

MINUTES
WATERLOO REGIONAL AIRPORT BOARD
Wednesday September 2, 2020

I. ROLL CALL

Chair Arlene Humble called the meeting to order, via Zoom, at 12:00 p.m.

Board Members Present: Arlene Humble, Gwenne Berry, Cary Darrah, Scott Voigt, David Deeds and Todd Holcomb.

City Officials Present: Council Persons Margaret Klein and Ray Fuess.

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

Other Attendees: Doug Schindel, AECOM.

II. AGENDA AS RECEIVED OR AMENDED

No comments, no motion.

III. PUBLIC COMMENTS

None.

IV. REPORTS

A. Airport Director

Mr. Voigt asked what the cost of closing Runway 6/24 will be. Mr. Kaspari stated the cost would most likely be less than \$8,000.00, not including staff time for tasks such as grinding pavement markings.

Mr. Voigt asked about testing of AFFF Foam on the airport fire trucks and whether CARES Act funding being put back is now being obligated.

Mr. Kaspari stated none of the CARES Act funding has been obligated yet. Even once high priority airport improvement projects begin, \$300,000 is being held back to cover operating costs in case of COVID-related revenue shortfalls.

In addition, \$150,000 is being held back to supplement PFC Revenue in case it's needed for city matching funds for FY-21 or FY-22 FAA projects, if those grants are not issued at 100% funding, but rather 90/10 funding allocation.

B. Monthly Planning & Development Report – N/A

C. Legislative Information - No discussion.

D. Misc. Monthly Airport Reports

Reviewed July budget report, Airline stats, On-Time Performance and Fares. Mr. Voigt asked if the Year over Year reduction in Rent & Lease (\$8,960) is due to the lease deferral granted to Livingston Aviation.

Mr. Kaspari stated partially but pointed out that other items that go into Rent & Lease are also down, including car rental commissions.

Mr. Voigt also mentioned that a neighbor told him about a situation where he received very poor service from the Avis-Budget counter at the Airport. Mrs. Humble stated that one of her employees had a similar problem with Avis-Budget.

Mrs. Berry asked what can be done, as poor customer service from a Terminal tenant reflects poorly on the Airport as a whole. Mr. Deeds asked if this is a franchise or corporate location. Mr. Kaspari stated he believes it is a franchise. Mr. Deeds stated that Mr. Kaspari may need to approach the franchiser.

Mr. Deeds also asked if Hertz has been approached about moving their operations from University Ave to the Airport instead of operating out of both locations.

Discussion followed.

V. BOARD APPROVAL

A. Approval of Minutes of the July 28, 2020 Regular Meeting

Mr. Voigt moved that the minutes of the July 28, 2020 meeting be approved, seconded by Mrs. Berry. Ayes: 5. Motion carried.

B. Motion to Receive and File July 2020 Expenses

Mr. Voigt moved that the July 2020 expenses be received and filed, seconded by Mr. Deeds. Ayes: 5. Motion carried.

C. Motion to Receive and File August 2020 Expenses

Dr. Holcomb moved that the August 2020 expenses be received and filed, seconded by Mrs. Darrah. Ayes: 5. Motion carried. Mr. Voigt asked about the cost of lighted barricades for closed Runway 6/24 at \$800 per month, and if those need to be lighted 24/7.

Mr. Kaspari stated that FAA is requiring the lighted barricades remain in place until the yellow painted X's have been completed.

VI. OLD BUSINESS

A. Update: Osprey Aviation

Mr. Kaspari stated that with the favorable weather contractors are making good progress on the new hangar construction, which may be complete before their anticipated completion date of July 2021. He also pointed out the pictures included in the Board packet.

B. Update: Status of Agreement with Kingfisher Aviation.

Mr. Kaspari stated that there is still not an executed document and City Attorney, Martin Petersen, continues to experience communication challenges. Kingfisher is close to placing all utilities in their name.

Mrs. Berry asked if there is a deadline for signing the document. Mr. Kaspari stated no deadline has been issued.

Mr. Deeds questioned the status of Hangar 4. Mr. Kaspari gave an update on work that is being completed, including mold mitigation.

C. Update: FY-2020 FAA Funded Projects

Mr. Kaspari stated that FAA Grant #46, Terminal Apron and Taxiway work and Obstruction Mitigation, is on the agenda to be accepted by Council next week, as is the Professional Services Agreement with AECOM for the project.

D. Update: Iowa DOT CSVI Funded Projects:

- FY-2019 Replacement of Terminal Carpeting
- FY-2020 Hangar 4 Improvement Project

Mr. Kaspari stated that the contractor is placing the order for carpet and they hope to have it installed prior to November 1st. Doug Schindel shared the design and carpet selections.

VII. NEW BUSINESS

A. Outstanding Fees Owed by American Airlines

Mr. Kaspari shared background information on the Airline Agreement, which dates back to July 2018, and the additional rent and fees that American Airlines agreed to pay, but remain outstanding.

Mrs. Humble stated that trying to get additional fees from AA may not be possible in the current situation.

Mrs. Humble suggested that we try to recruit some type of Air Cargo carrier to supplement revenue. This could also help to replace the revenue we currently receive from American if things get worse and they would have to leave the

market. Dr. Holcomb stated that American carries the most debt of any Legacy carrier.

Mr. Deeds stated that the outstanding amount owed should not be written off in case American ends up filing bankruptcy, as we may be able to claim a portion of what's owed to us.

Mrs. Darrah stated that in a worst case scenario we could become an "Executive Airport" for private corporate jets, and that a large local employer had mentioned this to her.

Mr. Deeds suggested that Mrs. Darrah follow up with that employer to inquire as to what services they would require that aren't currently available for their corporate travel, as many other local businesses do operate their jets in and out of Livingston Aviation.

B. Review of Parking Revenues Received YTD in Contrast with Previous Years

Mr. Kaspari stated that if parking revenue remains at the current level we may need to start drawing down on our CARES Act funding to make ourselves whole for FY-21.

Mrs. Berry stated that we may need a brainstorming session for everyone to throw out any and all ideas for new revenue streams.

C. Air Service Working Group – Marketing Sub-Committee

Mr. Deeds gave an update on marketing efforts and stated that the funds raised to pay the retainer for consultant, Volaire Aviation, will likely run out at the end of 2020.

He stated that the marketing sub-committee is concentrating on social media marketing. Mr. Kaspari stated that the website should be re-done by the 4th quarter of 2020 or 1st quarter of 2021. Mr. Deeds stated the ASWG is also working on a passenger survey.

VIII. STAFF AND BOARD MEMBER COMMENT

None.

IX. ADJOURNMENT

Mrs. Darrah moved the meeting be adjourned at 1:17 p.m., seconded by Mr. Deeds. Ayes: 5. Motion carried.

Respectfully submitted,


Arlene Humble, Chairperson