

AIRPORT BOARD MINUTES

January 9, 2018

Sandy's Place Restaurant

Members Present: Justin Albright, Jeff Brune, Robert Cork, Ryan Dewrock, Joe Hobbs, Paul Mingus, Brian Ozark, Mark Seesing, Mark Welker

Others Present: Bruce Loy, Airport Manager; Katrina Amos, Deputy Airport Manager; Derrick Irwin, Flight Line Supervisor; Hannah Seesing, Administrative Clerk

I. Minutes of Previous Meeting:

The meeting was called to order at 11:33am. Mr. Welker moved and Mr. Mingus seconded the motion to approve the minutes from the December 12 meeting. The motion was approved with a unanimous vote.

II. Appearances:

None

III. Old Business:

A. Airport Activity Report – Mr. Loy discussed the Airport Activity Report. He reviewed the enplanement numbers for the first month of operation for United Express service to Chicago. He noted that the load factor was 17%, which was fairly good for the first month. In order to attain the required 10,000 enplanements for more entitlement funds the load factor would need to average about 32%, or an average of 16 passengers per flight. Mr. Loy also commented that during the month of December there was a lot of “non-rev” or United Employee travel due to training and station opening. He is unsure if those passengers counted toward the overall enplanement number. Overall, Mr. Loy was enthusiastic about the numbers and fully confident that with increased marketing and awareness of the service, these numbers should increase. Mr. Loy also briefly discussed the air traffic count reporting that the 2017 traffic count was up 24% from 2016.

B. Cape Aviation Report – Mr. Irwin went on to discuss the Cape Aviation Report. He reported that fuel sales were looking really good thanks in large part to the new airline purchasing “a lot of jet fuel”. He commented that the new airline bought as much fuel in one month as the previous airline did in six months. Due to this increase in demand, Mr. Irwin is exploring the possibility of leasing a second jet fuel truck.

Mr. Albright asked about the possibility of bringing the self-serve fuel price down one penny to \$3.99. He commented that even though the price is technically “in the green”, a one cent decrease would make it look even better to potential customers using the Flight Aware app. Mr. Loy was in favor of this pending approval from city finance department. It was noted that self-service fuel sales are up over 100%. Mr. Loy also remarked that the finance department has requested a fuel sales report that captures sales activity since the price reduction in November 2016.

C. Project Update –

- **10/28 Lighting Project Update** – Mr. Loy informed the Board that the lighting project continues to be delayed due to issues concerning the vault. Once the vault is delivered, work will resume, including installation of the beacon and wind cone. He noted that the company had asked for a 45 day

extension to begin when the vault is delivered. Mr. Loy is consulting with MoDOT and CMT on the additional calendar day request.

- **2/20 Overlay Project Update** – The overlay project is complete and awaiting final walk through scheduled for Friday January 12.
- **Snow Removal Equipment** - Mr. Loy stated that he working with MoDOT and CMT to move forward with acquiring snow removal equipment. CMT sent a draft bid packet from a similar airport as a guide to move forward with the bidding process. Mr. Loy consulted with airport maintenance staff and it was decided to pursue a snow blower only in lieu of a larger, heavy duty utility vehicle. Mr. Loy will update the Board as this acquisition process continues.

D. Air Service Discussion –

- **Airline Feedback** – Mr. Loy discussed his visit with Skywest Marketing Director Greg Atkin at their headquarters in St. George, Utah. He shared that Mr. Atkin was very impressed with CGI; he said that the month of December was a horrible month to start service due to weather, holidays, and other issues that plague the industry. Mr. Atkin was fully confident the numbers would increase and that CGI do great.
- **Airline Marketing** – Mr. Loy noted that Mr. Atkin addressed the issue of Skywest not having a designated marketing person for CGI due to recent personnel changes. Mr. Loy was assured that the position would be filled and Skywest would start marketing as soon as possible. Mr. Loy sent Mr. Atkin the most recent leakage report prepared by Sixel. Mr. Atkin said he was very familiar with Volaire and their processes and that this report would definitely assist the marketing plan. Mr. Loy also shared that Skywest had upped the amount of marketing funds to \$20,000, which was an increase from the \$10,000 offered in their preliminary bid for service.

Mr. Loy commented on a conversation he had with the Missouri Department of Transportation (MODOT) about the Aviation Trust Fund. He shared that MODOT is very confident the fund will reach the required \$4.5million to allow it to be shared with Missouri airports for marketing purposes. Mr. Brune asked if this money could be used for any airport projects or if it was designated for a certain project. Mr. Loy informed him that the Aviation Trust Fund is a fund designed to collect money from taxes on jet fuel and, once it reaches a total of \$4.5 million, legislation allows MoDOT to distribute up to \$1,000,000 between those Missouri airports within the state who have scheduled air service to assist with funding for air service marketing projects only. Mr. Hobbs asked if the acquisition of these funds would then lead the city to decrease the allotted money for airport marketing projects. Ms. Amos said that no, this would not be the case.

Some members of the board reported that they had a conversation with several council members about the city's responsibility to market this airline. The council seemed very receptive of this message and advised that the board should write a letter to council including the marketing plan that has already

been developed. Mr. Mingus motioned and Mr. Hobbs seconded a motion to draft a letter to council that includes the marketing strategy developed by Volaire. Mr. Albright was sure that if the city would allow for a larger marketing budget that the airline would bring in the required number of enplanements to ensure we achieve primary airport status. Mr. Seesing asked if the air service funds are reserved specifically for the airline or if the funds could also be used to market for other Part 135 operating carriers. Mr. Loy answered that the funds were slated to be used for schedule air service only. Discussion continued on the topic.

E. Events –

- **Air Festival Update** – Mr. Loy discussed the upcoming meeting with air show volunteers that would determine if everyone is on board for hosting the Blue Angels in 2019. He stressed the necessity to have full support of volunteers and board members in order to undertake this large scale event. Mr. Seesing asked if the city had yet approved the funding for the show. Mr. Loy expressed that he wanted to have this meeting with the key volunteers before taking this to council to ensure everyone was ready and willing to take on the challenge. The Board was enthusiastic about the show and was in full support.

IV. New Business –

None

V. Non-Agenda

- A. Boy Scout Event** – Mr. Cork shared with the Board that he would be hosting a Boy Scout troop for a small campout on March 16-17. He said this was going to be a small event but that he was looking forward to possibly trying to organize a larger scale camporee in 2020.
- B. Enterprise** – Mr. Loy stated that the Enterprise counter had been open for both arriving flights for a few weeks now but that there had only been four reservations for the night flight. Enterprise has decided to only staff the counter when there is a reservation already made. They discussed the possibility of tasking some of the airline employees with assisting customers who wish to reserve a car without a prior reservation but nothing had been decided.

Adjournment:

There being no other business, Mr. Ozark moved to adjourn the meeting and Mr. Welker seconded the motion. All were in favor. The meeting was adjourned at 12:38pm.

Minutes prepared by

Hannah Seesing

Administrative Clerk