

YAMPA VALLEY AIRPORT COMMISSION

June 7, 2018 Meeting

MINUTES

The regular meeting of the Yampa Valley Airport Commission (YVAC) was called to order at 6:00 p.m. on Thursday, June 7, 2018 at Bob Adams Field, Steamboat Springs, CO

YVAC members present:

Janet Fischer – Steamboat Ski & Resort Corp
Steve Frasier – Resident of Routt County
David Franzel – Resident of Routt County
Chris Nichols – Moffatt County/City of Craig
Robin Crossan – Steamboat Springs City Council member

YVAC members absent:

Randy Rudasics – Steamboat Chamber Resorts
Dallas Robinson – Representing the Town of Hayden
Doug Monger – Routt County Commissioner

Others present:

Kevin Booth – YVRA
Stacie Fain - SBS
Pat Burke – Atlantic Aviation
Tracey Rogalski – GoAlpine
Les Liman – citizen

I. ORGANIZATIONAL MATTERS

1. **Approval of Minutes – April 12, 2018**

Chris moved to approve the minutes of the April 12, 2017 regular YVAC meeting as amended. David seconded the motion. **The motion carried unanimously.**

II. PUBLIC COMMENT

There was no public comment.

III. COMMENTS FROM BOARD MEMBERS

David said that his recent trip through YVRA been a very good experience.

Steve noted that John Centner had resigned from YVAC.

IV. NEW BUSINESS

1. **YVAC Resolution in support of the 2018 air service sales tax initiative**

Kevin distributed copies of the proposed resolution. Steve reviewed the resolution and discussed its intended goal. In response to a question from Stacie, Steve acknowledged that SBS receives no direct benefit from the air service program. He offered that the benefit was the general benefit of air travel in the Yampa Valley. Following a discussion of whether to include Craig/Moffatt County in the resolution, YVAC decided to leave it

out, as the ballot issue only applies to Steamboat Springs. Several suggested edits and changes were discussed. There was general support for citing the statistics from the LMD annual report.

Janet asked how the document would be used. Steve suggested that it could be cited by the campaign committee and would appear on the YVAC (?) website. Janet offered that if complete, the resolution could be included in the presentation to City Council on June 18th.

MOTION

David moved to approve and authorize the Chairman's signature on the proposed resolution, as presented, with the following amendments:

¶ 5: add, "contributing \$299,000,000 in revenue to the economy and providing 3034 jobs."

¶ 6: reverse the word order to, "residents and visitors."

¶ 8: change to read, "...winter YVRA passengers consider direct flights to YVRA extremely or very important in their decision to visit Steamboat."

¶ 9: change to read, "...help both airports become more..."

Chris seconded the motion. **The motion carried unanimously.**

2. YVRA Airport, Capital, Infrastructure & Operations Update

Kevin stated he and Stacie had both attended the American Association of Airport Executives (AAAE) conference in San Diego. He said the conference had been valuable and that he had met with representatives of the FAA while there.

Kevin reported on the National Transportation Safety Board (NTSB) exercise that was held at YVRA. He stated that the NTSB had focused on addressing the needs of the families, relatives and passengers *after* an incident.

Kevin said that he had met with Senator Corey Gardner's staff to discuss YVRA's priorities and projects that could use funding, if it becomes available. Kevin said he had also met with a senior TSA official, who agreed to continue with the current policy of security sweeps. Kevin stated that a presentation on the airport had been given to the Leadership Steamboat group, which had visited YVRA recently.

Kevin said that he had been in contact with Jet Blue, the new carrier to begin serving YVRA. Representatives of the airline will be visiting YVRA next week to review the facility and work on coordinating their plans for the winter.

Kevin said he and Stacie would be attending the Colorado Airport Operators' Association (CAOA) next week, where he would be meet with representatives of the FAA. He said that he wants to discuss moving some projects in the CIP forward. He reviewed the proposal to create two additional gates and expand the secure area in 2019. He discussed the over-crowding in the seating area that will occur with the addition of Jet Blue. He said that he is researching what the proposed expansion would cost.

Kevin reported that all interested parties (Town of Hayden, Routt County, West Routt Fire, YVRA's and Atlantic's engineers, all pertinent permitting agencies, etc.) would be meeting to discuss logistics and planning for the 2019 Atlantic Aviation construction

project. Following that meeting, a second meeting will be held to discuss the YVRA fire suppression system. Kevin reviewed his desire to eliminate the existing 40,000 gallon water tanks, which are heated in the winter and are no longer necessary. He said the issue to be discussed is what would happen in the event that Seneca Hill tank goes off-line.

Kevin announced that the Denver flights would be cut to one per day during the fall beginning September 4th. The current two per day schedule is doing very well.

Kevin stated that the AIP-44 project had been upgraded to a Tier 1 project, which will allow it receive funds in the first round, as soon as funds are released. An advance notice of the grant has been received.

Kevin said that with some reconfiguration, YVRA will increasing its seating capacity by 14% (67 additional seats). He said that he is seeking a commitment from both rental car companies that they will use an on-site car wash if it is constructed. He reported that the gift shop lost on \$12,000 for the season, even with the significant start-up costs. He projected that the gift shop should turn a profit next year. Kevin added that although the number of passengers did not increase, the revenues from the paid parking lot were up 12%. He acknowledged that work remains to be done to improve the new system, but offered that it is working, and that most problems can be addressed over the phone. He noted that he is withholding payment from the vendors of the parking system until the problems are solved.

Kevin reported that Tyler Whitmore had retired from YVRA. Deputy Dustin Williams is serving as the interim supervisor, pending a formal search for a replacement.

Kevin said that both GoAlpine and Storm Mountain had responded to an RFP for shuttle bus service. He said that YVRA had entered into a 5-year contract with GoAlpine, and that Storm Mountain had initiated the process of becoming a Class I provider, which would allow them to pick up un-scheduled passengers. Kevin reviewed the process of obtaining the required PUC license, which can be lengthy. A hearing on the issue, at which he will be called to testify, will be held August 28 & 29.

Kevin reported that the contract with Jvation for engineering services had been extended until October 31st to cover the current construction project. When the project is complete, an RFP will be issued for the next contract.

Kevin stated that there is a state statute requiring all sales taxes revenues collected on aviation fuel sales to be funneled back to the airports that sold the fuel. He said that YVRA has not been receiving its full revenue, and that the County, Town of Hayden and the state had been informed of this. He will also inform the FAA. He noted that the Town of Hayden thinks it is exempt due to a waiver granted prior to the adoption of the statute. There was a discussion of some of the potential ramifications of this issue, including the potential impact on Hayden and the possibility that the FAA might insist that this revenue be used to pay for some of the projects that it is currently funding. Kevin added that an argument could be made that the revenues have been returned to the airport in the form of investments into airport-related projects and prior subsidies. He noted that YVRA has been self-sustaining since 2008.

In response to a question from David about the proposal to add two gates, Kevin confirmed that several options for additional gates are included in the YVRA Master Plan, but that little detail is provided.

3. Airport, Capital & Infrastructure Update – SBS

In reference to the sales tax on aviation fuel issue previously discussed by Kevin, Stacie stated that she had confirmed with the City that no sales tax on fuel is being collected at SBS. She stated that sales tax collection was discontinued in 2014.

Stacie reported that SBS had received the new (to them) low-lead fuel truck. She said that they are still trouble-shooting the fuel system, but that once it is dialed in, it will be a good truck. She added that interest has been expressed in the old truck.

Stacie said that transverse cracks have appeared in the runway and would be filled with a special mastic foam. This is the priority crack repair. Once these are taken care of, attention will turn to the minor cracks in the taxiway and ramp. Stacie reported that all SBS-related fire extinguishers had been examined and found to be in good order. The fire extinguishers in privately owned hangars will be inspected and maintained next. She said that SBS had received a new ground power unit.

Stacie reported that the RFP for a master plan consultant had closed. Three proposals had been received. The selection committee, to be comprised of Stacie, the City Public Works Director and David Franzel, will evaluate all three proposals and interview all three companies. She said the project has been approved for CDOT grant funding, which will match the FAA funding. Confirmation of the FAA funding should be received soon.

Stacie said that planning is underway for the Wild West Air Fest to be held on September 1st. She reviewed the schedule and highlighted several events, including pilot seminars, a pilot BBQ and a variety of events designed for children. Stacie stated that the Chamber, which has traditionally planned and coordinated the event, is handing off management of all its events to sponsors. She said she may be looking to the YVAC for assistance when the project is presented to City Council for funding. She noted the importance of the event for public awareness of the airport and the cultivation of future aviators.

Stacie said she had attended the NTSB training at YVRA. She added that SBS had hosted its own table-top training on safety management systems based on a scenario of loss of control of an aircraft on the runway. Stacie said this was the most likely incident to occur at SBS and discussed some recent minor incidents. She said that Steamboat Springs Rural Fire and the City Police Department have been trained on emergency response at SBS. She said that the training would be held every year.

Stacie reported that the developers of the Overlook property are looking into the possible air park. The FAA is willing to do a through the fence agreement, but continues to express concern regarding future land use designation within the airport influence zone. The proposal for Industrial and Commercial zoning within this area will be heard by City Council in on July 3rd. She said that this is very important to the FAA, which will cut grant funding if they believe a sponsor of an airport has knowingly zoned areas in the vicinity of the airport for incompatible uses.

Stacie said that she and Kevin had attained their AAAE certifications, and that she had also applied for the Accredited Airport Executive program.

Stacie reported that she had met with Deb Froelick at CMC regarding possible offerings of non-credit aviation related courses. She said that CMC will be offering a drone course in the fall and is considering also offering private pilot ground school. David suggested that a rusty pilot course would also be useful.

Stacie stated that all airport vehicles would be incorporated into a maintenance and replacement plan to be included in the 2019 airport budget. She added that the SBS would be upgrading its POS system with a new FBO-specific software package.

4. Air Service Update

Janet reported that seat capacity for the 2017-18 winter season was up 12%, and the number of passengers carried was up 3%, for a load factor of 65%. She said that the cost of the air service program came in at \$4.6M, about \$1M below the cap.

Janet said that Jet Blue would be serving Boston, Ft. Lauderdale and Long Beach, CA with direct flights this coming winter. Via is probably going to drop the Kansas City flight, but continue the Austin flight. Janet said that total capacity is likely to remain the same. She reviewed the flight schedule for the spring, summer and fall seasons. The Houston flight will start on June 29th.

In response to a question from David, Janet said that the reserves, which were up to \$7M at the end of 2016 had fallen to just over \$4M by the end of this year. They will be further depleted next year, and would be completely depleted if the costs of next season's guarantee program reach the full cap. She said that if the ballot initiative fails, they would have to make some very difficult choices about which flights to support.

Janet stated that the committee to support the renewal of the sales tax has been focused on the ballot language. Work on the campaign has not yet begun. Janet said that the proposal would be for a slightly smaller tax over a longer period (10 years). She noted that Ski Corp has raised its "first in" contribution from \$1M to \$1.6M. Janet added that while the proposal is to support winter and summer service, summer flights are very hard to get.

5. Atlantic Aviation Update

Pat reported that Atlantic is focused on planning for the upcoming construction. He said that they hope to break ground in the spring of 2019.

V. REPORTS FROM YVAC COMMITTEES

1. Community Outreach and Education

David said that a presentation had been made to the Leadership Steamboat group. Rotary is still interested in a presentation. Stacie and/or Randy will follow-up on the scheduling. In response to a question from Janet about the possibility of the LMD Board issuing a similar resolution as that approved by the YVAC, Robin advised that they seek a legal opinion.

Presentations should be scheduled with the LMD Board and the Yes to Air committee.

David asked for a clarification of the Sunshine Law posting requirements. Any time three or more YVAC members meet to discuss airport business, the meeting must be posted 24 hours in advance. If a meeting or presentation requires posting, Tom Sullivan should be informed, and County staff will arrange it.

2. Marketing and Planning

No report.

3. Infrastructure and Finance

No report.

VI. MANAGERS' REPORTS – provided via email

1. Yampa Valley Regional Airport

There were no additional questions regarding Kevin's report.

2. Steamboat Springs Airport

There were no additional questions regarding Stacie's report.

VII. SET DATE FOR NEXT MEETING

The next meeting will be held on August 9, 2018 at YVRA.

VIII. PRELIMINARY AGENDA ITEMS FOR THE AUGUST 2018 YVAC MEETING


- Preliminary budgets ?
- Ballot campaign committee

IX. ADJOURN MEETING

The YVAC meeting was adjourned at approximately 8:15 p.m.

Minutes Approved: August 9, 2018

By:


Steve Frasier, Chairman
Yampa Valley Airport Commission

