AIRPORT DEVELOPMENT BOARD
January 10, 2024

MINUTES

MEMBERS PRESENT: Gray Bridwell, Chairman, Lori Dodd, Vice-Chairman, Robert Lopez, Nanci Liles, Jordan Hibbs, Kirk Thaxton, Randy Williams, Woody Gilliland, James Boone, Cindy Haley, Steve Krazer

MEMBERS ABSENT:

AIRPORT STAFF: Don Green, Zachary Cothern, Jason Groves, Alex Cargile, Marylu Thornton

CITY EMPLOYEES: Stanley Smith, City Attorney

VISITORS:

1. **Call to order and Introductions**

The meeting was called to order at 3:35 pm. Mr. Steve Krazer was sworn in as the newest Airport Development Board member.

2. **Consideration and Action approving Minutes of the October 11, 2023 meeting**

Mr. Bridwell asked if there were any corrections to the Minutes for the October 11, 2023 meeting.

Hearing none, motion to accept made by Mr. Williams, seconded by Mr. Boone. Motion passed.

3. **Agenda Items:**

1. **Airport Management Report:**

a. **Review and acknowledgement of Statistical Report**

Enplanements are up 46% for the month of December over 2022 with a 5% cumulative increase for the year. This is due to larger aircraft and more flights per day. It appears these flights are leaving mostly full. Parking lot revenue is up at $86,100 for December. Avis was down 3% and Enterprise was up 16% for the month.

b. **Regulatory and Legislative Issues Update**

The Federal Government does not have a FY24 budget and is in a continuing resolution. This is delaying airport funding for the Area B Road project. There is a continuing resolution in place through January 19th. There is discussion on extending the continuing resolution through February or March.

c. **Update on current projects:**

Terminal Improvements – Parkhill is doing a good job on creating design concepts. Staff had a meeting in November discussing design concepts relating to the Master Plan, as well as, other options. Funding is a major issue in this project. There is a possibility that the cumulative cost of all renovation phases comes close to the cost of a new terminal. This possibility may also be explored.

Forest Service Ramp Project – The airport is reviewing the options with Garver Engineering. Airport staff plans to visit an active forest service ramp to see review best practices. It is expected to have bids in hand by the end of June with a start date around September 1st. Construction is expected to take 18 months. There are gas lines that will have to be relocated.

Car Rental QTA – This will begin to see movement now that the rental car agencies have new contracts becoming active. The design is 60% complete. The CFC fee is supporting this work. The QTA is planned to be located on Bonanza Rd.
Outstanding Maintenance – Indoor escalators are still having trouble. Staff has asked for a rebuild quote from Schindler. The new terminal project looks to remove the escalators, which are unreliable and expensive to repair.
Terminal Restaurant and Vending Services – GoGogiri is doing a great job. They have developed a large off-airport following with a healthy delivery setup. They have added friend chicken sandwiches which are doing well. Josh Rader has replaced the vending machines from the previous contract. There appears to be an issue with cellular data availability.
Dyess Collaboration – The airport is working with the Air Force to develop a syllabus for military personnel who would shadow local commercial airports.

d. **Air Services and Business Development Update**

The airport is working to implement digital signage. This should increase advertising revenues. Item 5 discusses advertising rates.

4. **Discussion and Action to Approve a Recommendation to City Council for a Concession Agreement with Brevard Capital Group, Inc.**

The City performed a Request for Proposers for the third rental car counter at the airport. Brevard Capital was the successful proposer. This contract would bring Hertz back to the terminal. The contract has a minimum annual guarantee to protect the airport. The Airport will receive 10% of gross revenue with a minimum of $70,000 for the first year. This item would recommend to City Council approval of a contract. The rental car counter is current unfilled.

Motion to accept made by Ms. Haley. Seconded by Mr. Thaxton. Motion Approved.

5. **Discussion and Action to Approve Recommendation to City Council for Advertising Rates.**

With the new digital advertising in the terminal, this is a good time to update and establish new rates and charges. The Airport hopes to establish advertising pricing and add these prices to the official City rates and charges. There are 12 displays total. The airport is also introducing welcome messages or custom messages. For military personnel this would be complimentary. The airport will introduce vertical banners. There will be a coffee station sponsor. The airport will not be creating these advertisements. The airport will reach out to advertising companies and the Chamber of Commerce.

Motion to accept made by Ms. Haley. Seconded by Ms. Dodd. Motion Approved.

6. **Discussion and Action to Approve Recommendation to City Council to Amend the Airport Development Board's By-Laws.**

These proposed changes will bring the Airport Development Board rules in line with City Council by-laws. Abilene Regional Growth Alliance is the new Abilene Industrial Foundation.

Motion to accept made by Mr. Thaxton. Seconded by Mr. Williams. Motion Approved.

7. **Discussion and Action to Approve Recommendation to City Council to Elect a Chair and Vice Chair for 2024.**

Mr. Bridwell was proposed for Chairman by Ms. Liles and seconded by Mr. Boone.

Motion to accept made by Ms. Haley. Seconded by Mr. Krazer. Motion Approved.

Ms. Dodd was proposed for Vice Chairman.

Motion to accept made by Ms. Haley. Seconded by Mr. Williams. Motion Approved.

8. Discussion and Action to Approve Recommendation to City Council for a Concession Agreement with Avis Budget Group.

The airport met with the Avis representative. A new 5-year contract is ready to begin. There is no MAG associated with these companies due to their long-standing history with the Airport. The MAG is 85% of the previous year's gross revenue. They will have the ability to bid on the service centers. The airport will be allowed to write tickets for vehicles left on the curbside. Instead of a ticket, there would be a $25 fee assessed the rental car agency. The rental car agencies pushed back against the CPI changes on the rental car spots. The airport decided to keep a standard $20 per space. There is a CPI change for rent.

Motion to accept made by Mr. Boone. Seconded by Ms. Liles. Motion Approved.

9. Discussion and Action to Approve Recommendation to City Council for a Concession Agreement with EAN Holdings LLC.

The airport met with the EAN representative. A new 5-year contract is ready to begin. There is no MAG associated with these companies due to their long-standing history with the Airport. The MAG is 85% of the previous year's gross revenue. They will have the ability to bid on the service centers. The airport will be allowed to write tickets for vehicles left on the curbside. Instead of a ticket, there would be a $25 fee assessed the rental car agency. The rental car agencies pushed back against the CPI changes on the rental car spots. The airport decided to keep a standard $20 per space. There is a CPI change for rent.

Motion to accept made by Ms. Liles. Seconded by Mr. Williams. Motion Approved.

10. Discussion and Action to Approve Recommendation to City Council for a Short-Term Airport Use Agreement for Big Country AirFest 2024.

This agreement allows for Big Country AirFest to use the northwest side of the Airport from May 3rd to May 6th.

Motion to accept made by Mr. Williams. Seconded by Ms. Haley. Mr. Krazer abstained. Motion Approved.

Executive Session:

Pursuant to Govt. Code Section 551.072, a governmental body may conduct a closed meeting to deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person. Additionally, Section 551.087 allows a governmental body to discuss or deliberate on commercial or financial information that has been received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the City and with which there may be ongoing negotiations or deliberate the offer of a financial or other incentive to a business prospect. Further, Section 551.071 provides that a governmental body may seek advice from its attorney regarding a pending or contemplated litigation subject, settlement offer, or attorney-client privileged information. Additionally, Section 551.076 provides that a governmental body may conduct a closed meeting to deliberate the deployment, or specific occasions for implementation, of security personnel or devices; or a security audit. After discussion in executive session, any action or vote will be taken in public.

The Executive Session was entered into at 4:41 and exited at 5:02 with no decisions being made.

11. Adjournment

Motion to adjourn made by Mr. Williams and seconded by Ms. Dodd. Motion passed. The meeting was adjourned at 5:04pm.

Signature of Chairman to confirm minutes: ____________________

Date: 4/24/24