

City of Keene
New Hampshire

AIRPORT MARKETING AND DEVELOPMENT COMMITTEE
MEETING MINUTES

Tuesday, June 2, 2020

9:00 AM

Remote Meeting via Zoom

Members Present:

Curt Hansen, Chair
Beth Bendel, Vice Chair
Mitch Greenwald, City Councilor
Rick Blood
Brian Johnson
Cory Watkins

Staff Present:

Elizabeth Dragon, City Manager
David Hickling, Airport Director

Members Not Present:

Peter Delaney
Joe Bendzinski
Bill Hutwelker
Nathan Jacobs

George S. Hansel, Mayor

A prepared statement was read explaining how the Emergency Order #12, pursuant to Executive Order #2020-04 issued by the Governor of New Hampshire, waives certain provisions of RSA 91-A (which regulates the operation of public body meetings) during the declared COVID-19 State of Emergency.

Chair Hansen called the meeting to order and roll call was conducted.

1) Approval of Minutes – February 25, 2020

A motion was made and seconded to approve the meeting minutes of February 25, 2020 and with no corrections, the motion passed with unanimous vote.

2) Update from the Airport Director?

Airport Director David Hickling stated that he wishes they could meet in person, but at least they can interact through Zoom. He continued that he wanted to give an update on the COVID-19 situation – the airport did have some impact, particularly in the decline in activity. Corporate jet activity was pretty much zero in April. The Flight Deck (restaurant) was closed for three

months. He wants to give a shoutout to Beth Bendel - Monadnock Aviation remained open and did not cut their hours, and remained able to provide services. Monadnock Aviation was here, in case there was an emergency, or aircraft flying in PPE, law enforcement, med-evacs, corporations needing services, and so on and so forth – the Airport was open and providing full services. He thanks Ms. Bendel for that commitment.

Mr. Hickling continued that something positive that came out of the COVID-19 situation is: the Airport received notification that they will be receiving a grant of \$69,000 from the FAA. This is to compensate the airport for COVID-19-related expenses or loss of revenues. They do not have the grant in hand yet. They have not yet determined what they will use it for, but it can be used for any operating costs as the COVID-19 crisis continues. Also, another great impact is: all 2020 FAA AIP projects, which will include the Taxiway Alpha extension, will now be 100% funded by the FAA. Usually they are funded 90% FAA, 5% State, and 5% local. The FAA will be paying for 100% of that project now and it will save the City \$147,000. That is great news.

Mr. Hickling reported that The Flight Deck opened last week and seems to be doing well. Aircraft activity is picking up. He asked if Ms. Bendel wants to add anything. He continued that it seems like they are heading back toward their previous activity level. Ms. Bendel replied that she agrees.

Mr. Hickling stated that something else that happened this month is: the Airport received notification that they will be receiving an FAA Supplementary Discretionary grant for \$1.6 million dollars. This comes from the same fund as the AIP money that funds the taxiway project. Sometimes airports apply for money for a project and are granted it but for some reasons cannot complete that project, and that money is then programmed for a project no longer being done and the FAA looks for other projects to fund. The Airport had the Phase II of the Taxiway Alpha project already designed and pretty much ready to bid, and they were in a good position to go for that money so they applied for it. They will be receiving the \$1.6 million dollars this year, in this AIP program, for Phase II of the project. This is great news; it was money they did not expect to get. They can move Phase II of the project, which was scheduled for 2022, to this year, and move all the rest of the capital projects up a year. That is exciting. He continued that Phase II of the project is estimated at \$2.6 million dollars so they are about a million dollars short to complete the project. They have a plan, working with Carol Niwola from the Department of Transportation (DOT). The project is out to bid now, because they have been notified that they are getting \$1.6 million dollars. They bid that as a base bid and two add alternates. The base bid will be the reconstruction of the pavement portion; it will not include the underdrainage, lighting, and signs. They will bid those as add alternates. And if the bids come in competitive the FAA will try and come up with additional money this year so they can award all of the project and get it done this year. If the bids come in high the FAA will award the amount to do the base bid and then they will apply for another grant in 2021 to do the add alternates.

He continued that in the end, they will get all the projects done. The worst case scenario is that for the project they bid next year they will still have to fund the 5%. If they get it funded this year it is 100% funded by the FAA, which is amazing. The City was looking at paying 5% for both/all of these projects, so now, they are way ahead. This is great news.

Mayor Hansel replied that is great news. He asked if there are any implications to them coming out so ahead. Will they have to give any money back, or is there any downside to this? Mr. Hickling replied no, this is all pluses for everyone. He continued that again, the worst case scenario is the City is paying 5% of whatever grant is left for the Taxiway Phase 2 project next year, which is still way less than they anticipated. They have two projects now out to bid, pretty significant projects that are available to local contractors. This is pumping money into our local economy, which is another plus.

City Manager Elizabeth Dragon stated that she would add that regarding the Taxiway A reconstruction project, they had to do a lot of juggling around before Mr. Hickling got here, to get that into the CIP. She continued that this provides some relief to the City, because they had to push other items out in the CIP. This will allow them to get back to where they thought they would be. This is a big help.

Mr. Hickling stated that one of the projects is the perimeter fence. He continued that the airport does not have a full perimeter fence, which is pretty concerning, and that had been pushed back a couple of times. This will allow them to pull that project back up and address it in a timelier manner.

A) Elks Property

Mr. Hickling stated that to give an update on the Elks property sale, they got the appraisal approved by the FAA and the DOT, so they can go ahead and move forward with that sale. They have a bid out now for parcel #1, and the bid opening is on June 9. For the other parcel they are in negotiations with the Bell brothers. He has a meeting this afternoon to try and finalize that. It has been a long process to try and get that done.

B) Air Service Market Study

Mr. Hickling stated that the contractor is working pretty well on this. He continued that the contractor sent a draft of the catchment area study and he went over it briefly with him late last week. There was some interesting information that came out of that. The contractor still has work to do on the business demand. There were some surprising things: for the 4th quarter in 2019 there were 1,700 passengers per day, each way, going in and out of our catchment area. That is a pretty surprising number. They found that only 31% of total passengers flying into and out of our catchment area are residents. Almost 70% are people coming to visit. There is a pretty large leisure market there. Also surprising – many people were going to two particular zip codes – Ludlow, VT, and South Londonderry, VT, both of which are in our catchment area. That

is traffic this airport could capture, if they were to get air service. Also surprising is that one of the top markets comes from Washington, D.C. After that, the top market is Orlando, FL. The study also found that 41% of passengers in our catchment area are using Boston, and 14% using Bradley, in Hartford, which is not surprising.

Mr. Hickling stated that they are still looking for a couple committee members to participate in an ad hoc committee to review this study. On the ad hoc committee is himself, the City Manager, Rebecca Landry, and one other. He asked for anyone who is interested to please let him know, particularly if they have experience in air travel or are part of a business that does.

Mayor Hansel asked if he is only looking for people from the committee, or if he could ask people from C&S, because he knows some people there who would be pretty well qualified. Mr. Hickling replied that they should have someone from the committee, but the other spot can be someone from C&S that does a lot of travel.

Mayor Hansel asked about the timing of the Elks property sale, and the release of the study. Mr. Hickling replied that the bid opening is June 9 (for parcel #1). He continued that there is a minimum bid they have to get, based on the appraisal. If a bid is over that they can move forward with that. He has a meeting with Keith Bell this afternoon to negotiate the sale of the other parcel – so maybe by the end of the month. Regarding the study, they will probably have something by the end of the third quarter. The results of the first phase of the study will inform whether they want to move forward with phase 2. There will be several options of which way to go; third quarter would be a good time to make that decision.

C) Monadnock Choppers

Mr. Hickling stated that Kevin Provost, a current airport tenant, has a desire to start a flight school at the airport. He continued that everyone has their sights set on bringing in an aircraft maintenance company with a significant economic impact, but this is a start. This is a local person wanting to add a new service the airport does not have. This is a step in the right direction and they are excited about it. This went to the Finance, Organization, and Personnel (FOP) Committee last Thursday. There was some resistance by neighbors concerned about noise, which is understandable. It did not look like the proposal would go through the FOP Committee so the committee put it on more time to allow staff time to give more information to the City Council so they can make a good decision.

He continued that one of the big issues is grant assurances – the Airport is part of the National Airspace System (NAS) and the FAA puts a lot of money into this airport and the airport users get benefits from that but being part of the NAS means the Airport is limited to what they can and cannot allow. There are restrictions that come with it. It is like when DOT puts an interstate through a town – the town gets the benefits of it but cannot put restrictions in and say “no trucks,” for example. This situation is like that, which Airport staff will explain to the City Council. But they want to alleviate the neighbors’ concerns. He talked with Mr. Provost about

coming up with an MOU about helicopters' approach and departure procedures. They also can work with the FAA to create and publish approach and departure procedures for helicopters at the airport. That would go out to the helicopters not even familiar with the airport, and operators would know, "Okay, I need to approach from this direction and stay at this altitude," to minimize noise. They will propose that to the City Council. They need to allow this to operate but they can have procedures to strongly reduce the noise impact. He thinks that will work and they can get Mr. Provost up and operating and alleviate concerns.

Mr. Hickling continued that one thing they recognized when this happened – people with concerns/opposing this development are reaching out to the City Council but no one in *support* is reaching out to the City Council. He thus asks all of the AMDC members and local business folks who support this development and the airport to make sure their City Council representatives know that. The City Council needs to be hearing both sides. He asks AMDC members to encourage anyone they know who supports this to please contact their City Council representatives and/or have them call in during the meeting.

Councilor Greenwald asked Ms. Bendel if this helicopter school will have any negative impacts to Monadnock Aviation. Ms. Bendel replied she does not think it is appropriate for her, as Vice Chair, to respond. She continued that she will talk with him offline. This is not the right forum.

Mr. Hickling stated that he and Ms. Bendel had a lot of conversation about that. He continued that Mr. Provost primarily wants to focus on rotorcraft/helicopters. That would not be any competition to Monadnock Aviation and would probably increase fuel sales. They are not restricting Mr. Provost to rotorcraft. He could do fixed wing flight instruction and rentals as well, which would be competition to Monadnock Aviation. But the same grant assurances that do not allow the Airport to prevent him to operate because of noise also do not allow the Airport to prevent him from operating because it is competition with someone else. The FAA is very specific about that. They cannot give one person benefits that another is not getting or prevent competition. They have to have a free enterprise. Everyone has to operate under the minimum standards. He respects Ms. Bendel's concerns for her business, but operating an airport under FAA grant assurances, they have to give everyone the opportunity to succeed.

Councilor Greenwald asked, so it is not just helicopters? Mr. Hickling replied that they did not restrict him to that, but he really loves helicopters and that is what he wants to push. He asked if anyone had other questions/discussion on the business development. He continued that it is important that they work together and get as many people as possible to express support to the City Council. There are many people in the community that support this growth.

Chair Hansen stated that he is not sure if anyone has had the opportunity to view the video of the FOP Committee meeting, but they should. He continued that it is concerning to him that so many City Council members are opposed to doing anything to further the mission of this group, which is to develop the airport further. It was disappointing and distressing. He echoes what Mr. Hickling was saying – reach out to your councilors and help them understand the importance

of this airport and what it means to this community, the community's income and budgets, development, growth, and retention for existing businesses. For example, part of the reason C&S came here was the airport. The airport is important to him, and he does not feel that everyone understands or shares that.

Mr. Hickling stated that he will build a talking point sheet (of reasons why they support the development) that they can share with the City Council. He continued that they can keep it themselves, so when they have people talking against the airport they will have the talking points. He will send it out. If anyone has anything to add or correct, they can do so.

Mr. Watkins asked what the time commitment is like for being on the ad hoc committee. Mr. Hickling replied that they are looking at three to four meetings, about an hour long. In June or July they will have the consultant do a presentation to this committee with where they are.

Mr. Watkins stated that that the T-hangar folks would appreciate a place to wash their airplanes. He asked if that would benefit the airfield. Mr. Hickling replied yes. He continued that he has to look at the environment impact. Sometimes there are oils and fuels and there is concern about where that is going. He would have to look into that. Lots of airports are now doing dry wash, spray on/wipe off, or have to have a drain with an oil/water separator. If there are no environmental issues the Airport can supply a hose. He has to look into this. He thinks there is a containment system at the fuel farm so that might work.

Chair Hansen asked if there were any members of the public wishing to speak. Hearing no response and there being no further business, Chair Hansen adjourned the meeting at 9:32 AM.

Respectfully submitted by,
Britta Reida, Minute Taker

Additional edits by Katryna Kibler, Clerk's Office