

**AIRPORT ADVISORY BOARD MEETING
SANTA FE MUNICIPAL AIRPORT
121 AVIATION DRIVE, BUILDING 3002B
June 2, 2016, 4:00 pm**

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**AIRPORT ADVISORY BOARD MEETING
SANTA FE MUNICIPAL AIRPORT
121 AVIATION DRIVE, BUILDING 3002B
June 2, 2016, 4:00 pm**

1. CALL TO ORDER

The meeting of the Airport Advisory Board was called to order by Stephen Ross, Chair, on June 2, 2016 at 4:00 pm, at the Santa Fe Municipal Airport, 121 Aviation Drive, Building 3002B, Santa Fe, New Mexico.

2 ROLL CALL

MEMBERS PRESENT

Stephen Ross, Chair
Chris Ortega, Vice Chair
Eleanor Ortiz
Troy Padilla
Michael Szczepanski
Bud Hamilton

MEMBERS ABSENT

Simon Brackley, Excused

OTHERS PRESENT

Cameron Humphres, Airport Manager
Becky Casper, Airport Administration
Kent Freier, Molzen Corbin
Kristy Stephens
Kevin Britt
James Broyan, Enterprise
Justin Lisonbee, Enterprise
Bob Wood, Tower Manager
Mario Valdez, United Airlines
Kathryn Odell, Envoy Air
Elizabeth Martin, Stenographer

3. WELCOME NEW BOARD MEMBERS

Chair Ross welcomed Bud Hamilton and Eleanor Ortiz to the Board. He asked them to introduce themselves.

Ms. Ortiz said she asked to be on this Board when the notice went out in the paper. She spent forty years in education in Santa Fe and taught school here. She

thinks education is very important and the Airport and the service it provides to the community are very important in terms of economic development. She is looking forward to working with the other Board members.

Mr. Hamilton said he and his wife are transplants from the Midwest. They have been here for twelve years. They are both retired and have gotten very involved in the community, mostly in the nonprofit world. He is interested in the Airport Advisory Board from the perspective of a customer of the airport. It is an important link to economic development. It is the entry point for many tourists and that is very important to the economy.

Chair Ross said welcome and thank you for serving.

4. APPROVAL OF AGENDA

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

VOTE The motion passed unanimously by voice vote.

5. APPROVAL OF MINUTES May 5, 2016

Mr. Ortega said on page 5 at top of the page, first line, it should say if the VOR checkpoint is functional.

Mr. Szczepanski said on page 1 his name is spelled wrong. The first name is Michael as well. Under others present, Jeff Miller is Signature Flight Support. Dominick is also spelled wrong. Runway 220 is really runway 2 and 20. On page 4 his name is spelled wrong. On page 5, under citizens communication, Mr. Krohn was concerned that the hangars are private property.

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

VOTE The motion passed unanimously by voice vote.

6. OLD BUSINESS

A. TERMINAL CONSTRUCTION UPDATE

Mr. Humphres said Mary was unable to attend today. Regarding the project, we

have reached substantial completion. We have left a wall that is separating us from the Gate 2 area. We are missing some hardware for the door that we are waiting for and there are a couple of small items. On the other side of terminal there is supposed to be a sliding door. We have a temporary door there for now. We got the sliding door in but, it was the wrong door. It will take another four weeks to get the correct door in. We need to get some furniture and are working with the City to be able to go and buy some furniture. That was not in the budget.

Mr. Humphres encouraged everyone to go see the changes. The Café has not started operations yet but it will in the next couple of weeks. We expanded the gate area and relocated the check point. We made some good improvements but the terminal is not where it needs to be long term, over five years. It is a good first step.

Ms. Ortiz asked the gravel parking lot, is that in the twenty year plan.

Mr. Humphres said we will try to make it in less than twenty years. Part of the expansion upgrade is paving the parking lot. In the interim we are working with City parking, who is responsible for the lot in so far as striping, pay stations and they collect the revenue and return it to us. They are working on a plan for better traffic flow. We don't have funds at this time to pave the gravel area. It will be that way until we get to the terminal remodel. It will be within five years.

Mr. Padilla said the handicapped door button does not work.

Mr. Humphres said we are still waiting on hardware for that. In the interim, on nice days, our maintenance folks keep the doors propped open for better access.

Mr. Padilla said with the expansion of the holding area has the flow changed. Before it seemed that TSA waited until the very last minute to allow folks to board. Has that changed.

Mr. Humphres said we just had a meeting with TSA today and talked about that very topic. We have agreed that the checkpoint will be open an hour and a half prior to departure. The first twenty minutes will be for pre check. They have to reconfigure the machines from pre check to regular checks due to us only having one line.

Ms. Odell said they still go through pre check; they just don't have to take their shoes off. They do have to take the laptop out.

Mr. Humphres said we also made an agreement with them that we will put on our website that passengers should arrive a minimum of one hour prior to departure.

Mr. Padilla asked what about the restrooms, how are they working. There are only two restrooms. Do they seem to be flowing ok.

Mr. Humphres said they seem to be working just fine. Right now we don't have our capacity of one hundred passengers in there. Generally it is fifty or less. After we open up the entire area and on the rare occasion that we have a plane delayed we will see.

Mr. Hamilton asked have we made improvements in the baggage handling as part of this process.

Mr. Humphres said there was a design flaw with the baggage. We do have a better dedicated area. It is not where it needs to be ultimately. We have created a specific area for baggage claim that is bigger than before. We have issues with the baggage belt and we are working with the engineers to get that improved.

Mr. Hamilton asked what about speed. Here you get off the plane and you wait and wait.

Mr. Humphres said perception is everything. In a larger airport you may walk for ten to fifteen minutes to baggage claim and your bags come after that. Here it is one minute to baggage claim so it seems that you are waiting an eternity. It is also the way in which the valet bags are dealt with. They take them off first for the passengers then take off the other bags and bring them to the airport. We may be able to change people's perception a bit. Maybe we can we give passengers on an electronic message board a clock with estimated time of arrival for bags. We are in conversations on that to make it a better experience.

Mr. Hamilton said it seems we are staff capacity constrained.

Mr. Humphres said the airlines have their own ground handlers. Staffing and cost for them is important but at the end of the day it is the same people at the ticket counter and the gate and baggage. They work very hard and fast. It would help to have more staff but that is difficult.

Ms. Odell said the lighting in the lobby area is pretty dim.

Mr. Humphres said the airport terminal was designated a Landmark. When they did the design for the remodel the H Board got involved in lighting. They did not want much in terms of lighting changes. We will have to address that when we talk about a future expansion which will be three to four times the area we have now.

Chair Ross said the terminal was not designated as a Landmark but we have that compromised situation.

Mr. Szczepanski asked is it possible that we as a Board can get in for a tour.

Mr. Humphres said yes, we are working on a ribbon cutting. We will do that.

B. BUDGET REQUEST UPDATE

Mr. Humphres said the City Council passed the budget. In that budget we asked for additional staff. We have lots of issues to address at this airport. We appreciate the support we got from this Body, Ike, the Mayor, the City Manager and the Council who supported that. We may be the only Division in the City where they approved additional staff.

Mr. Ortega said it was two FTEs.

Mr. Humphres said it is four additional FTEs. Operations, Maintenance Supervisor, an additional Maintenance position and a Custodian. We also reclassified Becky's position. His agreement with the City was we would find and build in the revenue streams to support those staff and then hire them.

Mr. Padilla said we have another FAA Inspection coming up. In previous inspections they did note that additional staff was needed. Will they be hired by then.

Mr. Humphres said he can't say if we will or won't. We can talk to the FAA Inspector and tell him the staff plan that has been approved. The last inspection was in December. It is easier for us to deal with a full Airport inspection without dealing with snow.

Ms. Ortiz asked do we get funding from the City and the Feds.

Mr. Humphres said yes, but no funding from the County. For Operations and Maintenance the majority of the revenue is generated from rates and fees. We have a \$2.5 million budget. Of that, we receive \$146,000 subsidy from the City. They had been subsidizing us for \$500,000 but my agreement and goal is over the next three to five years we will be off the subsidy. For capital improvements 93.75 % comes from federal grants from the FAA. The State usually matches 3.125% with a local match of 3.125% of that depending on the project. We are about to start a new passenger facility charge which is revenue we will get from the airlines that we can use for capital improvements. This is something we should be proud of. We are nearly self sufficient. We are also paying for fire coverage, legal support, administrative support and security as well.

7. NEW BUSINESS

A. REQUEST FOR QUALIFICATIONS - ARCHITECTURAL/ENGINEERING SERVICES

Mr. Humphres said airports are always under construction. In order to complete those tasks the FAA requires that we go about a process of selecting our architectural/engineering services. The only communication allowed is done through the key person at the airport, not Board members, City Council or City staff. There are strict guidelines for those services. You can only contract for five years at a time. We go out and ask for applicants, they apply, we go through a selection process and negotiate the price and enter into an agreement with them for five years. It is a Master Service Agreement. Our current agreement is with Molzen Corbin. It is expiring at end of July. We have to go out and go through the process of selecting a vendor. All of the information is in the packet. He reviewed the information. We need a three person Selection Committee and we would like for one of those three to be an Airport Advisory Board member. We are asking for that today. Also, someone on the Selection Committee has to be an engineer.

Chair Ross asked is there going to be a gap between the end of the current contract and next.

Mr. Humphres said we can continue to work with them on existing task orders. We just can't enter into any new task orders until the selection is made.

Mr. Ortega said he an engineer but is also part time pilot for Armstrong Consultants and they are a firm who might submit so he would have to recuse himself.

Mr. Humphres said we have engineers within the City that we can reach out to.

Mr. Hamilton asked can you explain the lack of consideration on the cost side until after the selection.

Mr. Humphres said the FAA does that because they want the best qualified engineering firm to do the work. They allow you to negotiate cost after the firm is selected. Certainly there is an understanding of what typical costs are. You can get their costs and ask another firm to do an independent fee review or ask the FAA to do a fee review as well. These are Federal dollars.

Chair Ross said the New Mexico Procurement Code has the same set of requirements.

Mr. Padilla said he is interested in serving

Mr. Ortega nominated Mr. Padilla to be on the Selection Committee.

MOTION A motion was made by Mr. Padilla, seconded by Mr. Szczepanski, for Mr. Padilla to serve on the Selection Committee for the Engineering Firm.

VOTE The motion passed unanimously by voice vote.

B. REQUEST FOR PROPOSAL - RENTAL CAR CONCESSIONS

Ms. Casper said we do have the RFP for Rental Car Concessions coming up. The current agreements expire on June 21, 2016 and allow for a sixty day hold over. We will communicate with the two companies on the property. The FAA does require that we receive fair market value for services. We will be looking at key matrixes for how we drive the decision. Those will be in the RFP that will be published next Friday. Bids will be due by July 8th and the agreement on September 12th. The only communication allowed is done through the key person at the airport, not Board members, City Council or City staff. We are requesting the Advisory Board designate one member to sit on that Selection Committee as well.

Chair Ross asked how many Rental Car Concessions do we currently have.

Ms. Casper said two, Hertz and Avis. We are asking for three in this RFP and we can do an off site concession agreement as well.

Chair Ross asked does this open the whole thing up.

Ms. Casper said yes.

Chair Ross asked when it says fair market value is this process going to establish the market.

Ms. Casper said the square footage of the space they receive X the number of dollars per square foot will be part of it. There are also other components. Currently, we do have three different size spaces so the rents will not be the same. We will designate what the price is for that space. It will be a rental.

Mr. Padilla asked with a 3rd Rental Car Company coming here, what is the staging area going to look like and the overflow parking.

Ms. Casper said we did take those things into account. We have X number of spaces we can utilize. We may engage with another rental car company but may not allow a complete fleet of cars. We want the operations to be convenient and prosperous for the company but also have spaces for passengers to park.

Mr. Padilla said you will get monies from another source that you are not getting now.

Ms. Casper said yes. We have overflow parking in the gravel area as well.

Mr. Padilla asked if the rental car company turns out to be an offsite company do they still have to pay the Airport.

Ms. Casper said yes. Her goal is to have all three on site.

Mr. Humphres said we would like to have three providers and that is based on limited space. We also can enter into agreements with other vendors off site. We have opportunities there as well.

Mr. Szczepanski asked if they are all going to be paying the same rate by square foot, what are the differences in the proposals.

Ms. Casper said what they think their annual gross revenues will be.

Mr. Humphres said the RFP will delineate what we are looking for regarding financial remuneration but are looking for anticipated revenue per year and their minimal annual guarantee. Each vendor will have to pay that regardless of how much business they do. It is also important how long they have been in business, are they nationally recognized and what can they offer the community.

Mr. Padilla asked does this somehow open the door to taxis and Uber and others.

Mr. Humphres said he went to AAEE in Houston. One breakout session was how to deal with Uber and Lift. Before they were opposed to paying fees on airports but have changed their stance now. They have entered into agreements at some airports. When one of their drivers enters the airport they pay a fee. He will be exploring that more in the future. It does not open the door. It is a separate thing but there are pathways.

Chair Ross asked the additional revenue from the 3rd rental car, will that help you to reach some of our goals.

Mr. Humphres said we don't necessarily have all the rental car companies who are nationally recognized at the Airport. If a passenger wants to use a company not at the Airport we capture that and it is additional revenue as well. If people want to rent a car locally and they rent it out at the Airport we can generate revenue there as well.

Mr. Padilla said there was a study at one point where a rental car company lowered their prices and then the other two lowered their prices to compete. On concessions it could happen.

Mr. Humphres said we had a similar issue at a previous airport. Over time you can't make up a loss in volume. It does not last long. Most of the major rental car companies have pricing structures that are a bit more nationally focused. It can happen but he doesn't see that as a big problem.

Mr. Hamilton asked do we currently have a Uber/Lift policy that closes the door.

Mr. Humphres said no.

Chair Ross said we have had some concerns from rental car companies and the local shuttle in the past.

Mr. Humphres said he doesn't want to close the door. The challenge is how to have them contribute to the revenue of the Airport if they want to operate at the Airport. Now Uber and Lift have acknowledged they want to be partners with airports.

Chair Ross asked is someone interested in serving on this Selection Committee.

Mr. Hamilton asked how much is the time commitment. He is glad to help but knows nothing about rental car companies.

Chair Ross said the process is the same for selection no matter what the product is. The time involved is reviewing the proposals and going to a committee meeting and ranking the proposals. Possibly a follow up meeting with vendors. Proposals can be long.

Mr. Hamilton volunteered to serve.

MOTION A motion was made by Ms. Ortiz, seconded by Mr. Szczepanski, for Mr. Hamilton to serve on the Selection Committee for Rental Car Concessions.

VOTE The motion passed unanimously by voice vote.

C. WILDLIFE HAZARD MANAGEMENT PLAN

Mr. Humphres said we are required by FAA to have a Wildlife Hazard Management Plan as part of our Part 139 operation. The FAA asked us to update ours. We hired a consultant to go out and update the plan. Mark worked hard with the consultants to make it happen. It is completed and we have received our permits. The end result is wildlife and airplanes don't mix. This sets up guidelines on how we manage our airfield to mitigate the risk.

Mr. Szczepanski said we used to have a prairie dog guy. We have a lot of prairie dogs at the end of 20 now. We also had a real dog problem for a while on the SW side of the field.

Mr. Humphres said he will be dealing with that in the manner established. If you ever see wildlife on the field call the tower and let them know if you are in an airplane. Otherwise let us know.

D. JULY AAB MEETING DATE

Mr. Humphres said the next meeting date is close to the holiday. Do we want to move.

The meeting date was discussed. It was decided to meet on the July 7th.

8. PUBLIC COMMENT

Ms. Ortiz said she is very appreciative of the public taking their time to attend the meeting. She asked that they introduced themselves.

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

Chair Ross said he got a call from Ron Krohn who wanted to be here to commend Troy and his folks on how they handled the Phenom and the Colorado Pilots Association who came in on same weekend.

Mr. Ortega thanked Bob for looking into the check point. Is it a signage issue or something else that calls the check point to be unusable.

Mr. Humphres said it has not been flight checked. We are working on finding out why. We would like to add a sign in the future rather than have it painted on. We will have answers at the next meeting. We are working on it.

Mr. Padilla said a flight school has relocated here temporarily from the Dallas area. Most of them are cross country. They are finalizing getting their pilot license, instrument to commercial. Eventually they will go on to Chinese airlines to be pilots for them. They are all Chinese. It is challenging on the radio at the beginning. We are trying to get a meeting with their operations guy.

Mr. Wood said he has one tomorrow.

Mr. Padilla said they will be here till the end of July. The weather has been so bad in Dallas that they backlogged and relocated here. It is the US Aviation Academy. They are located on the north ramp and are using one row of tie downs. They will be departing at 9:00 at night and back at 2:00 in the morning. They have a morning flight as well. Three go out in the morning and three or four at night.

Mr. Szczepanski asked do they have a radio call sign.

Mr. Wood said one of the issues is they do not use call signs but they use their

tail numbers, however, they do not verify that the center has the correct tail number or aircraft type so when they came in today it was a real zoo. We will be discussing that tomorrow with their manager. Also we want to make sure the instructors are on top of the students.

Mr. Padilla said it sounds like they will go back to Double Eagle to do check rides. There are thirty students.

Mr. Humphres said we changed the agenda format and want to make sure the change is positive.

Everyone said it looks good.

Mr. Szczepanski said the last three months he has not received the packet beforehand. He used to get it sent to him.

Mr. Humphres said the avenue is to go to the website.

Mr. Hamilton asked are all the supplemental materials on the website.

Mr. Humphres said yes. There won't always be supplemental information.

Mr. Ortega said in the past we used to get the information emailed to us. At times we have had bulky things and for those instances we should get a paper packet with enough time to review it.

Mr. Humphres said we want to reduce paper as much as possible but we can review that on a case by case basis. Review on line is preferred.

Ms. Casper said we are moving forward in getting things more fine tuned and how it should be. Potentially for next fiscal year can get each of you a binder to hold your information. If you want the information ahead of time you could come pick up the binder before the meeting.

Chair Ross said that makes sense.

Mr. Ortega said it would be helpful if done earlier.

Mr. Humphres said we can look at getting Ipads.

Ms. Casper said regarding the bios on the new members, please email them to her so she can work on reformatting the website and get them in.

Mr. Humphres said Michael asked why the runway lights are on all night. Our system is not designed to have pilots turn them off but we are looking at how we acquire

that. Also Chris asked for a five year Capital Plan. We are still tweaking it and as soon as we have it completed we will send it out and will start to have quarterly reports.

Chair Ross asked where are we on the Master Plan.

Mr. Humphres said we had a meeting with the team three weeks ago. He went through the document and made comments. Just today they sent him an update with proposed changes. He anticipates in July they will reconvene and will be close to a final draft. We will need one more meeting with the committee then we will start the process of rolling it out.

Chair Ross asked are they working through Molzen Corbin.

Mr. Humphres said even though their contract ends they are under a current task order for this.

Mr. Ortega asked what about driver training and the key pads update.

Chair Ross said there was a Policy developed and passed by the Board.

Mr. Humphres said he will look into it.

10. NEXT MEETING DATE

July 7, 2016.

11. ADJOURN

MOTION A motion was made by Mr. Ortega, seconded by Chair Ross, to adjourn the meeting.

VOTE The motion passed unanimously by voice vote.

The meeting adjourned at 5:30 pm.

Stephen Ross, Chair



Elizabeth Martin, Stenographer