

YAMPA VALLEY AIRPORT COMMISSION

June 11, 2020

Meeting

MINUTES

The regular meeting of the Yampa Valley Airport Commission (YVAC) was called to order via Zoom at 6:00 p.m. on Thursday, June 11, 2020 at YVRA.

YVAC members present:

Doug Monger – Routt County Commissioner
David Franzel – Resident of Routt County
Robin Crossan – Steamboat Springs City Council member
Larry Mashaw – Resident of Routt County
Rob Perlman – Steamboat Ski & Resort Corp.
Les Liman – Aviation Community
Randy Rudasics – Steamboat Chamber
Chris Nichols – Moffatt County/City of Craig

YVAC members absent:

Zach Wuestewald – Representing the Town of Hayden

Others present:

Kevin Booth – YVRA
Stacie Fain – KSBS
Sonja Macys – Steamboat Springs City Council member
Janet Fischer – Steamboat Ski & Resort Corp.
Brad Rolf – Mead & Hunt
Devon Baummer – Mead & Hunt
Pat Burke – Atlantic Aviation

I. ORGANIZATIONAL MATTERS

1. Approval of Minutes – April 9, 2020

MOTION

Randy moved to approve the minutes of the above-cited regular YVAC meeting as written. Chris seconded the motion. **The motion carried unanimously.**

II. PUBLIC COMMENT

There was no public comment.

III. COMMENTS FROM BOARD MEMBERS

David thanked Kevin and Stacie for all their efforts in response to the COVID-19 pandemic. There was consensus to hold the next meeting live at YVRA.

IV. NEW BUSINESS

1. COVID-19/Airport, Capital, Infrastructure Update - YVRA

Kevin stated that YVRA has remained open with full staff through the pandemic so far. He said that while some hiring is being deferred, other positions that require extensive training are being filled. He said they are operating under the assumption that the airport will be back to more or less normal this winter. Kevin reviewed the CARES Act funding that YVRA has received. He noted that Hertz has declared bankruptcy. He said that some of the CARES Act relief could be used to pay for Operations and Maintenance costs and any other costs that are eligible for airport revenue use. YVRA is using funds to support the two rental car companies, two shuttle bus companies, the FBO and United Airlines (UA) according to a complicated formula. In response to a question from Janet, Kevin said that the program would be revisited in the fall to evaluate how it will change over the winter as other carriers begin service. Kevin said that he participates in regular calls with AAAE to monitor what other airports are doing. He added that he would be sharing updated COVID-19 protocol signage with Stacie and Pat.

Kevin said that UA said that as of June 4th, United Express has resumed daily service. He said that enplanements have steadily increased, indicating that the public is gaining confidence in the ability of the airlines to keep passengers safe. He said that two flights per day would begin in July.

Kevin said that the terminal expansion and renovation project is moving forward. He presented photos of the construction project and described the progress, including the temporary gate being used by UA. He said the project is scheduled to be complete by October 31st.

Kevin said that they have completed an RFP process for a new terminal-wide public address system. The system will be installed in October. Bids have also been received for the work on the terminal roof in the area outside Kevin's office. Kevin reported that in late May a water main had broken, draining 850,000 gallons from the tank. Many areas and facilities were closed due to lack of water for one day. The same day, the Automated Weather Observation System (AWOS) failed and remained off-line for three days. UA cancelled the commercial flights for those days. Some of the CARES Act funding will be used to purchase a back-up AWOS, an expenditure, which is fully supported by the FAA. Kevin reported that another RFP is out for an audio-visual suite for all three-conference rooms. The system should be installed prior to fall training.

Kevin reported that he is working on 2019 budget variances, which are due in mid-June. The 2021 budget development process occurs during the month of July, with a department head workshop in August and presentations to the BCC scheduled for September. Kevin said that the earliest he would be able to present a meaningful draft budget to the Finance Committee would be in late July. David suggested having a Finance Committee meeting in late July and then present the budget to the YVAC at the August meeting. Randy said that Les would be joining the Finance Committee. Doug offered that the rules regarding the \$18.5 million in CARES Act funding over 4 years are complicated, and that it was unclear how it would be incorporated into the budget. Kevin said that the money could be used for any normally sanctioned FAA-approved expenditures at the airport for development and operations and maintenance. He said the accounting required for reimbursement is intensely detailed, and the system is backlogged. Kevin said that the funds would allow YVRA to remain viable over the course of the recovery. He confirmed that the funds could not be spent on minimum

revenue guarantees. In response to Chris, Kevin said that the \$18.5 million was determined through a formula based on healthy cash reserves and low debt levels.

2. COVID-19/Airport, Capital, Infrastructure Update – KSBS

Stacie added that in Colorado, after the CARES Act money was distributed to commercial airports, the remaining funds were divided among all the GA airports. Each GA airport received \$30,000. She reported that all training, travel and conferences had been cut from the budget in the first round of City budget cuts. She said that \$15,000 of CARES Act funding would be used to purchase a much-needed snow blower that was cut in the second round of budget reductions. The remaining \$15,000 will help cover operational costs and maintenance.

Stacie said that KSBS has remained open, as the grant assurances require. She said that she hopes to be able to continue using on-call and part-time employees. She said operations dipped only slightly in April, and increased a bit in May. She reviewed the change in the mix of operations and fuel sales.

She said that the FBO was closed to the public for about two months, but services were provided. The FBO is now open, with mitigations. She reported this has gone very well. Doug asked about contract tracing at the airport. Stacie said that contract tracing could be done through aircraft tail numbers.

Stacie presented photos of the new runway painting and reviewed how the project was completed during COVID-19. She said that an RFP would be put out in early fall for the engineers for the runway rehabilitation project. The design will be done in 2021 with the construction to be done in 2022.

Stacie stated that the calendar for the KSBS (City) budgeting process is very similar to the County's for YVRA. The budget retreat with City Council is scheduled for October 8th. She said she would work on the CIP next week, followed by the operational budget. The budget will be presented to Public Works and the City Manager in August. In response to a question from David, Stacie said that she would have a solid draft for review by the Finance Committee in July.

She announced that her retirement ceremony from the Coast Guard Reserve scheduled for June 22nd was cancelled, but her retirement will be effective on July 1st.

Stacie reported that people are now beginning to fly in from elsewhere for short visits. In response to a question from David, she said that the refueling station project will not be financially possible until 2024 at the earliest.

3. Air Service Update

Janet reviewed the summer and fall flight schedule, which will be distributed to YVAC. For the winter, she said that they are on track to have six airline partners, with the addition of Southwest. Many flights have been loaded already. Janet said that changes might occur, however. She said that overall air travel is picking up in July to about 50% - 60% of capacity, compared to 10% in April. Janet said that non-stop flights are more popular, as are open, outdoor destinations and small airports. Rob added that although the situation is fluid, the relationships with airline partners are solid. He said that YVRA is the test case for Southwest service into a mountain regional airport. Kevin said that

Southwest carries more bags per passenger than any other airline, and that they were somewhat concerned with the capacity of the bag scanners at YVRA. He said that TSA is working on obtaining a fourth bag scanner to run in parallel with the over-size scanner.

4. Atlantic Aviation

Pat reported that after a tough April and May, traffic is beginning to pick up. He said that compliance with COVID-19 compliance has been good. He reported that the construction project is mostly complete, with the exception of the landscaping and seating on the airside. The dirt work is down to a punch list.

5. YVAC Committee structure

David reviewed the existing committees. He reminded everyone about Sunshine Law requirements for meetings. He noted that the IGA specifies that YVAC have the responsibility to review the airport budgets. Doug stated that YVAC is an advisory commission designed to provide high-level input, particularly regarding capital improvements rather than operational matters. He noted that this would be particularly important during this time of uncertainty. Stacie said that the CIP has already been completed through the Master Plan updates. Kevin said that at YVRA several large projects have been undertaken in response to unforeseen opportunities that were not included in the 2016 Master Plan.

David asked for guidance from the City and County regarding the appropriate level of YVAC involvement in the budgeting process. Robin suggested scheduling a meeting with representatives of the finance department and the City Manager to discuss the disconnect between the IGA and the actual process. Doug agreed that a similar discussion could occur at the County. He emphasized that the role of YVAC is very high-level oversight and advocacy.

Rob noted that this year is very different from others. He offered that YVAC, and particularly the Finance Committee, can serve as a resource regarding potential adjustments that are bound to occur as the year progresses. David suggested that Kevin and Stacie could provide to the Finance Committee a list of the areas in which YVAC could be of assistance, perhaps in July. In August, those issues could be presented and discussed with the YVAC. There was consensus to go with this approach. Doug stressed the importance of communication among all interested partners. Stacie said that once the loan on the airport office building is paid off and KSBS transitions into a revenue-generating enterprise fund, she would want input on how best to invest that revenue back into the facility.

David stated that the Outreach Committee serves as cheerleader for the airports and remains relevant. Randy offered that demonstrating the value the airports and air service is especially important during soft economies, and that the Marketing Committee could be very useful moving through the recovery. Rob suggested that these two committees should be merged. There was consensus on this change. Robin stated that airport outreach needs to have a bigger presence on social media and through direct email campaigns. Stacie and Kevin reported on the airports' social media and website outreach. There was discussion on making better use of these tools. David asked those interested in participating in a Zoom call to discuss how to proceed with marketing to contact Kevin. Those interested in participating on the Finance Committee should also contact Kevin.

Kevin asked if it would appropriate to update/revise the IGA. Robin suggested that the Finance Committee could review the IGA and this topic could be discussed in August.

V. REPORTS FROM YVAC COMMITTEES

1. **Community Outreach and Marketing**
See above.
2. **Infrastructure and Finance**
See above.

VI. MANAGERS' REPORTS – provided via email

1. **Yampa Valley Regional Airport**
No questions.
2. **Steamboat Springs Airport**
No questions.

VII. SET DATE FOR NEXT MEETING

The next meeting will be held on Thursday, August 13, 2020 at YVRA.

VIII. PRELIMINARY AGENDA ITEMS FOR THE AUGUST YVAC MEETING

- Outreach/Marketing Committee discussion of action items
- Finance Committee discussion of how to help Kevin and Stacie
- Finance Committee discussion of possible amendment to the IGA

IX. ADJOURN MEETING

The YVAC meeting was adjourned at approximately 8:00 p.m.

Minutes Approved August 13, 2020

By: David Franzel
David Franzel, Chairman
Yampa Valley Airport Commission