

SUMMARY OF ACTION
AIRPORT ADVISORY BOARD
SANTA FE MUNICIPAL AIRPORT
121 AVIATION DRIVE, BUILDING 3002B
WEDNESDAY, AUGUST 30, 2017 4:00 PM

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**AIRPORT ADVISORY BOARD
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WEDNESDAY, AUGUST 30, 2017 4:00 PM**

1. CALL TO ORDER

The meeting of the Airport Advisory Board was called to order by Stephen Ross, Chair, at 4:00 pm, on Wednesday, August 30, 2017, at the Santa Fe Municipal Airport, 121 Aviation Drive, Building 3002B, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT

Stephen Ross, Chair
Simon Brackley
Bud Hamilton
Troy Padilla
Eleanor Ortiz
Mike Szczepanski

MEMBERS ABSENT

Chris Ortega, Excused

OTHERS PRESENT

Cameron Humphres, Airport Manager
Kent Freier, Moltzen Corbin
Stuart Kirk, NNMAA
Larry Willis, United Airlines
Bob Wood, Airport Tower
Jeff Brogan, Enterprise Rent a Car
Steven Bunch, Skyland Aircraft
Steve Merlan, AASF
Mark Baca, Airport
Elizabeth Martin, Stenographer

3. APPROVAL OF AGENDA

MOTION A motion was made by Mr. Padilla, seconded by Mr. Szczepanski, to approve the agenda as presented.

VOTE The motion passed unanimously by voice vote.

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**4. APPROVAL OF MINUTES
 JULY 13, 2017**

MOTION A motion was made by Mr. Hamilton, seconded by Ms. Ortiz, to approve the minutes as presented.

VOTE The motion passed unanimously by voice vote.

5. OLD BUSINESS

1. AIRPORT PROJECTS UPDATE

Mr. Humphres said regarding the runway 2-20 and Taxiway Delta projects, the design is done and it has gone out to bid. The bids are back and they are very competitive. He will bring those to the next meeting. The low bidder is \$1 million under the engineering estimate. He has sent the information to the FFA for them to review and he anticipates they will concur with moving ahead with the projects. He has already submitted the application for the grants. The downside is due to weather and temperatures which will probably keep us from getting underway until next Spring, but we will do some smaller items in the project as we move forward.

Mr. Humphres said regarding the Airfield Master Drainage Master Survey, it is 90% complete. He has reviewed the draft report. They are updating the report based on comments made. It will then come back to this Body for review, comment and eventual approval.

Mr. Padilla said we have some grants out there that we talked about in the past. Can you update us on the snowplow and snow removal equipment.

Mr. Humphres said we got money from the Federal Government and the State match to purchase some snow removal equipment. We were going to purchase the equipment off of a purchase agreement used through Minnesota. It took FAA a while to give us an answer as to if we could use that agreement. They eventually said no. We are working now on bids.

Mr. Padilla asked how long do we have until the previous bids expire.

Mr. Humphres said 3 years and they can be extended.

2. AIRPORT STAFFING UPDATE

Mr. Humphres said we have been working on the additional positions. They are all filled except one maintenance worker and the secretary. We did an interview for the maintenance worker position with a City employee who was a very strong candidate. Due to the Union contract rules he would have had to take a 24% pay cut. He preferred not to do that. We are now interviewing other candidates. First we are required to interview all City candidates that meet the minimum requirements then we do external. Tuesday is working on the job description for the secretary position and getting that position posted. That person will work for Tuesday. Our lead maintenance worker is still out due to having a medical procedure. We will not know for another week when we will have him back.

3. AIRPORT MASTER PLAN

Mr. Humphres said this is a project we have been working on since 2014. Prior to his arrival Moltzen Corbin and Kauffman were hired to do this. He is pleased to report that the Master Plan is complete. Left remaining is taking it through the committees and Council to get it approved as the official Airport Master Plan. He would like to have representatives from the consultant team come up and brief this final draft and answer questions. He would also like to get a motion to recommend that the Council adopt this as our official Master Plan.

Mr. Humphres introduced Mr. Kent Freier who has been working on this Airport for almost 3 decades. He knows the Airport inside and out.

Mr. Freier said this is kind of a courtesy and formality. We wanted to come to this Board before going to Council for approval. We need your approval before it goes to Public Works. The Master Plan and summary are in your packet. He gave a brief overview of the plan and informed that Board that the Public Works Committee will hear this plan on September 11th and it will be before the Council on September 27th. Then we submit the Airport layout drawings to the FAA and then print the final map document and summary.

Chair Ross asked how much of this Plan has the FAA seen so far.

Mr. Freier said all of it. They have been involved from the beginning. We coordinated with them throughout.

Chair Ross asked when do they approve it.

Mr. Freier said that is a sensitive subject. Once Council approves it, then the drawings go to FAA for approval.

Chair Ross said in this Resolution we are repealing the old Master Plan. Why.

Mr. Humphres said here is a Resolution that adopted the old Master Plan as our official Master Plan. This new Resolution repeals the old one and adopts this Master Plan as the official Master Plan. The Legislative Liaison at the City said this was the best approach.

Chair Ross said this builds on the old one and that strikes me as weird.

Mr. Humphres said this becomes the Master Plan of the Airport.

Mr. Hamilton said remind me what assumption we have made regarding the new terminal, it's completion and it's impact.

Mr. Freier said we made forecasts and included a couple of layouts to expand the existing terminal and looked at 2 locations for a new terminal. To detail that further, an additional study was completed and presented to the Board. We did state that the current terminal is under capacity.

Mr. Hamilton said we approved moving to the new location. He is confused. Have we assumed agreement to that and if so what is the impact of that on this Plan.

Mr. Freier said we have not assumed either one as approved. We just outlined the options. We did not believe you were committed to either location. If it moves, there could be some additional CIP projects required for that.

Mr. Hamilton said maybe he doesn't understand the process. Once this is approved there will be lots of changes as we go along. This is a long range plan. To what degree have we thought about this major change as we thought about this Plan. We are fairly confident that we are moving ahead.

Mr. Freier said we did a Master Plan for the Albuquerque Sunport, we focused on airfield capacity. The Plan looked primarily at air side requirements. The projects got done and then the terminal and curbsides experienced issues. The next Plan focused on that. This Master Plan is not binding you to anything. It is dynamic. It is focused primarily on the land side and the potential for development and on the air side for changes the FAA made in geometry. It is perfectly fine to proceed.

Chair Ross asked if we have to make a change in the order we do things or projects, do we have to go back to the FAA and modify the Plan.

Mr. Frier said that is what Cam does on a regular basis. It is not necessary for you to modify the Master Plan based on that. We continue to work on it.

Mr. Humphres said for the Master Plan the only document the FAA approves is the Airport Layout Plan. All the future developments are on that Plan. When the FAA signs off they are agreeing to the potential of any of those things on that Plan. We have

the ability to change with the FAA, the order of projects and to do new projects as long as it was in an area that was designated for that kind of development on the plan. If in the case we decided we wanted to put a hotel in then that area has to show that the area proposed is designated for business. If it was then we would be fine. If we wanted to change the designations we can do that but that needs the approval of FAA.

Mr. Freier said we have done those kinds of things in the past.

Mr. Padilla said in the Master Plan, exhibit 5C, it talks about noise exposure. We are getting a lot of heat on that at the moment. Will this Master Plan be published on the website and is it now.

Mr. Humphres said the draft is there now. The final will be posted when it is adopted.

Mr. Padilla said it seems most of the noise impact is on Airport property. When was this done and how long will it remain current.

Mr. Freier said the information is included in detail now. We did a Part 150 Noise Study in 2003 and 2004. That study did monitoring at that time. The maps showed no need to advance that further but recommended that it be revisited in the future.

Mr. Humphres said a study was done in 2003 and in 2008 and updated in this Plan between 2014 and now. What was determined goes into algorithms and the type of aircraft and how often aircraft are flying. When we did the study we also tested the algorithms and it showed a strong correlation between actual and the algorithms. The reason you are seeing a shrinking is that aircraft operations have been decreasing and because the FAA has implemented a staged approach to limit noise from jet aircraft. They have begun requiring improvements in aircraft design.

Mr. Padilla asked will that change even more in the future.

Mr. Humphres said sure, the FAA just finished phase 3 and now just entered into phase 4. They are working on requiring aircraft design to be quieter and quieter as we move forward.

Ms. Ortiz said thank you, this is a great drawing. She would like to go back to the terminal building. She thought we voted to locate the terminal area in a certain area already.

Mr. Humphres said the Master Plan looked at the entire airfield in terms of where we are currently and forecasted out 20 years where we need to be. With respect to the terminal building the Master Plan identifies the current need for a terminal building of at least 30,000 square feet. They also looked at considering all the development on the airfield, where are locations to be utilized and where we could put the terminal. They

looked at expanding the current terminal, one location in the north and one on the east end. It contemplated the need and size. Outside the work on this Master Plan is the place to decide which of those 3 locations would best suite this Airport. This Board agreed to go ahead with the Site Selections Study to look at those 3 options. That Site Selection Study builds on this work here. That is what was brought to this Body. This Body agreed on locating a new terminal on the east end.

Ms. Ortiz said then the way this drawing is does gives someone the impression that we have not decided on a location. Also the drawing does not show an entrance for passengers from the new road that will come from Jaguar Drive.

Mr. Freier pointed out the access points on the map.

Mr. Ortiz asked why would we not focus on this entrance in the Master Plan.

Mr. Frier said we were obligated to show alternatives. You are right that what you decided on is what you should pursue, but we did not give indications of which worked better.

Ms. Ortiz asked what is that number 1 on the drawing.

Mr. Frier said that is a road coming off Jaguar Drive.

Chair Ross said you really need both documents to understand the terminal plans. This Plan and the Terminal Plan. Are there plans to combine these.

Mr. Humphres said certainly we can remind the City Councilors at the meetings about our Site Selection Study and have that available to them. Also on page 3 of 19 in the Airport Layout Plan it depicts the roads and where the terminal would be. It would be worthwhile to make that very clear to the Councilors.

Chair Ross said it would be nice to have all the information in one place.

Mr. Humphres said we need a motion to recommend to the City Council that they adopt this Master Plan as presented.

MOTION A motion was made by Mr. Szczepanski, seconded by Mr. Brackley, to recommend to the City Council that they adopt this Master Plan as the official Master Plan of the Airport.

VOTE The motion passed unanimously by voice vote.

Mr. Padilla said please give our thanks to Kauffman and thank you as well for all

the work you have done. It has been a pleasure.

Mr. Frier said thank you.

6. NEW BUSINESS

1. PFC APPLICATION

Mr. Humphres said PFC is Passenger Facility Charges. An overwhelming majority of airports across the County charge this. The cap is \$4.50 per passenger for the first 2 departure points of any ticket. Departures from here generates funds that come to us. Airports are also allowed to charge 11 cents per collection of each charge. In order to start doing this we have to make an application to the FAA. They have to approve that and then we have to show what projects we are collecting for then put that out to the airline companies for comment and then to the public for them to comment on. We have submitted our Notice of Intent to the FAA and have notified all the airline partners. September 11th we are meeting with all the airlines. They can be present in person or by phone. This meeting serves as public notification. Our Notice of Intent is on our website and is in you packet. He reviewed the packet information.

Mr. Humphres said once this Notice of Intent is approved by the FAA we can collect up to our amount presented in the notice. Then each airline will remit those funds to the Airport monthly with a report. At the end of year we have to do an audit and track those dollars that go into the City fund and it can only be used for our projects listed in the Notice. He anticipates beginning collection in January or February. We think we will be able to collect \$320,000 a year based on current passenger numbers. It will take us 2 years of collections to get to the \$624,768 that is shown in our Notice of Intent. Before this one expires we will put in our Notice of Intent number 2 for other projects.

Chair Ross asked \$156,000 is all the City would pay for the runway project.

Mr. Humphres said yes.

Mr. Hamilton asked how does this fee show up on the ticket.

Mr. Humphres said you can look on your ticket and it will list that as one of the itemized costs on your ticket.

Mr. Hamilton said most of us don't get tickets anymore.

Mr. Humphres said on line when you look at the details of the expense it breaks it down.

Mr. Padilla said we started this process 2 years ago. It has been a long process. Now we have started over. How confident are you that we will be collecting in January or February.

Mr. Humphres said he has a high level of confidence. The FAA had some problems with the original intent and that held us up. They thought we had to do an environmental study on the runway 2-20 project. We went back and forth with them and finally got all the environmental stuff done and now we are ready.

Mr. Padilla said with all the administrative qualifications we have, and they are pretty stringent, what is your plan to administer that. Will you do that with Tuesday or is that part of the secretary's duties or will you hire someone.

Mr. Humphres said there are a lot of administrative qualifications with these. It is highly regulated and looked at carefully. He has worked with the City and has let them know that we need someone in the Finance Department that looks at this and creates a separate account for it. We will have eyes at Finance on it and Tuesday will work on it here. On an annual basis we will hire a 3rd party contractor to do the audit. There is \$100,000 in there for administration over a 2 year period. He does not anticipate hiring anyone expect to do the audit. He has worked on these fees and implemented them at his previous airport.

Chair Ross said the City is audited already. Can this be part of that.

Mr. Humphres said he wishes that was the case, but this has to be separate.

Mr. Brackley asked how normal is it to charge PFCs.

Mr. Humphres said Albuquerque collects PFCs. All large to medium airports collect them. 80% of the smaller ones like us charge as well.

Mr. Padilla said Farmington and Roswell charge those fees.

Mr. Szczepanski asked do you anticipate push back from the airlines.

Mr. Humphres said that is a great question. Airlines usually have very strong opposition to airports collecting PFCs. That is their political stance. The American Association of Airport Executives is always trying to get the cap for these fees raised. The airlines have moved to collecting ancillary fees and have become brilliant at being able to charge for everything on the airplane. 30% of the revenue of an airline is from ancillary fees and that is non taxable. We are missing out on that. It is interesting. We do expect push back from the airlines. We are required to take comments from the airlines, but the FAA position is unless there is a compelling reason not to or a safety concern the FAA moves forward.

MOTION A motion was made by Mr. Padilla, seconded by Mr. Szczepanski, to support the Notice of Intent.

VOTE The motion passed unanimously by voice vote.

Chair Ross asked are we it or does this go to Council.

Mr. Humphres said you are it.

7. PUBLIC INVITED TO BE HEARD

Mr. Wood asked what happened to the change in the approach for the runways. That was proposed in the original Master Plan.

Mr. Humphres said the difference of the 740 feet does not make a huge difference. With the type of aircraft we have today it does not have the same effect today.

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

Chair Ross said he has some agenda items he has forwarded to Mr. Humphres. It will be a pretty intense meeting next month.

Ms. Ortiz commended Mr. Padilla.

9. NEXT MEETING - SEPTEMBER 14, 2017

10. ADJOURN

There being no further business before the Board, the meeting adjourned at 1:25 pm.

Stephen Ross, Chair



Elizabeth Martin, Stenographer