

**MINUTES
WATERLOO REGIONAL AIRPORT BOARD**

Tuesday, September 27, 2016

I. ROLL CALL

Vice Chairperson, Aaron Buzza, called the meeting to order at 12:05 p.m., without a quorum, to start reviewing reports. A quorum was called at 12:12 p.m., when Chris Harshbarger arrived.

Board Members Present: Aaron Buzza, Arlene Humble, Bob Justis and Chris Harshbarger.

Board Members Absent: Hugh Field, Dee Vandeventer and Steve Dust.

City Officials Present: Councilman Tom Lind, Councilman Steve Schmitt; Noel Anderson and Adrienne Miller, Planning and Zoning.

Airport Staff Present: Keith Kaspari, Airport Director and Sheila Combs, Airport Bookkeeper.

Other Attendees: Doug Schindel and David Hughes, AECOM; Rick Young, Livingston Aviation.

II. AGENDA AS RECEIVED OR AMENDED

(After Harshbarger's arrival) Moved by Justis, seconded by Humble, that the agenda be approved. Ayes: 3. Motion carried.

III. PUBLIC COMMENTS

None.

IV. REPORTS

A. Director's Report:

Kaspari reviewed written report, asked Board members to cross off Item 4G as ribbon cutting was cancelled at the last minute.

B. Planning & Development Report:

Kaspari reviewed written report.

C. Legislative Updates: None.

D. Monthly Airport Reports:

Board reviewed monthly budget, enplanement, airline on-time and airfare reports. Kaspari referenced article on airline fees and stated that he hopes Congress will pass an increase to the PFC Charge since the airlines are making so much on baggage handling fees.

Reviewed AA Stats, which are good except for a couple of delays due to bird strikes and some unfortunate ATC Holds in Chicago. YTD Budget and AA Fares are all trending to the positive.

Kaspari noted that he plans to discuss competitive international fares at October meeting with American Airlines. Humble pointed out some additional points to make on fares.

V. **BOARD APPROVAL**

- A. Approval of Minutes of August 23, 2016 Regular Meeting.
Minutes of the August 23, 2016 meeting were reviewed. Harshbarger moved approval of minutes. Seconded by Justis. Ayes: 3. Motion carried.
- B. Motion to Receive and File August 2016 Expenses.
All operating and capital expenses were reviewed. Moved by Harshbarger, seconded by Humble, that expenses be received and placed on file. Ayes: 3. Motion carried.
- C. Approval of FY-2017 IDOT CSVI Grant for GA Terminal and Hangar 5 Improvements.
Kaspari reviewed the improvements included under the grant application. Lind asked if the work on Hangar 5 will take care of the leaks.

Stated he has been called by the owner of a jet that is hangared in 5. Kaspari stated that it will. Harshbarger moved approval of the grant. Seconded by Justis. Ayes: 3. Motion carried.

VI. **OLD BUSINESS**

- A. FAA System Support Center (SSC) Lease Renewal Update.
Kaspari stated that FAA requested a 2-year extension of the existing lease and that he would recommend a 3% increase each year, similar to the recently approved TSA (GSA) Lease.

Harshbarger asked if FAA was willing to pay the increase, as would not want them to vacate their leased space over the proposed increase. Kaspari stated that he thinks they are willing to pay the increased amount.

Harshbarger moved that Director proceed with lease negotiations for a 2-year extension at up to 3% increase. Seconded by Justis. Ayes: 3. Motion carried.
- B. American Airlines (Dallas) Visit: Board Review of Draft Community Presentation.
Kaspari reviewed presentation agenda and supporting documents. Harshbarger and Justis stated they were concerned with the length of the agenda for a one hour meeting, would like Kaspari to prioritize the agenda and make sure he hits most important points first.

Further discussion included whether the main point of the meeting was to ask AA to add a third flight? Kaspari feels the most we can ask for is "expanded service", as AA is only obligated through the EAS program to provide 13 trips per week.

Humble pointed out that a 3rd flight out of ALO would benefit AA due to the fact that we have 72% leakage out of this area to CID, DSM, MSP, etc., where passengers pick from Delta, United and several other airlines, but if we can keep more of those passengers here they will fly only on American.

Harshbarger asked Kaspari to stick with a “less is more” strategy and emphasize the leakage out of ALO and that expanded service here should increase AA’s bottom line.

Additional points would include the \$100,000 marketing plan we’ve put together thanks to matching dollars by KWWL and WCF Courier, which is marketing solely American Airlines.

Harshbarger would also like to put together a package offering AA premier accommodations and meals for their crews overnighing in Waterloo in return for expanded service.

VII. NEW BUSINESS

A. Use of Airport Conference Room.

Kaspari stated that he would like to charge for non-Airport tenant / City use of the Airport Conference Room.

Discussion followed with some Board members stating that any excuse to bring people to the airport is a plus, while others stated that many businesses charge for the use of their conference rooms so we should too.

Consensus of the Board was that Kaspari should use his best judgment on charging or refusing requests to use the room.

B. Runway 12/30 Joint Repair at Bravo 1 Intersection.

Kaspari stated that the pavement is starting to buckle at this intersection and this has been pointed out by AA pilots, charter pilots and others.

He would like to have a section 15’ by full width of the runway ground down/milled/filled to help smooth the pavement out, at a cost of \$3,000 to \$5,000.

The work could be completed by the end of October. Harshbarger moved, Justis seconded that proposed repair be completed. Ayes: 3. Motion carried.

C. Airport Development Presentation.

Noel Anderson reviewed a proposed business expansion on Airport ground next to Leverage Road that would likely include a rail spur and could eventually require access to the airfield, to offer road/rail/air service for shipping needs. This could mean that Runway 6/24 would eventually need to be closed permanently.

Discussion followed about how this could impact the airport, as well as about the overall condition of Runway 6/24, which the FAA no longer supports, so 100% of pavement/painting/lighting rehab costs would be the responsibility of the City of Waterloo.

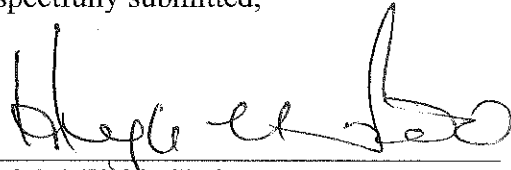
VIII. STAFF AND BOARD MEMBER COMMENT

Harshbarger stated that he and Hugh Field would like to revisit the discussion about establishing a Foreign Trade Zone at ALO.

IX. ADJOURNMENT

Harshbarger moved, Justis seconded, adjournment at 1:18 p.m., adjourned by Vice Chair Buzza.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Hugh M. Field", written in a cursive style. The signature is positioned above a horizontal line.

Hugh M. Field, Chairperson