

Knox County Airport Business Plan Workgroup - Minutes April 27, 2009

Workgroup Attendees:

Jeff Northgraves, Marilyn Hotch, Vivian Newman, Kathy Allain, Ken Wexler, Bill Maddox

Absent Members:

Kevin Waters, John Newcomb

Public Attendees:

None

Staff:

Chris Shrum - Facilitator, Jen Payson - Note Taker

Opening Comments

- Chris went over the agenda.
- The group reviewed the minutes. Jeff is going to check on some numbers to make sure they are accurate. The group decided to go over the minutes at the next meeting.
- Ken noticed that an action item was identified in the minutes that hadn't been completed. Greg from Stantec had said he would get the group updated numbers for the project. Jeff said he would look into it.

Review of the meeting with the Commissioners:

- The Commissioners gave approval for the project to keep going.
- Two members from the flying club; Dave Miramant and John Eastman came to the meeting. Dave wasn't sure if the plan thus far was "pie in the sky" or if actual action items came from it. John made comments about the number of times the word "environmental" is used. He thought the use of the word "environmental" may reflect the fears of the neighbors as opposed to what a business plan should reflect. Chris mentioned the funnel process of getting broader information to more detail and how we are only about halfway down the funnel. Jeff thought they would just like to see less environmental focus overall. Marilyn commented that they are both probably used to very traditional business plans and airport business methodologies.

Assumptions:

- Part 139: The commissioners didn't want to make a decision on the part 139 just yet. The business plan will have two pro-formas to allow for either decision. The county needs to decide prior to the next inspection, once Jeff has an inspection. The FAA said we could have up to 18 months before the next inspection (the last inspection was July 2008)
- Succession Planning: The group discussed the importance of the succession and staffing plan. Marilyn mentioned that the issue is beyond the immediate need of Jeff's current staffing issues and has to be larger scale. Jeff commented that the airport and the county will make sure the plan is in place. The group agreed that it sounded like the current need is for another FTE (Full-time equivalent). Jeff said the ideal person for the job would be able to handle maintenance duties such as plowing, as well as office duties, such as creating reports and spreadsheets. He said the position would be the Assistant Manager with some job shadowing under Bill. Marilyn wanted to make sure that a plan is written out prior to filling the position. Jeff and Chris will be working on framing out

the succession plan. Chris suspected if they find the right person to fill the position the costs and part 139 risks will go down. Jeff that even if we do not maintain part 139 we will still need to perform the same duties and functions as if we were. Kathy thought that it was also good to staff as if we were Part 139 because of the added safety of if it's decided to regain part 139 later the airport could.

- Expense Reduction: Chris asked if there's things in this years budget that we know won't need to be there in 5 years. Jeff said he knows of two items. He would like to move toward lower energy costs. The other is vehicle maintenance. Jeff said there is older/under utilized equipment and they are going to have a garage sale. Also, once TSA is gone he will have an extra trailer to lower costs during construction, as the trailer currently being used by TSA could be used for the project manager's and site crew.
- Revenue:
 - The group discussed thoughts on advertising. Currently the displaying of advertisements is a nominal source of revenue. Jeff said he charges \$150 a year for it. Thought needs to go into whether they want an electronic board/TV or a kiosk etc. How advertising will be displayed will vary the costs and in turn the amount that needs to be charged to advertise. Marilyn mentioned that it's also important to have ideas for commercial vs. non profit advertising.
 - Restaurant: The café would have a lease plus a % of revenue. A \$40/sq. ft/year rent is not unusual in terminal. The café is could be as large as 600 sq ft which could total \$24k/year. Jeff noted that a vendor may not rent the whole 600 square feet. He also noted that typically vendors give 2.5-5% of their gross revenue.
 - Lease agreements: Jeff said currently agreements are with hanger owners, TSA, Penobscot Island Air, Downeast Air, and Arinc (a group that connects aviation communication nationwide and pays to have their antenna on the roof). The group discussed some future opportunities such as rental cars (they have two kiosks in the plan), having a place for more transportation to idle and be visible, such as cabs and all aboard trolley. Jeff commented that many airports get revenue from taxis, but they have to be provided with a place to wait and park. Jeff said the only revenue we have received from taxis has been for advertising. Vivian mentioned being more multi-mobile. The group discussed that the trolley could be transporting people to the ferry terminal and to the train station and it could work off of departure and arrival schedules. Jeff noted that being multi-mobile opens up some additional grant opportunities.
- Wi-fi: Marilyn asked about wi-fi. The group discussed that it's open for discussion. Some airports charge to use it; others feel it should be free. Jeff noted they will need to research providers.

Meeting schedules:

- Chris is out of town on 5/18. The group decided to cancel the 5/18 meeting. Meetings will be held on 5/4, and 6/1 and the first and third Monday going forward. Chris expects the group to be done by October.

No closing comments from the public (none present).

Next meeting date will be Monday, May 4th from 4:30 - 6:30 p.m. at the Court House

Meeting adjourned at 6:15 p.m.