

FORT DODGE REGIONAL AIRPORT COMMISSION

MARCH 2009

DATE: Monday, March 9th, 2009
TIME: 5:30pm
PLACE: Airport Terminal Upper Level Conference Room

Meeting called to order at 5:35pm.

“FORT DODGE IS A NATIONAL LEADER IN CHARACTER COUNTS!, ENDEAVORING AT ALL TIMES TO PROMOTE AND MODEL THE PRINCIPLES OF TRUSTWORTHINESS, RESPECT, RESPONSIBILITY, FAIRNESS, CARING AND CITIZENSHIP. IN CONDUCTING TONIGHT’S MEETING, WE EXPECT THAT ALL PARTICIPANTS WILL ACT IN A RESPECTFUL MANNER CONSISTENT WITH THESE PRINCIPLES.”

CONSENT:

1. ROLL CALL

PRESENT:

Chairman Jacobson
Commissioner Johnson
Commissioner Kregel

Commissioner Birkett
Attorney, Bill Thatcher
Director of Aviation, Rhonda M. Chambers

ABSENT:

Commissioner Getting

2. APPROVAL OF MINUTES FROM THE FEBRUARY 9TH REGULAR MEETING

Motion by Commissioner Johnson, seconded by Commissioner Birkett to approve the minutes from the February 9th Commission Meeting. All voted “Aye,” motion carried.

3. APPROVAL OF CLAIMS AND ADDITIONAL CLAIMS

Motion by Commissioner Johnson, seconded by Commissioner Kregel to approve the Claims and Additional Claims. All voted, “Aye,” motion carried.

4. COMMITTEE/DEPARTMENT REPORTS AND CORRESPONDENCE

US Passenger Airline Employment Down 6.7% in December

SUMMARY

U.S. scheduled passenger airlines employed 391,918 workers in December 2008, 6.7% fewer than in December 2007, the largest year-to-year decrease since 2003, reports DOT. The seven network carriers reported a 6.3% decrease. Low-cost carrier employment declined overall by 3.3%, but year-to-year increases were reported by JetBlue, Allegiant, Southwest, Spirit and startup Virgin America. Regional carrier employment was down 5.2% overall, with Compass and Mesaba reporting the largest increases in the group.

Only Three US Airports Saw Domestic Growth in 2008

SUMMARY

San Francisco traffic rose 4.8% in 2008, largely due to the growth of Southwest and Virgin America, but a 5%–7% decline is projected for this year. Low-cost carriers represented 14.5% of the airport's passengers in 2007 and 21.7% in 2008, reported the San Francisco Chronicle; those airlines had a 55.9% increase in traffic compared with a 2.2% decrease for non-low-cost domestic carriers. Traffic at Atlanta Hartsfield Jackson and Charlotte Douglas each saw a slight (<1%) rise in domestic traffic.

DOT Air Travel Consumer Report for 2008

SUMMARY

The table below is based on data filed by 19 of the largest US airlines:

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	Dec.	Nov.	Full Year					
	'08/'07	'08	2008	2007	2006	2005	2004	2003
On-time arrivals %	65.3/64.3	83.3	76	73.4	75.4	77.4	78.1	82
Mishandled baggage*	6.96/9.05	3.75	5.26	7.05	6.73	6.64	4.91	4.19
<i>Consumer complaints:</i>								
Airline service	700/852	532	10,643	13,180	8,325	8,741	7,452	5,983
Disability-related	33 / 20	28	474	488	430	511	521	375
Discrimination**	7 / 2	7	115	99	114	129	118	85

* Reports per 1,000 passengers.

**I.e., race, religion, national origin or sex.

Delta Sheds 2,100 Employees

SUMMARY

Delta said more than 2,100 employees opted for voluntary buyouts. The carrier seeks to cut capacity by 6% to 8% this year. In an effort to enhance on-time performance and baggage handling, Delta will consolidate some operations of its three feeder airlines under a new Minneapolis-based Regional Handling Services division; baggage handlers and gate agents for Comair, Mesaba and Compass will be among 4,100 employees shifted to the new unit (**Our Fort Dodge employees will now become part of this new division**). Pilots, flight attendants and mechanics will continue to work for and be based at headquarters of their respective airlines, which are overseen by Delta Connection. Delta has contracts with six regional carriers in addition to the three it owns. Delta is enhancing service from its Salt Lake City hub, starting five weekly services to Tokyo, adding daily nonstops to Seattle, Baltimore, Spokane, Oakland, Portland, Phoenix, St. Louis, Memphis, and Los Angeles and initiating new service to Bismarck, Des Moines, El Paso, Fargo, Indianapolis, Milwaukee, Nashville, and Sioux Falls.

Washington DC Trip

SUMMARY

Visit to DC completed with visits to our Congressional delegation, staff, airlines, DOT, FAA and the State of Iowa DC office. Congressman Tom Latham was confident that the EAS program will be funded in the reauthorization. He is the Minority Ranking Member on the Transportation Authorization Committee.

House Reintroduces FAA Authorization Bill

SUMMARY

FAA would receive nearly \$70 billion in the 2009-2012 fiscal year period in the Federal Aviation Administration Reauthorization Act of 2009. The bill would authorize funding levels of \$16.2 billion for the Airport Improvement Program (AIP), \$13.4 billion for Facilities & Equipment, \$38.9 billion for FAA operations and \$1.35 billion for Research, Engineering & Development. The bill raises the passenger facility charge cap to \$7 from \$4.50, provides funding for runway incursion and status light programs, calls for a study on pilot fatigue, and directs FAA to implement occupational health standards to ensure crewmember safety. Among initiatives to strengthen oversight, the bill increases the number of safety inspectors, requires FAA to inspect all certificated foreign repair stations twice a year and creates an independent Aviation Safety Whistleblower Investigation Office. The bill authorizes DOT to

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incorporate financial incentives into essential air services (EAS) contracts, allows use of long-term EAS contracting, provides emergency increases in subsidy payments for increased EAS fuel costs, and extends the Small Community Air Service Development program through 2012 at the current authorized funding level of \$35 million per year. A reauthorization bill passed the House in 2007 but stalled in the Senate and expired in 2008. FAA's previous authorization was set to expire in September 2007, but taxing and operating authority has been preserved through a series of extensions; the current extension expires at the end of March.

EAS Contract

SUMMARY

Mesaba Aviation d/b/a Delta Connections has submitted a proposal to the DOT to continue to provide our air service through the Essential Air Service (EAS) program. This will be a two year contract that will expire June 30, 2011. The EAS program has a subsidy cap of \$200 per passenger...the proposal is for a subsidy of \$47.13 per passenger. The current two year contract, ending June 30, 2009, is being subsidized at \$48.51 per passenger. Mesaba's proposal was the only one received by the DOT, so we are confident that they will continue to be our carrier. The final order selecting them as our carrier will be sent out later by the DOT.

As part of the proposal process, we were requested to submit any comments regarding their proposal. Director Chambers submitted a letter requesting to close the triangle and provide Fort Dodge with a direct flight to Minneapolis in the morning and a direct flight from Minneapolis in the afternoon.

See the enclosed letter.

Court Orders TSA to Recalculate Airline Security Fees

SUMMARY

A federal appeals court found that the Transportation Security Administration (TSA) overcharged commercial airlines for passenger and baggage screening and told TSA to recalculate the fees. Airlines had argued that they should get back the more than \$100 million a year in disputed fees they have been paying since 2005. TSA was right to impose fees in general, said the court, but erred by including the costs of screening non-passengers, such as "meters-and-greeters" in its baseline cost calculations. The court rejected a claim by American Airlines that TSA owed it about \$14 million for installing a baggage-security system, calling it a contract matter that American should pursue with the government. The court also turned down an appeal from Northwest, which said it was wrongly charged for security duties TSA did not assume, and said Northwest was more than \$3 million in arrears on payments in 2005.

\$25 Million for US Biofuel R&D

SUMMARY

The U.S. Departments of Energy and Agriculture will jointly release up to \$25 million in funding for research and development of aviation and other biofuels. This is a first step in implementing provisions found in the Food, Conservation and Energy Act of 2008 (known as the 2008 Farm Bill), meant to provide grants for commercial-scale demonstration projects and other activities leading to commercially viable, environmentally friendly alternative jet fuel. Award amounts will range from \$1 million to \$5 million, with project periods up to four years, subject to annual appropriations. Eligible applicants include institutions of higher education, national laboratories, federal research agencies, state research agencies, private sector entities, nonprofits, or a consortium of two or more of those entities.

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JetBlue, Airbus Plan Biofuels Test

SUMMARY

JetBlue, Airbus, Honeywell UOP and International Aero Engines plan to test a second-generation biofuel on an A320-200 by spring 2010. Jatropha, algae, corn stover and waste forest residues are among feedstocks under consideration.

Farm Tenant Meeting

SUMMARY

On Friday, March 06, 2009, cash rent tenants, J.B. Bunda and Shan Jaeschke, attended training provided by Director Chambers. This included review of airport operations, driving procedures, gate access/security, critical areas, notification criteria procedures, and a familiarization tour.

The FSA office has reduced the acres by 5.1 to account for the gravel pit. Therefore, the total tillable acres are 424.5 (including 55.64 acres in CRP) less 1.5 acres skydivers landing area. The new amount for cash rent is 423 acres. This revised figure was provided to J.B. and Shan at the meeting with new checks being written for the correct amount.

During the meeting review, we also discovered that 2.24 acres for the Larson pasture ground was included in the cash rent acres and the acres located on the Johnson/Bower properties have been not identified by the FSA Office as tillable. We agreed to make these changes as part of the December payment, rather than now.

5. APPROVAL OF LAND LEASE AGREEMENT FOR THE 2009 LABOR DAY SKYDIVING EVENT

SUMMARY

This is the lease for the 2009 Labor Day skydiving event in the amount of \$2,777.50. The land lease was increased by \$75 per the increase in cash rent. Last year we increased the land lease by 13% or \$300. The land lease is \$2,500.00, per year plus \$277.50 for 1.50 acres of farmland they use for the event. The farmland has been taken out of production and has grass planted on it. The skydivers pay the increase cash rent price of \$185 per acre. The Des Moines Skydivers enter into a lease agreement every year for the land that they use for the event. The public area is kept separate from the skydiving area so that the general public is not allowed into their area. The plane crazies work the event at the airport entrance and also man the gate entrances into the skydiving area. They do a great job! The plane crazies get paid \$500 from the gate donations received and they also get paid \$500 from the Des Moines Skydiving Club. The remaining portion of the gate donations goes to the airport to cover overtime costs for our employees that work all weekend.

All skydiving participants who enter into this area must register, pay fees, and receive a visual aid wristband that allows for easy identification that they allowed in the area.

The only changes to this lease are the increases in prices. It is designed to protect the Airport and the City of Fort Dodge from liability associated with the event.

COMMISSION DISCUSSION

Motion by Commissioner Kregel, seconded by Commissioner Birkett to approve the Land Lease Agreement for the 2009 Labor Day Skydiving Event. All voted, "Aye." Motion carried.

6. APPROVAL OF DIRECTOR TO ATTEND 2009 IOWA AVIATION CONFERENCE

SUMMARY

The annual Iowa Aviation Conference will be held April 23rd & 24th at the Sheraton West Des Moines Hotel. An agenda for the conference is provided. The conference fee is \$125.00 and a hotel cost of \$232.96 (104.00 per night).

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COMMISSION DISCUSSION

Motion by Commissioner Johnson, seconded by Commissioner Birkett to approve the Director to attend the 2009 Iowa Aviation Conference. All voted, "Aye." Motion carried.

7. APPROVAL OF INVOICE IN THE AMOUNT OF \$6,439.89 CRAWFORD, MURPHY & TILLY, INC. FOR THE MASTER PLAN UPDATE PROJECT #3-19-0035-24

SUMMARY

The \$6,439.89 is an invoice for services rendered from 01/01/09 through 01/30/2009 in relation to our Master Plan update.

COMMISSION DISCUSSION

Motion by Commissioner Johnson, seconded by Commissioner Birkett to approve the payment of invoice CMT in the amount of \$6,439.89 for Master Plan Project #3-19-0035-24. All voted, "Aye." Motion carried.

8. DISCUSSION

Country Bash

SUMMARY

Commissioner Kregel inquired about the status of the Sticks and Stones Country Bash. Director Chambers mentioned that it will be on the City Council Agenda for this evening to have the concert downtown near the river. Since the concert will take place during Girl State Softball, set up will be a collaborative effort, including the airport staff. The airport will be reimbursed for the hours worked.

Cable Advertising Opportunity

SUMMARY

There is marketing money available and a representative from OnMedia was here today to discuss an opportunity to advertise on Mediacom Cable. The airport could receive 6 month of advertising for \$2,160 and the \$200 fee for shooting the footage will be waived.

COMMISSION DISCUSSION

Motion by Commissioner Birkett, seconded by Commissioner Johnson to approve the airport to advertise with OnMedia for 6 months at a cost of \$2,160. All voted, "Aye." Motion carried.

Osh Kosh Snow Plow

SUMMARY

Chairman Jacobson asked Attorney Thatcher where we stand with the issues on the Osh Kosh Snow Plow. Attorney Thatcher explained the situation, noting that we did not receive the specifications we asked for. Although we did not receive exactly what we asked for, Attorney Thatcher advises not to pursue the litigation. Osh Kosh did offer a new truck for an additional \$100,000, which is not really an option at this point.

Hangar Water Problems

SUMMARY

Director Chambers is currently in search of solutions to help direct the water away, therefore reducing the amount of water entering the hangar. Due to the slope and heave of the concrete around the hangars, any water that hits the hangars just runs down the side and into the hangar. Derick with McClure Engineering has suggested removing concrete and installing a grate and drain system around the hangars. The gutters will probably be replaced first and the airport will contact a metal buildings specialist for a professional opinion. Director Chambers hopes this project could be paid for with vertical infrastructure money.

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Mosquito Control of Iowa

SUMMARY

Attorney Thatcher noted that "we have a judgment, it's good for ten years and accrues interest, but we need to keep trying to find something that he owns."

Tim Schultz

SUMMARY

As of October 2008, Tim Schultz completed paying the \$734.50 in restitution money owed to the airport. Mr. Schultz owed restitution for damages caused during a crime of burglary in 3rd degree and criminal mischief in the 4th degree that he committed on December 4th, 1999.

PARC Hangar

SUMMARY

The PARC Land Lease will be expiring in June 2009, at that time the hangar will be under the rental authority of the commission, just as the other hangars. Director Chambers and Attorney Thatcher are working with the current tenants, Dash Dale Aviation, on leasing options.

9. COMMENTS AND QUESTIONS FROM THE PUBLIC

None

10. ADJOURNMENT

Motion by Commissioner Kregel, seconded by Commissioner Johnson to adjourn the Airport Commission Meeting at 6:30pm. All voted "Aye." Motion carried.

NEXT REGULAR COMMISSION MEETING

The next Regular Airport Commission Meeting will be held Monday, April 13th, 2009 at 5:30pm

ATTEST

Chairman

Secretary