



**SAN ANGELO REGIONAL AIRPORT
AIRPORT ADVISORY BOARD - OFFICIAL MINUTES**

For a meeting held Wednesday August 13, 2014 in the South Meeting Room located at
501 Rio Concho Drive, San Angelo, Texas at 1:30 P.M.

Board Members Present

Fred Key
Sonny Sanders

Charles Powell

Dave Dierker

Board Members Not Present

David Herbert
Pat Nuytten

Others Present

Luis Elguezabal
Bryan Kendrick

Michael Dane
David Alexander

Ray Minix

ORDER OF BUSINESS

Open Session

Chairman Charles Powell called the meeting to order at 1:30 P.M. The May 7, 2014 minutes were unanimously approved in a motion from Mr. Key and seconded by Mr. Sanders.

Public Comment

No Public Comments

Update on Property Management

Mr. Kendrick related to the Board that the Schedule Rates and Charges were approved by the Board on May 7, 2014 and also approved by City Council on July 1, 2014. This will take affect August 1, 2014. There have been 17 lease agreements completed in the last 16 months; there are four more lease agreements in the City Attorney office. These are scheduled to be presented to City Council on the September or October meeting. A Legal Service Request (LSR) will be sent to the City Attorney office within the next week for one lease to be scheduled for presentation at the second City Council meeting in October.

We are now working on a lease for Dollar Thrifty Rent-a-Car who has given the airport a letter of intent to do a concessionaire lease; this will give the airport additional rental cars.

The RFP for the AMCOM building is in the final review and should be released in a few weeks. Mr. Dierker commented on how long it has taken to get the RFP ready and wanted to know how much longer it would take. Mr. Elguezabal explained that the RFP will go to the purchasing department at the end of the week. They will work with the legal department to get the RFP ready to release to the public. It should take about three weeks depending on purchasing time table. Mr. Dierker wanted to know if the fuel farm lease to Ranger was complete. Mr. Elguezabal replied that it was approved by council on August 5, 2014.

Mr. Dierker wanted to know the status of L-3's north hangar. Mr. Elguezabal explained that it takes years working with L-3 hangars. L-3 is showing more interest in the hangar. We are working with COASADC, who is taking the lead in the effort of getting it leased because there is going to be some improvements made. COSADC will hire an engineer to provide some design build for those changes that L-3 would like. We will have a meeting with L-3 on Monday or Tuesday.

Update on Air Service Development Plan

Mr. Elguezabal explained he had listened to and met with Mr. Edward Shelswell-White with LexVolo at one of the conferences he attended. Mr. Shelswell-White was the former Director, Market Strategy and Performance at Southwest Airlines. Mr. Elguezabal went on to say that Mr. Shelswell-White has transformed the Albuquerque, New Mexico, airport from a regular destination to a tourist destination. This increased traffic into Albuquerque. The City Council approved the hiring of LexVolo on August 5, 2014. We plan to adopt a proactive strategy in which we will increase our numbers and attract those that fly out of and into other airports. LexVolo will help us to extend the Small Community Air Service Development Grant, worth half million dollars, we have with the U.S. Department of Transportation which will expire at the end of the year.

In September, the Airport, COSADC and the Chamber will meet with our counterparts of Minot, North Dakota, to discuss the growth of Minot. Minot, like San Angelo has a lot of oil, drilling and energy. They went from one airline with three flights a few years ago to four airlines with fifteen flights a day. We are trying to make the correlation between Minot and San Angelo airports.

Mr. Powell wanted to know if this marketing plan would result in a document. Mr. Alexander explained there would be a document and a specific plan for San Angelo. There are three major tasks involved. First is to update the existing data, do analyses on that data and finally work on the Small Community Air Service Development Grant. The final document will be the plan to move forward. We should have that document by then end of the year.

Mr. Dierker raised concerns about the American jets parked by the GTE hanger. Also, when will the Airport Master Plan be completed and when can he see it. Mr. Elguezabal explained the planes will be moved to a different location. There will be a meeting with the engineer to finalize the Airports Master Plan and it will then go to the FAA for review this should take a few weeks.

Update Terminal Renovation Project

The contractor is Templeton Construction, Inc. The project began January 25, 2012, currently 930 days charged to the project out of 540 original contract days
Change Order No. 1, added additional contract time of 14 days
Change Order No. 2, added additional contract time of 108 days
Change Order No. 3, added additional contract time of 8 days
Change Order No. 4, added additional contract time of 7 days

Change Order No 5, added additional contract time of 307 days, for a total of 984 contract days total equal 94% time used.

The project budget is \$5,925,715. The current project budget is \$6,214,095. The total Change Orders to date are:

Change Order No. 1 is \$35,072.14 (no change to project budget, Utilized project contingency).

Change Order No. 2 is \$242,530.33 (no change to project budget. Utilized project contingency)

Change Order No. 3 is \$20,634.13 (no change to project to budget. Utilized project contingency)

Change Order No. 4 is \$16,406.00 (net increase in contract amount \$14,642.360 approved by City Manager)

Change Order No. 5 is \$273,736.95 (amount approved by City Council).

Billed to date (gross) is \$3,790,830.43(As of Pay Request No.25) retainage of (5%) \$189,541.52.

Billed to date (less retainage) \$3,601,288.90 and is 64%, complete.

On the north half of the terminal the canopies are up; in the interior, looking at the rental car offices, the middle office will be for Dollar Thrifty and will be a duel counter. The airport will have five different rental car businesses. The new ticket counter for American Airlines is complete; contractors are working on the other counter. The dumpsters have now been relocated to Hangar Road.

DIRECTOR'S REPORT

Second Quarter Statistics 2013 vs. 2014: Air Traffic is down 8% due to military flying less. Fuel Flowage increased by 4%. Passenger Enplanement has increased 6%; Load Factor has increased 8%.

FUTURE AGENDA ITEMS


Mr. Dierker would like to discuss doing research or putting together a committee on the time table of processing an asset lease so we can become more complete friendly.

The next Airport board Meetings will be held on November 5, 2014 at the McNease Convention Center 501 Rio Concho Dr. at 1:30 PM

Meeting was adjourned at 2:30 PM, with a motion made by Mr. Dierker and second by Mr. Keys.



Luis E. Eguetzabal, A.A.E.
Airport Director



Charles Powell
Chairman