

AIRPORT DEVELOPMENT BOARD

January 11, 2023

MINUTES

MEMBERS PRESENT: Randy Williams, Robert Lopez, Gray Bridwell, Nanci Liles, Jordan Hibbs, James Boone, Darrin Black

MEMBERS ABSENT: Woody Gilliland, Vice Chairman, Kirk Thaxton, Cindy Ramsey, Lori Dodd

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

CITY EMPLOYEES: Stanley Smith, City Attorney, Shawna Atkinson, City Secretary

VISITORS: Lawrence Gill, Mary Gill, James Goodman

1. Call to order and Introductions

The meeting was called to order at 3:30 pm. Mr. Gill received a plaque to commemorate his service to the Airport Development Board.

2. Consideration and Action approving Minutes of the December 14, 2022 meeting

Mr. Green asked if there were any corrections to the Minutes for the December 14, 2022 meeting.

Motion to accept made by Mr. Black, seconded by Mr. Bridwell. Motion passed.

3. Agenda Items:

1. Airport Management Report:

a. Review and acknowledgement of Statistical Report

Enplanements were low for December during the holiday season. American reduced its capacity 18% for the holidays due to the pilot shortage and expected stresses on their system. This is reflected in the 18% drop in enplanements for December. For the year, revenue passengers for Envoy were up 7%. The parking lot had a 1.5% increase likely due to the increased parking rate October 1st. Rental car revenues performed well and increased 6% for the month.

b. Regulatory and Legislative Issues Update

Congress has experienced committee changes. The Republicans now control the House which may change the House priorities.

c. Update on current projects:

Terminal Improvements – The Terminal Modernization Phase I project will be brought before City Council for approval on January 12th. The design of the next phase may be complete and available to board in the February meeting.

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.

Rental Car Counter – The airport will perform an RFP for the Rental Car Counter

Outstanding Repairs – The indoor down escalator leading to the baggage area is now working. The indoor up escalator was working for a little bit, but has additional issues so it was shut down. One of the revolving doors is not working properly. Parts to repair the revolving door will take between four to six weeks to arrive.

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. In January and February, there are a limited number of seats.

Advertising will focus on the new E175 aircraft. The FAA's NOTAM system failed leading to a nationwide ground stoppage. This event is still being investigated.

e. Funding Opportunities – Garver Engineering has experience with the RAISE Grant application and is helping the Airport with its own.

4. Discussion and Action to Approve a Recommendation to City Council for a Lease and Operating Agreement with Bowie's ABI, LLC

The City of Abilene is proposing to enter a contract with Bowie's ABI, LLC for development of an Airport convenience store location. The proposal will provide a restaurant, fuel and other convenience store related services to a newly constructed location. This contract will include creation of a road by Bowie's. The location is along the west side of Hwy 36 just south of the FM 18 intersection. This is a 40-year ground lease. Construction would begin within 12 months of the executed contract. Bowie's will build the road and turn the road over to the City. The City can extend to connect this road with the main airport. As part of this contract, the City will not enter into a convenience store agreement within 1 mile of this location. This applies only to City of Abilene owned property. The airport would receive ground rent after the amortized cost of the road is completed in 10 years. Once open, the airport will receive a 1% concession fee of gross sales and 1 cent per gallon of fuel sold. The Airport hopes that this contract will act as a catalyst to develop the area. Bowie's would need to deal with TXDOT if they wanted to connect directly with Hwy 36.

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

5. Discussion and Action to Approve a Recommendation to City Council for a Lease amendment with Abilene Aero

This item was not discussed.

6. Conduct Board Chair and Vice-Chair Elections

Mr. Black and Ms. Liles nominated Mr. Gray Bridwell as Chairman.
Motion to approve made by Mr. Black, seconded by Ms. Liles. Motion approved.

Mr. Bridwell and Mr. Williams nominated Mr. Black as Vice Chairman. Mr. Woody Gilliland has stepped down as Vice Chairman.
Motion to approve made by Mr. Bridwell and Seconded by Mr. Williams. Motion approved.

7. Discussion and Action to Approve a Recommendation to City Council for Add Alternate 1 in the amount of \$44,500 to the Airport Terminal Modernization Phase I Contract with Teinert Construction

The contract that was brought to the Board in December did not include add alternate 1, which increases the contract amount by \$44,500. This is for painting in areas that cannot be funded with

Federal grants. The new rate would be \$2,704,500.00. This is prior to Change Order 1, which will reduce the total cost.

Motion to accept made by Ms. Liles. Seconded by Mr. Bridwell. 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 4:19 and exited at 4:35 pm with no decision being made.

8. Adjournment

Motion to adjourn made by Mr. Williams, seconded by Ms. Liles. Motion passed. The meeting was adjourned at 4:36pm.

Signature of Chairman to confirm minutes: _____



Date: _____

10/11/23