

## **Skyhaven Airport Advisory Council (SAAC)**

### Meeting Minutes – Meeting #76

February 8, 2016

Present:

Peter Bruckner, Chair SAAC  
Bill Richard, SAAC  
Christine Soutter, SAAC  
Kenn Ortmann, SAAC  
Brandon Giuda, SAAC  
Bill Richard, SAAC  
Ken Weyler, SAAC  
Jim Rogers, SAAC  
Mark Gardner, PDA  
Bill Hopper, PDA Airport Manager  
Bill Bartlett, PDA  
Andrew Pomeroy, PDA Airport Operations Supervisor

Next meeting:

May 16, 2016

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#### **I. Standard Topics**

- a. Peter Bruckner, SAAC Chair called the meeting to order at 0830 local time.**
- b. The meeting minutes for September's meeting were accepted as written.**
- c. GP Aviation Report:** Stated that it was business as usual, his hangar is full and he is enjoying the comparatively low heating costs this season.
- d. Voting in of SAAC Officers:**
  - i. Peter Bruckner was nominated and voted in as Chair via unanimous vote**
  - ii. Kenn Ortmann was nominated and voted in as Vice Chair via unanimous vote.** – Kenn accepted the nomination with the caveat that someone else would need to step up as he was planning to move to Maine in the near future.
  - iii. Brandon Giuda, was nominated and voted in as Secretary via unanimous vote.**
- e. Web Page:** None
- f. Finance Report:**

Bill Hopper, Airport Manager reported on the financials for the first month of the new fiscal year.

  - i. Airport Revenue is up 6.9% this year. This is mostly due to fuel sales as we have had favorable conditions and prices. Airport Expenses are 4.8% under budget mostly due to the mild winter to date.
  - ii. Page 5 of the financial report shows a snapshot of what the PDA has invested in Skyhaven since it took possession of the airport from the

State of New Hampshire. The PDA has absorbed a Net Operating Loss of \$1.372 million loss.

- g. Skyhaven Financial History Report – William Bartlett**

  - i. Bill Bartlett presented the SAAC with a synopsis of the financial history and status of the Skyhaven Airport and its relationship with the Pease Development Authority.
  - ii. Bill stated that, Skyhaven was the only municipal airport owned by the State of New Hampshire. As such it never became a priority in the state legislature, and was not provided with State General Funds. The compromise was that the airport was always supposed to be self-funding. DOT/Aeronautics took on the management of the facility and ensured that it ran safely. The State of New Hampshire wanted to move Skyhaven off its books and attempts were made to transfer it to the City of Rochester.
  - iii. In the ten years prior to the PDA taking over, the books stated that Skyhaven cost a little over \$100,000,00/yr to operate and that that was paid by the airport revenues. This was never an accurate accounting due to the fact that many of the management duties and commitments were accomplished and absorbed by the NH DOT Division of Aeronautics and these expensed were not reflected in the books.
  - iv. The State looked to the Pease Development Authority as a possible solution. The PDA was created through a public benefit transfer of the Pease property and therefore all revenue from the Pease property must be spent at the Pease location. The State of New Hampshire transferred ownership of Skyhaven to the PDA. PDA took on the ownership of Skyhaven and all its properties, and debt obligations including its bond obligations. As a point of comparison Mr. Bartlett pointed out that the PDA provides Management Service to the Port of New Hampshire, but the State still owns the ports. The port pays the PDA back for its management expenses through revenues produced at the Port. Should the Port of New Hampshire have a revenue shortfall and cannot pay the PDA for its services the State of New Hampshire will pay those obligations out of the general fund. Here at Skyhaven that is not the case. The PDA owns Skyhaven and the PDA has no access to state general funds nor does the PDA have the authority to float bonds. The PDA works on a cash basis, and any expenses come directly out of PDA revenues.
  - v. The legislation that transferred Skyhaven to the PDA states that the PDA will be responsible for the safe and satisfactory operation of the Skyhaven Airport under the State and Federal guidelines. The legislation further states that the PDA had final say as to the management and financial actions taken on behalf of the airport. The PDA was also responsible for the \$629,000.00 bond that was taken out by the state to refinance the T-Hangars.
  - vi. Kenn Weyler stated that he had been on the Aviation Subcommittee at the time and the City of Rochester kept saying if you (The State) would pay off the hangars the city would take over the airport, but they never did.

- vii. Mr. Bartlett continued and stated that when the PDA took over Skyhaven they quickly found that operating expenses were three times what had been stated, and the airport had not been meeting its bond obligations (interest payments). The PDA's Irving Canner wisely decided to pay off the bond using PDA funds. Some of this is reflected in the \$1.3 million operating loss that has come directly out of the PDA cash revenue.
- viii. It looks like Skyhaven will continue to operate at a loss as General Aviation has been and continues to be in decline.
- ix. Mr. Bartlett stated that the PDA philosophy is that the PDA runs on cash from PDA revenues, we have no bonding authority, and do not receive or have access to State General Funds. Revenue is starting to become level at Pease, and we are becoming mature. The PDA has several expenses that they will be responsible for, not the least of which is the runway at Portsmouth will soon be rebuilt and the PDA will be responsible for 5% of that expense. As we look forward our philosophy is going to continue as it has been; that we continue to demolish old buildings that require extensive repair as we have at Pease and we have been getting assistance from the FAA to do that. – Bill cited a few examples of this at Pease. He continued – We will continue to look to private industry and private investment. Bill cited that we have gone out to developers at both airports for various projects including new hangars and restaurant facilities. We've gone out two or three times requesting proposals for FBOs. Sumner Properties, Eric, Glenn Horne etc. We have rented Hangar 5 to Glenn at a below market value rate because we recognize the importance of having an aircraft maintenance facility at the airport.
- x. Pease is committed to continue to operate the airport in a safe manor and continue to maintain the property so it is acceptable to both the tenants and the transient users. In the future there probably won't be any capitol moneys available for improvements unless it is something you can convince the PDA Board of Directors to do.
- xi. Bill stated that he wanted to lay this out so that the SAAC knows when they plan here they have an idea of what the PDA is looking at, and to take that into consideration as they make recommendations to the PDA Board. Any capital expenditure up here would have to be well justified.
- xii. Kenn Weyler asked, "Bill, you spoke of bonding Authority. Do you need it?" Bill Bartlett responded, "This is down the road but infrastructure at Pease is getting old and will need repair, much of this is the responsibility of Portsmouth but (we) may be going to the State to request it." Kenn then stated, "I'd be happy to sponsor it if you need it." Bill replied, "It won't be this year. We operate on cash."
- xiii. Bill Hopper clarified that those capital improvements where we get 90% Federal AIP Funds and State funds we will continue to invest in – Runways, Taxiways, Ramps and infrastructure.
- xiv. Peter asked, "Then to clarify, federally funded projects will continue but those out of cash and other sources are less likely?" Bill Bartlett replied, "Yes, that is a good summation."
- xv. Bill Bartlett closed with the statement that no one should walk away from this meeting feeling that Pease does not value Skyhaven as an Airport.

Pease will continue to support the airport, but it was important that we lay out the PDA's current situation and what you can expect.

**h. Webpage Feedback – None**

**i. Subcommittee Reports: Wings and Wheels**

- i.* Christine Soutter reported that the Wings and Wheels event is scheduled for June 4<sup>th</sup>, 2016 this year. We are extending it by an hour because it was so popular last year. If it is as nice of a day as it was last year it will be well attended again. Planning is going smoothly as the team has done a few of these now and everyone pretty much knows what they need to do and what to expect. The Share Fund has really taken ownership on this and has done a great job of breaking it down with checklists and sub committees and got this well-organized. Event is Saturday June 4<sup>th</sup> 10 – 3.
- ii.* There was a discussion of the committee connecting to the Tenants Association at Pease (TAP).

**j. Traffic count**

Andrew reported on the traffic recording reports. First Page showed 6,747 operations in 2015, we did have weather and construction over 2015. We did lose two weeks of data in September of 2015 when the system was knocked off line. Next page is a comparison of 2014 and 2015 total for 11,287 operations for two years combined. For the most part 2015 shows an increase in activity over 2014. January of this year 423 operations, December 440 Operations, November was 488 Operations.

**II. Old Business:**

**a. Sumner Properties**

Mark Gardner reported that Sumner has completed the work on the fuel farm and is working on the various insurance requirements. There is no new news on the hangar at this point but they are still expressing interest. Mark added that they have not made any commitments regarding new hangar construction, nor are they required to do so.

**b. Taxilane & Drainage Rehab Project**

John Gorham Jacobs Engineering. Work Areas around hangars 1,2, 3 & 4. 50% plans for review. Because of funding the project is broken into two phases, over two years. Plan to bid this as one project with one contractor who will know they need to phase this over two years. Each phase would be approximately 60 days where the area would be closed.

Best case if the money came in August then Phase 1 would start in September and phase one would take two months so we would be reopening in November. With phase 2 starting the following year. That would be best case.

Worst case we would be building first phase in spring 2017. With phase two starting August September 2017.

There was an extended discussion of phasing and phasing options for runway access for the various hangars during each phase.

John went over the various diagrams and what new areas would be paved and the changes to grades and drainage outfalls. He also reviewed the addition of the electrical outlets at the new tie down, and the preparations for a possible future wash rack.

There was a discussion on the hill south of Hangar 3 and if the slope was to change, creating a need for a guard rail, and walk path. Upon analysis the slope was to remain the same and a guard rail and walkway would not be necessary.

\$1 – 1.2 million, 90% federally funded.

### **III. New Business**

Brandon Giuda asked if we had looked into putting up a solar farm, putting up solar panels to lower our utility costs and maybe sell electricity. He stated that Tesla has a new battery pack that came out called the power wall that makes solar power generation and storage a real possibility.

Bill Hopper mentioned that yes, this is something that the PDA has been considering at both airports.

### **IV. Public Comment**

None

### **Meeting was adjourned at 09:55 am Local time**

Respectfully submitted, Andrew B. Pomeroy for Chair Peter Bruckner.