID enplanements. The industry anticipated recovery in 2024. Parking revenue is up 13.6%, which includes the 11% rate increase. Enterprise Rent-a-Car was down 29% in October likely due to fewer cars available to rent.

b. Regulatory and Legislative Issues Update

There were no items to report.

c. Update on current projects:

Terminal Improvements – Discussed in items 4 and 5.

Aircraft Charging Station – No updates.

Capital Improvement Program (CIP) – No changes at this time.

Forest Service Ramp Project – Stan Lambert, the District's representative in the Texas House of Representatives is providing support for this project. The project is estimated to cost \$15 million.

Fuel Farm Relocation – Abilene Aero has signed an agreement to construct an above ground fuel farm. This will require an amendment to the ground lease.

Car Rental Quick Turn Facility – The design is 60% complete. Construction costs are being collected from the Customer Facility Charge (CFC) at \$3 per contract day.

Air Strip Attack – The event was a success with Shift Sector impressed by the turn out. This is discussed in Item 8.

Indoor Escalators – Currently under repair.

d. Air Services and Business Development Update

The changing Envoy / American Airlines fleet for Abilene has increased the aircraft capacity to 75 seats with the new Embraer 175 aircraft. This has reduced the frequency of flights, but overall the seat capacity has stayed relatively the same. These flights have been successful. On December 14th, there is a reduction in flights to 3 inbound and 3 outbound flights. Fares should show some relief in January. The advertising campaign will discuss the two-class aircraft and the benefits of booking early. In February, there may be two weeks with only two flights per day.

e. Staffing Challenges – Staffing at the airport has recovered with maintenance and operations positions filled. The custodial department operating at the airport is still experiencing staffing shortages. The parking lot is staffed.

f. Funding Opportunities – Garver Engineering has experience with the RAISE Grant application and is helping the Airport with its own. The Airport considers this to be a good investment. The agreement is currently awaiting signature at \$13,500. The RAISE Grant would fund the new four-lane road going through Area B of the airport.

g. Facilities and Planning Sub-Committee Meeting - The sub-committee met and discussed the current state of air travel overall.

4. Discussion and Action to Recommend Award of a Contract to Teinert Construction for the Terminal modernizations Phase, I Constructions (CB-2304)

The airport received one bid from Teinert Construction. They came in at \$2,660,000. This is higher than anticipated. The Airport worked with Teinert to help reduce costs and keep the overall aesthetic on point. One savings is the ceiling painting in relation to the insulation. Teinert brought their painter to test paint and they found out that their paint should work. The nursing mother room had to be put on hold for this project. The assisted restroom will remain. The restroom renovations are on track. The solid surface countertops were set to use a resin type material. After seeing an example, the Airport asked to attempt to find a better option. This led to a quartz option that came in at a reduced price. Altogether the new rate comes to \$1,722,724. There is Bond money available will likely be used to complete this project.

Motion to accept made by Ms. Dodd. Seconded by Mr. Bridwell. Motion Approved.

5. Discussion and Action to Recommend Approval of Change Order 1 to the Terminal Modernization Phase I Contract with Teinert Construction

This motion approves Change Order 1 to reduce the scope and cost of the Teinert Construction contract to \$1,722,724. The airport talked with other potential bidders to see why there was limited interest and it appears the design was not a problem.

Motion to accept made by Ms. Dodd. Seconded by Mr. Bridwell. Motion Approved.

6. Discussion and Approval to Recommend an On-Airport Ground Lease

This item was not discussed and no action was taken.

7. **Discussion and Action to Recommend Approval of an Airport Use Agreement with Shift Sector.**

The racing events have been successful at the airport. This would be a three-year agreement with two, one-year options. Shift Sector has been good about payment, planning and insurance requirements. The airport considered seeking a percentage of gate revenue. After reviewing that possibility, it seems more advantageous to seek the \$8,000 flat rate per year. This is because the focus for the event is less on visitors and more about racers. Mr. Lopez with the Abilene Convention and Visitors Bureau added that the drivers added 960 room nights with approximately \$400,000 in economic impact.

Motion to accept made by Mr. Williams. Seconded by Mr. Gilliland. Motion Approved.

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.

The Executive Session was entered into at 4:12 and exited at 4:33 pm with no decision being made.

8. **Adjournment**

Mr. Gill has decided to not renew his position as Chairman with the Airport Development Board.

Motion to adjourn made by Mr. Williams, seconded by Ms. Dodd. Motion passed. The meeting was adjourned at 4:38pm.

Signature of Chairman to confirm minutes: _____



Date: 10/11/23