

# AIRPORTS BOARD

March 19, 2015

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**Notification:** To view video of full discussion of this meeting please visit  
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The Airports Board met on Thursday March 19, 2015 at 1:30 p.m. in the Council Chambers of Hilton Head Island Town Hall. Chairman Rich Sells called the meeting to order and led the attendees in the Pledge of Allegiance.

## **ATTENDANCE**

Airports Board Members: Rich Sells, Gregory Viventi, Dan Ahern, Ron Smetek, Will Dopp, Allan Rae, and Derek Gilbert. (Absent: Anne Esposito and Graham Kerr).

County Staff: Jon Rembold, Airports Director; Renee' Ford, Administrative Assistant; Beaufort County Liaison Councilman Stu Rodman.

Public: Judy Elder, Talbert & Bright.

## **MOTION TO ACCEPT AGENDA**

**Motion:** It was moved by Mr. Rae, seconded by Mr. Smetek that the March 19, 2015 agenda be approved. The vote was: FOR – Rich Sells, Dan Ahern, Ron Smetek, Will Dopp, Alan Rae, Derek Gilbert and Gregory Viventi. AGAINST – None. ABSENT:, Anne Esposito and Graham Kerr. MOTION PASSED.

## **MOTION TO ACCEPT MINUTES**

**Motion:** It was moved by Mr. Smetek, seconded by Mr. Rae that the February 19, 2015 minutes be approved. The vote was: FOR – Rich Sells, Ron Smetek, Alan Rae, Dan Ahern, Will Dopp, Derek Gilbert, and Gregory Viventi. AGAINST – None. ABSENT: Anne Esposito and Graham Kerr. MOTION PASSED.

**PUBLIC COMMENTS** - None

## **GUEST SPEAKER**

Mr. Rembold introduced our guest speaker, Mr. Don Kirkman, Executive Director of Hilton Head Island Economic Development Corporation (HHIEDC). Hilton Head Economic Development Corporation was incorporated in June 2013; Mr. Kirkman was hired in August 2014; HHIEDC has an 8 member board, 7 voting members and Steve Riley, Town manger, is a non-voting member; corporation is 100% funded by the Town of Hilton Head and their mission is to broadly grow and diversify Hilton Head Island economy.

Mr. Kirkman thanked the board for their time. Mr. Kirkman stated HHIEDC developed 11 goals, 22 strategies and 50 action plans. The 50 action plans are grouped into six categories; (1) Job Creation and Capital Investment – business recruitment, entrepreneurship; (2) Economic Development “Product” and Infrastructure – real estate solutions and transportation, which is extremely important to Hilton Head and Beaufort County, the airport plays an important role to infrastructure ; (3) Marketing; (4) Communications; (5) Research and Data; and (6) Planning.

One of HHIEDC’s main action items is to support the effort to expand air service to Hilton Head Island. They will work with Beaufort County, the Beaufort County Airports Board and its professional staff to expedite lengthening the Hilton Head Island Airport runway to 5,000 feet. HHIEDC will support Hilton Head Airport and the Savannah/Hilton Head International Airport in their respective efforts to attract new air service and expand service from existing commercial carriers.

Hilton Head is in a competitive environment; tourism, real estate (primary residence, second home, time share), retirement communities and attracting new businesses. It is essential to the HHIEDC mission to assist in making Hilton Head/Beaufort County attractive to businesses. Having the airport is extremely beneficial in attracting new businesses.

Mr. Kirkman shared an anecdote, he attended a Chamber of Commerce event, met a gentleman who owns a home in Sea Pines. The gentleman came here when he did his first solo flight to Hilton Head. He fell in love with the place and moved here permanently. A young lady moved here because of her family’s relationship with the gentleman.

Mr. Kirkman expressed his desire to work together with the board and Beaufort County Council to successfully expand the airport and Hilton Head economic development.

## **OVERVIEW OF FINANCIAL QUESTIONS:**

Mr. Viventi reported there were no financial inquiries therefore, no actions to report.

## **LADY'S ISLAND AIRPORT REPORT**

Mr. Rembold reported on the fuel sales and operations for the Lady's Island Airport for February 2015. Operations continue to go up.

## **HILTON HEAD ISLAND AIRPORT REPORT**

Mr. Rembold gave the tower and operations reports for February 2015. Operations continue to go up. Mr. Rembold spoke with Signature who reported a great start for 2015.

Mr. Rembold stated Rwy 21 On-Airport Tree mitigation, contract close out is underway.

Mr. Rembold reported there are two properties remaining regarding the aviation easements for Runway 21 on the North end; St. James Baptist Church and Palmetto Hall. Design revisions to off-airport obstruction removal project will reflect new FAA requirements.

Mr. Rembold stated the Runway lighted signs replacement final inspection is complete and project closeout is underway.

Mr. Rembold announced Runway 03 Tree Removal Environmental Assessment (EA) draft document was delivered to Hilton Head Library for public review. There is one (1) copy at the Hilton Head Airport Administration office and four (4) copies at the Hilton Head Library for public review. There will be a Public Hearing on April 13, 2015, 5:00 pm at Hilton Head Library to discuss the document. Mr. Smetek asked if the document could be posted on the county website. Mr. Rembold stated he would make sure it will be posted to the county website.

Taxiway A relocation and replacement ramp design plans are under review. The design of the tree removal between ATCT and GA ramp is underway. This project is included with the Taxiway A relocation and will follow the same timeline.

Land acquisitions for Runway 21 offers are in negotiations, a few of the owners had their own appraisals done. Once the county receives those appraisals, then the negotiations will continue. Runway 03/21 extension design is underway; Taxiway F realignment design is 40% completed. Master drainage plan design draft document is completed, in QA/QC.

## **DIRECTOR'S REPORT**

Mr. Rembold reported on his trip to Washington, DC with his colleagues from Savannah, Charleston, and Augusta airports advocating directly to members of Congress to increase the Passenger Facility Charge (PFC), and to sustain AIP – Airport Improvement Program funding, and an approved FAA reauthorization bill. This will allow all airports to increase the PFC user fee up to \$8.50. These programs provide all participating airports an additional source of funding to execute important infrastructure projects to provide economic development opportunities and jobs. The last adjustment to the PFC cap was made in 2000. Without the increase, the airports cannot finance new projects and/or they have to delay their projects over a longer timeframe. Members of Congress were impressed that HHH, SAV, CHS and AGS representatives were there collectively, along with Hilton Head Chamber and Savannah Chamber members

Mr. Rembold briefed the new parking enhancements at Hilton Head Island airport. Republic Parking installed automated parking machine kiosks which will allow travelers to pre-pay for their parking inside the terminal. The new system requires you to know your license tag number to enter into the kiosk. The first two hours are free. It also has a mobile website/app travelers can

use to add additional funds to their fare if they anticipate returning later than expected. There's also a toll free number travelers can call to add additional funds to their fare.

Mr. Dopp asked if the booth will continue to be manned. Mr. Rembold stated someone will come and do inventory of the parking lot, run reports and collect the money from the kiosk. The machine is user friendly. Mr. Dopp asked if someone will be there 30 minutes after the last flight. Mr. Rembold wasn't 100% sure, but there is a phone number for travelers to call if they need assistance. If you do not pre-pay, even if you're picking up or dropping off someone, you still need to register your vehicle; otherwise you will receive a citation of \$25. No refunds are given.

Mr. Smetek commented on the elderly population located on Hilton Head who will not be able to use the new parking system due to their lack of technology experience. He feels the airport should use the old ticket system and we are doing an unjust service to the community.

Mr. Rembold reported on his recent speaking engagements:

Mr. Rembold was interviewed by WTOC in late February regarding airport operations; the interview was held at Lady's Island airport

Mr. Rembold will be doing a presentation at the Rotary Club in Beaufort on Friday, March 20, 2015 giving them an update on both airports and at the Kiwanis Club of Beaufort in April.

Mr. Rembold stated an update on the Air Traffic Control Tower; the Airport will be purchasing recording equipment. The old system has outlived its life cycle and it is the airport's responsibility to replace it; will present proposal to board at next meeting for approval.

Mr. Rembold is working with the Concours Motoring event partnership and with the Island Beautification committee to assist in sprucing up the area for the event to be held at the end of October.

The board approved a draft lease agreement last month to allow parking on former Distinctive Granite property to Diamond Transportation. It was approved by the finance committee. Since its county property, must have an ordinance; a draft ordinance has been written and it requires three (3) readings of council and a public hearing. Once the process is complete, we will have a contract. Mr. Rembold will keep the board apprised of the process.

Mr. Rembold gave a brief update on budget; no major changes from last year. He added additional funds to business development to be used towards airline recruitment.

### **NEW BUSINESS –**

Mr. Rembold presented to the board the following items to be approved. Need full board approval; the airports board received copies of the documents prior to the meeting:

### **MOTION TO ACCEPT THE FOLLOWING:**

#### **◆ ARW – RWY 07 Removal Design & Permitting Contract**

Mr. Ahern asked if this item is part of the court case regarding easement on trees. Mr. Rembold explained we have the easement; the case pertained to the value of the trees.

**Motion:** It was moved by Mr. Dopp, seconded by Mr. Ahern that Work Authorization 14-01, Project NO.: TBI NO. 2119-1401, for ARW RWY 07, Removal Design and Permitting Contract be approved. The vote was: FOR – Rich Sells, Dan Ahern, Ron Smetek, Will Dopp, Alan Rae, Derek Gilbert and Gregory Viventi. AGAINST – None. ABSENT:, Anne Esposito and Graham Kerr. MOTION PASSED.

◆ **HXD-RWY 03/21 Off-Airport Obstruction Removal Design Contract Amendment No. 1**

Mr. Smetek asked who prepares the statement of work; the contractor, the county, or consultant? Mr. Smetek pointed out an error on page 7 of the document. The heading states, “Beaufort County Airport” and it should read, “Hilton Head Island Airport”. Mr. Ahern recommends correcting the heading on page 7.

**Motion:** It was moved by Mr. Dopp, seconded by Mr. Viventi that Work Authorization 12-04, Amendment 1, Project NO.: TBI NO. 2119-1204 Phase II, for HXD- RWY 03/21, Off-Airport Obstruction Removal Design Contract Amendment NO. 1, be approved with correction to page 7. Correct Beaufort County Airport to Hilton Head Island Airport. The vote was: FOR – Rich Sells, Dan Ahern, Will Dopp, Alan Rae, Derek Gilbert and Gregory Viventi. AGAINST – Ron Smetek. ABSENT: Anne Esposito and Graham Kerr. MOTION PASSED.

◆ **HXD – On-Airport Tree Mitigation Design Contract Amendment No. 2**

This amendment covers additional administrative construction cost due to increase time needed to finish the project.

Mr. Ahern asked if the contract has a liquidation damages clause. Mr. Rembold’s response was, they do and the amendment will cover it.

Mr. Sells stated the trees we don’t remove, but instead trim, what is the timeline regarding growth of the trees. Mr. Rembold stated this amendment being discussed is for re-planting, but the timeline is 10 years growth.

**Motion:** It was moved by Mr. Viventi, seconded by Mr. Rae HXD – On Airport Tree Mitigation Design Contract Amendment No. 2 be approved. The vote was: FOR – Rich Sells, Dan Ahern, Ron Smetek, Will Dopp, Alan Rae, Derek Gilbert and Gregory Viventi. AGAINST – None. ABSENT:, Anne Esposito and Graham Kerr. MOTION PASSED.

◆ **Draft Letter to Members of Congress – FAA Reauthorization, PFC & AIP**

This is the result from Mr. Rembold’s Washington, DC trip; would request chairman to co-sign the letter.

Mr. Smetek expressed it doesn’t make economic sense to increase the PFC due to the decline in passengers travelling US Airways. Mr. Smetek asked if an economic analysis was conducted. Mr. Rembold responded by saying, yes an analysis was done. The last time the PFC was increased was in 2000. As a result, many airports, including Hilton Head, have reached their debt capacity under the \$4.50 PFC and either cannot finance new projects or have had to phase in their capital projects over a longer timeframe. By increasing the cost of the PFC, the airports are able to shrink the gaps that many airports have experienced due to lack of funding. The increase will provide us with the ability to set our own price based on needs to ensure the continued safety, security, expansion and modernization of our facilities.

Mr. Dopp asked if the other airports that went to Washington, DC are doing a similar letter. Mr. Rembold responded by saying yes.

**Motion:** It was moved by Mr. Gilbert, seconded by Mr. Ahern to send the Letter to Members of Congress – FAA Reauthorization, PFC & AIP - with Chairman Sells as co-signer. The vote was: FOR – Rich Sells, Dan Ahern, Will Dopp, Alan Rae, Derek Gilbert and Gregory Viventi. AGAINST – Ron Smetek. ABSENT:, Anne Esposito and Graham Kerr. MOTION PASSED.

## **UNFINISHED BUSINESS –**

### **Hangar Development**

Mr. Rembold spoke with Alicia Holland, CPA, Chief Financial Officer, and Josh Gruber, Deputy County Administrator, about a plan for hangar development. The optimal plan would be for a private developer to bid to build a hangar. The developer would be able to build and own or build, own/lease it. The county would locate the property; write the lease term and identify performance terms. Mr. Rembold next step is to develop lease terms to use for airports and provide to board for input.

### **Response to Public Questions That Were Formally Submitted April 2014.**

Chairman Sells, responded by saying the responses to the questions were incorporated into the Environmental Assessment package. The final report is available for public viewing at the Hilton Head Library and Hilton Head Airport Administrator office. This item is officially closed.

## **KUDOS TO OUR FIREFIGHTERS**

Mr. Rembold congratulated Chief Yeager and the firefighters for receiving an award from AAAE training. The firefighters have received the award four (4) years in a row.  
**A BIG KUDOS to Chief Yeager and the firefighters!!**

## **PUBLIC COMMENTS CONTINUED – None**

## **FUTURE MEETINGS**

Historically the April meeting has been cancelled due to the Heritage event. There are a few action items that will need the board's attention and the board elections will be held. The board agreed to have the meeting as scheduled.

The next Airports Board meeting will be Thursday April 16, 2015 at 1:30 p.m. at Beaufort County Government Center, County Council Chambers.

## **ADJOURNMENT – 2:40 PM**