

**SUMMARY OF ACTION
AIRPORT ADVISORY BOARD
SANTA FE MUNICIPAL AIRPORT
121 AVIATION DRIVE, BUILDING 3002B
THURSDAY, JULY 13, 2007, 4:00 PM**

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**AIRPORT ADVISORY BOARD
SANTA FE MUNICIPAL AIRPORT
121 AVIATION DRIVE, BUILDING 3002B
THURSDAY, JULY 13, 2007, 4:00 PM**

1. CALL TO ORDER

The meeting of the Airport Advisory Board was called to order by Chris Ortega, Vice Chair, at 4:00 pm, on Thursday, July 13, 2017, at the Santa Fe Municipal Airport, 121 Aviation Drive, Building 3002B, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT

Chris Ortega, Vice Chair
Simon Brackley
Bud Hamilton
Troy Padilla
Eleanor Ortiz

MEMBERS ABSENT

Stephen Ross, Chair
Mike Szczepanski

OTHERS PRESENT

Cameron Humphres, Airport Manager
Councilor Michael Harris
Jesse Sanchez, TSA
Stuart Kirk, NNMAA
Bobbie Ferrell, Office of US Senator Tom Udall
Irene Gerrish, Office of US Senator Tom Udall
Eric Witt, Santa Fe Film Office
Larry Willis, United Airlines
Bob Wood, Airport Tower
Kathryn Odell, Envoy
Nick Schiavo, Public Works, Interim Director
Jeff Brogan, Enterprise Rent a Car
Steven Bunch, Skyland Aircraft
Steve Merlan, AASF
Mark Baca, Airport
Elizabeth Martin, Stenographer

3. APPROVAL OF AGENDA

Mr. Humphres said he would like to table item 6 A.

MOTION A motion was made by Mr. Hamilton, seconded by Mr. Brackley, to approve the agenda as amended.

VOTE The motion passed unanimously by voice vote.

4. APPROVAL OF MINUTES, JUNE 6, 2017

Mr. Hamilton said on page 8 it should say create instead of crate.

MOTION A motion was made by Mr. Brackley, seconded by Mr. Padilla, to approve the minutes as amended.

VOTE The motion passed unanimously by voice vote.

5. OLD BUSINESS

A. AIRPORT PROJECTS UPDATE

Mr. Humphres said a copy of the schedule and spreadsheet are in your packet. He reviewed the projects from the information. FAA projects have to be under contract by September. We will be going out to bid shortly. Their grant offers will go before Council and the Committees for approval. Runway 2-20 and Taxiway Delta will go together. It depends on long it takes us to get the grant back from the FAA and how quickly the contractor mobilizes as to when we can start this Fall. We hope we will be able to start in November. Due to the temperature issues if it is any later we may have to move to the next year in May. We will be shutting down the runway for 2 weeks in the plan. The idea is we shut this runway down and operate off of 1533 for that 2 week period. We will work with the contractor on an actual construction schedule. We will be shutting the airfield down for a 24 hour period to mill and overlay where the 2 intersect. We will know more once we sit down with the contractors. He will brief this Body after he has that information. Taxiway Delta will not be a hard.

Mr. Brackley asked while we are closed for 24 hours how much notice will there be.

Mr. Humphres said several weeks notice if not a month or two. The hard part is knowing when we are going to start construction, November or May, and do we do mid field first or last. He would like to do it last so we can get as much notification as possible. This is preliminary. He has asked the engineers to look at the possibility of doing the infield work at night.

Mr. Padilla said historically, at this Airport, FAA always goes with the lowest bidder. They could commit to 2 weeks and it takes 6 weeks. Is there anything written in the contract that penalizes them if they go over.

Mr. Humphres said yes, liquidated damages. Probably around \$2,000 a day. We are also looking at the potential of offering incentives if they are done on time or early. We are exploring that. Other airports have done that and have been successful.

Mr. Padilla said a couple of weeks ago FAA announced grants. Santa Fe is not on list for New Mexico.

Mr. Humphres said the reason is that sometimes airports get grants because FAA is comfortable with the size or nature of the contract before the bid. On a construction project they want us to go out to bid and then get the grant that is why you are not seeing it on the list.

Mr. Ortega asked since this is going through Winter are the 150 days calendar days or work days.

Mr. Humphres said work days.

Mr. Ortega asked does that factor into not being able to work on it in bad weather.

Mr. Humphres said that 150 days includes work on the road. Some of the work may be done simultaneously and has weather days are taken into consideration. If we get the grant back from the FAA and turn around and issue the contract to the bidder and they are able to mobilize prior to the first of November, then we will work to get 2-20 done right away. If not we may work on Delta first. We are doing a full depth replacement on Delta so it is still highly weather dependent.

Mr. Ortega said he is just concerned about the weather issues.

Mr. Humphres said everything has to fall just into place for us to do November. From a risk standpoint it is better for us to begin in May.

Mr. Humphres said to the airfield survey and drainage plan. They have done the survey and put it into GIS. They have incorporated all the buildings and will add utilities as well. We will also be able to incorporate all our lease agreements. We plan to have it completed mid August. Some drainage issues on the Airport have been identified. This will help us.

Mr. Ortega asked will you elaborate on including lease agreements.

Mr. Humphres said we have about 45 leases. FBOs and private individuals. In

the lease agreements we don't have good exhibits showing the boundaries. We are going to take all of those and create good agreements for each property with boundaries. We may be able to get this program to tell us when the lease is due. We will have all the boundaries of every lease out here at the least.

Ms. Ortiz asked will you show us on the map where the drainage issues are.

Mr. Humphres said we have a lot of drainage infrastructure on the airfield. He would like to bring that back to this Body and brief you on that point. On every one of these runways and taxiways we have to deal with the kind of rain and water we are getting today. They are all over this airfield. There are areas that need some attention.

Ms. Ortiz said she was just wondering if that included the parking lot.

Mr. Humphres said it does. There is drainage and pavement. This study covers the entire airfield.

B. AIRPORT STAFFING UPDATE

Mr. Humphres said Tuesday Briskly is with us tonight and is our new Administrative Manager and a Godsend. She comes from the Parking Division and has a long history of working in accounting with municipalities. She is a quick learner. She is working on transitioning from FY 17 to FY 18. The amount of work required for that is huge. We are really excited to have her. We hired Dustin Tuning and are in the process of training him. He comes from the City ice rink. He is doing very well and will come to next Board meeting for introductions. He is a very hard worker. We are pleased to have him on board. We have the list of eligible candidates for the open maintenance position. Mark is reviewing those now. As to the secretary position, Tuesday has asked to hold off on that position until she gets her feet under her a bit. We are still short staffed. Gino is out for a bit for a surgical procedure until early or mid August.

6. NEW BUSINESS

A. TSA RECOGNITION OF MCCORD AND SILVER

This item was tabled

B. NNMAA MARKETING

Mr. Kirk, the Executive Director of the Northern New Mexico Air Alliance, said we had a great meeting today and are excited about the marketing we have competed and the marketing we are moving toward in the future.

Mr. Kirk said the Alliance started last Fall to form the basis of getting the American flight in here to increase the amount of air service and to bring Northern New Mexico together. All of this is done to promote economic growth. We want to see a well functioning active Airport. That is good for economic growth. Our mission is to promote economic growth in Northern New Mexico by growing commercial air service in Northern New Mexico. We have 4 major responsibilities. Raise the money for the minimum revenue guarantees for the airline, the grants we deal with and raising money for matching funds. We have raised \$500,000 from individuals and businesses of Santa Fe County, Los Alamos County, the Town of Taos, the City of Santa Fe from lodgers tax and Taos Ski Valley. We are talking to Red River and Angel Fire and are going to talk to Las Vegas. Our last responsibility is marketing. We worked hard on marketing. It was surprising to all of us that so many people in Santa Fe did not know we had an airport. Before you book, take a look is what we are saying. We are getting a good response to that. We spent about \$500,000 in the first 2 quarters on advertising. He will leave you some information that outlines that.

Mr. Kirk said our primary objective is to stimulate bookings on the Santa Fe/Phoenix flight because that is where we have financial obligations. It has an impact on other flights as well. Our target audiences are outbound business travelers, second home owners, destination or event travelers and Los Alamos. When we talk about target audiences all of these things have an impact on making everyone aware that we have an airport and want it to be active. Outbound our focus is Phoenix and Scottsdale. We also have some focused on LA, Ontario, Santa Barbara, Burbank and Orange County. We are building that market pretty well. The results speak well for themselves. The flight started in December with a 40% load factor in this month it has an 85% load factor We more than doubled it. We have used a variety of tools to get to these target audiences. Newspapers and magazines. We are in Visitors Guides in Santa Fe, Los Alamos and Taos. We are in the Opera Magazine and have written op ed pieces for the paper. We also have a billboard between here and Albuquerque saying, "Why Take a Trip to Take a Trip." We have 8 standing banners in Santa Fe that we move around hotel lobbies, bank lobbies and the visitor center. We used social media and had a good response there on Facebook and Twitter. We are also using digital advertising. In the Phoenix airport we have backlit screens talking about outdoor activities in Santa Fe. We have gotten the attention of the newspaper. There was a nice editorial in the newspaper heralding the work we have been doing. The reporter put together a good several page article about what we are doing and the growth of the airport. On the digital advertising we have stats on the number of people who have seen our information on Facebook and Twitter. They compare those to industry standards and in all of those we exceed the industry standards so that has been very successful. Santa Fe area realtors put on a party of 500 people at the Jet Center. It was very successful. Those people will go out to see and talk about what is going on at the Airport. Some of those proceeds went to support the Air Alliance. Taos has given us \$50,000, Los Alamos gave us \$50,000 and promised to continue if we have good results. We had a marketing meeting this morning to start out new marketing program. We are going to be contacting ski clubs around the country. Our feeling is that this is going well. We have

had good results. We are increasing the awareness of the Airport and working together with all those communities on the airport. This will stimulate economic growth in those communities as well.

Ms. Ortiz said we talked about bumper stickers for the airport.

Mr. Kirk said we can do that. There are others on the Committee who would like to see bumper stickers as well.

Mr. Hamilton asked how long have we been at this now.

Mr. Kirk said the grant process began in the Fall of last year. The first flight was mid December. The rest of the Board of the Alliance recognize that if it were to be done again we would have tried to get the awareness and marketing started before we started the flight. We started the flight then went into the creative process. We did not have energy around this until late March.

Mr. Brackley said he is exactly right. We started the conversation in September and October and American Airlines said yes for December 15th. Then we focused on the inaugural flight. We got serious in marketing in the Spring.

Mr. Hamilton said you think awareness is improving. Do we have good data that we are tracking.

Mr. Kirk said we have been tracking the digital work we have been doing. We have not otherwise except the load factors and that they are increasing. We have not found a way to measure other than those 2 things.

Mr. Humphres said one of the things we talked about at the meeting today was part of the marketing strategy moving forward will be the metrics to track movement. There are some tools we can use that we have recommended bringing to bear.

Mr. Hamilton asked where are we spending our money geographically.

Mr. Kirk said the Phoenix market and Santa Fe.

Mr. Hamilton asked have we made any attempt to reach out to other outside non direct markets.

Mr. Kirk said \$100,000 was paid for by the Alliance for outbound and \$100,000 for inbound. Tourism paid \$100,000 for outbound. Almost all of this was spent in Phoenix and the California communities he talked about. We were late to get into the California market. We changed the leave time and that helped. Now the West coast is added to the digital marketing.

Mr. Hamilton asked have we made any attempt to collect data from tourists coming to our town about where they are staying in our town and how did they get here.

Mr. Kirk said we have talked about that. There is some data collection here at the airport. You have a good idea getting the hotels involved. They are a good source.

Mr. Hamilton asked don't we have some data showing that if people fly in here they stay longer and spend more money here.

Mr. Kirk said yes we do.

Mr. Hamilton asked are we direct marketing to individuals flying into Albuquerque.

Mr. Kirk said we do have information about second home owners who are here and we are working on making sure they are aware of flying into here. There is one more digital effort we bought in to seek out people who seem to be planning a trip to New Mexico. They can focus on an individual. The next time he shows up he gets a notice that he could have flown into Santa Fe.

Mr. Kirk gave handouts to the Board members.

Mr. Hamilton asked if we have additional comments or questions do we address those to you.

Mr. Kirk said yes.

Mr. Ortega said you mentioned the matching money for grants. Is this money recurring.

Mr. Kirk said for the minimum revenue guarantee we get half back from the Federal Government. For marketing we get half back from the Feds and half from the State.

Mr. Ortega asked is it likely that the program will continue in varying amounts.

Mr. Kirk said yes.

Mr. Ortega thanked Mr. Kirk.

C. SANTA FE FILM OFFICE

Mr. Witt said thanks for having me. He wants to congratulate Paul Marketson on his radio ads. The Airport is very important to us. In terms of direct production it plays a key role in production. In FY 2015 Film and Digital Media in the State contributed \$70

million directly. In FY 2016 there was \$140 million in production direct spend. We use a 3 times multiplier to show economic impact. It was instrumental in the Santa Fe economy. Broadly speaking in that \$65 million is wages paid to local workers. \$50 an hour is average wage across the board. The vast majority is from out of state. Hotels had \$3 million last year in base line rentals. That does not include the GRT or lodgers tax generated from that. The State incentive program paid for at state level made \$10 million for the counties and the City in taxes and they are not funding incentives. The State has been cutting back but it balances a big chunk of that. The direct impact of film induced tourism was estimated in a State study that of the \$5 billion annual direct spend from Tourism 10% is due to film induced tourism. 2,500 to 3,000 local jobs are supported by film.

Mr. Witt said we are at the amount of film production we can handle. That is due to sound stage and crew availability. The State has proposed a rolling \$50 million pay out annually for incentives. We are waiting. The other issue is infrastructure and transportation. A direct flight to LA is very important to us. We would like to see that again. You have made tremendous strides on that. Connecting to Phoenix is great. We know you are working on additional flights coming out. Anything we can do to help in your efforts we would like to do. All of that stuff directly impacts positively the business we have. We are here to support you. He introduced Jennifer Lavar, Deputy Director of the Santa Fe Film Office.

Mr. Witt said we were named the number 2 best small film office in North American. Santa Fe brings a lot to the table with brand recognition and the desirability to be here. We get a lot of business by doing van tours and casual visits. That is why the direct flight is so important.

Mr. Brackley asked what is the number 2 place for movies.

Mr. Witt said New York and Vancouver, Canada.

Mr. Padilla said thanks for information. How does Santa Fe rate against Albuquerque.

Mr. Witt said typically about 50% goes to Albuquerque. 35% to Santa Fe. That is because of the capacity in Albuquerque. The other 15% goes around the State.

Mr. Padilla asked as we move forward as an airport do you see that number growing.

Mr. Witt said space and crews and the cap are our issues. We could double our production here if we did not have those limitations. The Airport is not a critical limiting factor. They can get to Albuquerque then come here but they can't get more crew or space. Any additional capacity would be appreciated.

Mr. Ortega thanked Mr. Witt.

D. AIRLINE CUSTOMER SERVICE

Mr. Humphres introduced Larry Wells, Station Manager for United Airlines.

Mr. Wells said he represented United Ground Express and United Airlines. Last year United spun off United Ground Express. The intention is to expand United Ground Express to service United flights and ensure a United product. UGE handles the United Express product to ensure we are giving our United customers what they need. He and Mr. Humphres talked and he asked that we come to this meeting to talk about customer service and how we develop it and make sure we deliver a good customer service product. Our employees go through a bunch of training on both sides of the job. After that they have ongoing training on line. As General Manager it is his job to ensure that our customer service product stays where it ought to be. His team here in Santa Fe is a darn good team. They are graded on on-time performance, mishandled bags and a United customer satisfaction rating. He is very proud of his team. They are rated monthly and they make a bonus every quarter. His team in Santa Fe in the first quarter was rated first in the region. Our customer service is good. The training is not rocket science. We teach them and follow up to make sure they are doing the job.

Mr. Hamilton asked how do you collect your customer service data.

Mr. Wells said electronic now as an email to the customer if we have email address. Most of the passengers give that to us so they can get the updates.

Mr. Hamilton asked what are the response rates.

Mr. Wells said 20% to 25%. It is not where we want it to be.

Mr. Hamilton said if that is accurate that is a good number.

Mr. Padilla said with you and American sometimes it is not an easy job. We have some baggage issues and other things that don't make it easy. Our experience can be lacking. When passengers have a bad experience they are the first to say so, not so much when it is good experience. Are there things that United or American does to overcome some of our deficiencies.

Mr. Wells said we do have some challenges such as baggage delivery and a building built in 1957. It is difficult in a lot of ways. Cam and others have done their best to try to build areas to try to get us there. It comes down to communicating with the customers like electronic notices on their email. Basic communication, a smiling face, a recap of their transaction, making sure they have everything they need and directing them to TSA. Awareness is key. Santa Fe Hotels are telling people to get to the Airport 30 minutes before the flight only. That hurts us.

Mr. Padilla said when we have challenges how do we get all the employees together to sing the praises of the Airport. How do we turn that negative into a positive. He is trying to bring the airport together as a community. How do we get the employees to function as a team. That is a challenge to overcome.

Mr. Wells said a number of those challenges are created because of the facility such as parking meters. They are a long term fix. Bringing people here to overload the airport before expanding it was not the way to do it. It comes down to that it is his job to keep them focused on the customer service side of the house. Taking care of the passengers is our job.

Mr. Padilla asked would it be valuable to get some employees together with us to address concerns. Would that be valuable. Have a management group to deal creatively with issues. Just a cookie or water to welcome them to Santa Fe and say we appreciate you would be great.

Mr. Ortega said any time there is a function and a lot of different players competing as well it can be a problem. If you stay with status quo you continue with status quo.

Ms. Odell said when you have those volunteers you are not asking airline employees to do that. You could have friends of the Santa Fe Airport. On the American side this is a small airport. To back up Larry it is a facility issue and the hotels. We need to be talking to the hotel management.

Mr. Ortega said we know the constraints of the facilities and other issues and we are working on that.

Mr. Padilla said we have been there and have talked to the airlines about what we and they require. Lets all talk the same story. It has to start somewhere.

Mr. Ortega said again, keep doing what you are doing and you keep getting what you got.

Ms. Odell said this is an emotional time for her. Her last day here is tomorrow. She is going to LA. American is doing a lot for customer service. We are the largest airline in the industry and we have started including the regional carriers in elevated training. It is a 2 day training where they focus not just on the customer at the ticket counter but also the internal customer. Every single agent will go through that. Santa Fe is a very small station. She can't have more than 1 or 2 out of her station at a time because it is so small. It is hard to keep agents. We do random surveys on board the aircraft. We also survey our premium passengers. Randomly we go through and email or call passengers and survey them. She is not sure of the number of responses. Our media team responds to questions on digital media. The response can be within a couple of hours or immediate. She has lost several agents in the last several months.

She has asked for help. She has people here training her new hires. She is not sure who is going to take over for her. She is not getting support from her boss. Cam has been very helpful to her. Her agents are over worked so it is difficult. Santa Fe will continue. We will have an interim GM here.

Mr. Brackley said he wants to compliment the customer service for all our agents. Santa Fe is a high maintenance operation. Thank you for your efforts.

Mr. Hamilton left the meeting.

7. PUBLIC COMMENT

None.

8. BOARD AND/OR STAFF COMMENTS AND/OR REQUEST FOR FUTURE AGENDA ITEMS

Mr. Brackley said he will be letting the hotels know about the Airport requirements. That is harder than you think. We will address that. He also want to recognize Bobbie from Senator Udall's office. Thank you for paying attention to our airport.

Mr. Padilla asked could we have an agenda item where we can talk about changing the name of the Airport from municipal to regional. There is some perception that our airport is just for the City. Will that take FAA or City Council approval.

Mr. Humphres said yes, both. He will put that on the agenda.

9. NEXT MEETING, AUGUST 10, 2017

10. ADJOURN

There being no further business before the Board, the meeting adjourned at 5:30 pm.

Chris Ortega, Vice Chair



Elizabeth Martin, Stenographer