

**MINUTES**  
**WATERLOO REGIONAL AIRPORT BOARD**  
**Tuesday, June 23, 2020**

**I. ROLL CALL**

Chairman Hugh Field called the meeting to order, via Zoom, at 12:02 p.m.

Board Members Present: Chuck Needham, Arlene Humble, Gwenne Berry, Cary Darrah, Scott Voigt and Hugh Field.

City Officials Present: Council Member Margaret Klein.

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

Other Attendees: Doug Schindel and David Hughes, AECOM; Todd Holcomb, New Board Appointee (not yet Council approved).

**II. AGENDA AS RECEIVED OR AMENDED**

Moved by Mrs. Humble that the agenda be approved, seconded by Mrs. Berry. Ayes: 5. Motion carried.

**III. PUBLIC COMMENTS**

None.

**IV. REPORTS**

A. Airport Director

Mr. Field asked for more information about the Hertz bankruptcy filing and whether they are still operating or paying.

Mr. Kaspari stated that he has been in touch with the Director of Properties, who stated that he will release information about their restructuring as it becomes available.

Mr. Field asked about upcoming Iowa DOT funding levels and whether the reduced amount includes the Air Service Development funding.

Mr. Kaspari stated that the FY-21 Commercial Service Vertical Infrastructure has been announced at a reduced level but the Air Service Development funding level (for marketing of air service) will not be announced until late summer / early fall.

Mr. Field asked about federal AIP funding. Kaspari provide return comment that for the federal funds that Waterloo Regional Airport will receive, approximately \$3,000,000 of the estimated \$4,855,855 will receive via FAA Grant No: 46 will not require a 10% local match.

ALO will also be using its full FY-2021 funds at \$1,000,000, and approximately \$351,000 of FY-2022's entitlement funds, whereby the FAA at this time, cannot provide any guarantees that they will be able to support the use of the 21 & 22 funds at 100%.

Therefore, the FAA has directed Staff "to plan" for the need of supporting the 21 & 22 funds with 10% matching funds estimated to be \$132,500.

As a reminder, the City and ALO needs to provide \$100,000 for every \$1,000,000 in Airport Improvement Program (AIP) funds received for project development.

- B. Monthly Planning & Development Report – N/A
- C. Legislative Information – No discussion. Information in Member's Packets.
- D. Misc. Monthly Airport Reports

Reviewed and discussed the YTD budget, AA Performance and surveyed airfares.

Mr. Kaspari stated that May enplanements were way below normal but at least they were better than April. He stated that American Airlines is returning to 2 flights per day beginning July 5<sup>th</sup>.

Mr. Field questioned the amount of YTD overtime and if this was excessive. Mr. Kaspari stated that staffing levels must be maintained to comply with FAA Part 139 regulations and, with the small staff we have, anytime one of the Maintenance Techs or Foreman uses time off, the person covering their shift is going to be paid at least some overtime.

Mrs. Humble asked about the expense for mowing equipment and wondered if that work, as well as snow removal, could be contracted out to save money on maintaining equipment, reducing overtime, or the need for an additional Maintenance tech.

Mr. Kaspari stated that the mowing equipment is leased so we don't have to pay to maintain it. Also communications with the Air Traffic Control Tower must be maintained when operating on the airfield to prevent vehicle deviations.

Our personnel are trained on that while a subcontractor wouldn't have an aircraft radio and would need to be trained to communicate with Air Traffic Control.

Mr. Kaspari stated, however, that this could be looked into.

Mrs. Berry moved that reports be received and filed, seconded by Mr. Needham.  
Ayes: 5. Motion carried.

## **V. BOARD APPROVAL**

### **A. Approval of Minutes of the May 5, 2020 Regular Meeting**

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

### **B. Motion to Receive and File May 2020 Expenses**

Mrs. Humble moved that the May 2020 expenses be received and filed, seconded by Mrs. Berry. Ayes: 5. Motion carried.

## **VI. OLD BUSINESS**

### **A. Update: A-Line / POS Airline Hangar (Progress Update).**

Mr. Kaspari stated that construction is complete, for the most part. A permanent Certificate of Occupancy has been issued and aircraft were moved in on June 2<sup>nd</sup>.

### **B. Update: Osprey Aviation (Progress Update).**

Mr. Kaspari stated that work is continuing on utility infrastructure. Contractors are getting close to the point of pouring footings.

### **C. Update: Status of Agreement with Kingfisher Aviation.**

Mr. Kaspari stated that the City Attorney (Martin Petersen) has sent a draft lease to Kingfisher, which they have forwarded to their legal counsel for review. Mr. Petersen has had limited success with return communications.

Mr. Kaspari also stated that the floor work Kingfisher had agreed to complete when the Board approved the reduction in lease rent during the March meeting has not been completed.

### **D. Update: Air Service Working Group – Marketing Sub-Committee.**

Mr. Kaspari stated that the COVID PSAs will continue to show through the end of June, and that the COVID video was well received.

The Marketing Committee of the Air Service Working Group is currently working with officials from Advance Aviation to prepare for the release of a Second Video to encourage travel.

Kaspari continued, that unfortunately, Staff will not be able to jump-start marketing efforts beginning July 1<sup>st</sup>, as we were unable to do any purchases in advance or complete pre-buys due to our June 30<sup>th</sup> fiscal year-end.

Mr. Voigt questioned air travel and wondered what Mrs. Humble is seeing from her position in the travel industry.

Mrs. Humble stated that they are seeing no business travel, and industry-wide travel is very slow, not just air travel.

Mrs. Humble continued that her travel agency staff have been busy re-booking flights and cruises, but have had very little new travel to book.

## **VII. NEW BUSINESS**

### **A. Use of FAA CARES Act Funding.**

Review of Staff Recommendations for Use of Funds.

Mr. Kaspari reminded the Board that we are to receive just under \$1,100,000 in CARES ACT funding. Board members reviewed the memo detailing projects and priorities.

Based on estimated costs only, we will not be able to complete all of the projects listed. Mr. Field asked if we needed to upgrade deicing equipment.

Mr. Kaspari stated yes, but that's not a high priority item at this time.

### **B. Update FY-2020 FAA Funded Projects.**

Board and Staff reviewed the bid tabs for the GA and Terminal Aprons, Taxiway Bravo, and Tree Clearing projects.

Mr. Voigt asked how the Engineer's estimate missed the bid tabulation estimates by 15%.

Mr. Schindel of AECOM (Consulting Engineers) stated that they feel COVID affected the bids, as all five (5) bids received were fairly close.

Mr. Kaspari stated that the work may have to be scaled back as the low bid was higher than the expected FAA funding allowed, pending additional discussions with FAA officials, but projects will be funded @ 100%, with no local match.

Scott Voigt signed off at 1:00 p.m. due to another commitment.

C. Update of Iowa DOT CSVI Projects:

1. Hangar 4 (Interior and Exterior Improvements)
2. Replacement of Terminal Carpet (First Floor Lobby, Baggage Claim and both Main and Rental Car / Baggage Claim entrances)

Reviewed bid tabs for the above two Iowa DOT CSVI projects.

Mr. Kaspari stated that there will only be enough funding to complete the base projects.

Alternates 1 and 2 of each project will have to carry forward to a future project.

D. Draft Memorandum of Understanding for Deferral of Lease Rent for A-Line ALO, LLC

Board and Staff reviewed the Draft copy of an MOU.

Mr. Kaspari reminded the Board that this was necessary due to the ongoing dispute with Kingfisher Aviation regarding the amount of space between the Kingfisher Corporate Hangar, and the new A-Line / POS Hangar.

Mr. Kaspari agreed to cover half or 50-percent of the additional cost for the need of additional apron pavement, through the concept of lease rent deferral to construct the additional airside pavement necessary to move the hangar from the intended placement and provide extra access space between the hangars.

This agreement will defer ground lease rent until May 1, 2024.

Mr. Kaspari stated there will likely be a similar deferral for some of the costs incurred in construction of the Osprey hangar.

Mr. Field asked for a motion recommending approval of the Memorandum of Understanding, but none was offered.

Mr. Kaspari will send this item to City Council for approval, without a recommendation from the Airport Board.

E. Request by Paul Wallace for Use of the Terminal Building for New Civil Air Patrol Squadron.

Mr. Kaspari provided background on plans for a new Civil Air Patrol Squadron at ALO, and stated they would like to meet in the Terminal Building Restaurant / Vending area.

F. Update: Chapter 11 Bankruptcy Filing by The Hertz Corporation.

(Previously discussed).

**VIII. STAFF AND BOARD MEMBER COMMENT**

Board members exchanged thank yous and farewells to Hugh Field, who is at the end of his 2<sup>nd</sup> term, and Chuck Needham, who is resigning his Board appointment due to his upcoming retirement from John Deere and plans to move out of state.

**IX. ADJOURNMENT**

Hearing no objections, Mr. Field adjourned the meeting at 1:15 p.m.

Respectfully submitted,



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Arlene Humble. Chairperson