



The regular meeting of the Charlottesville-Albemarle Joint Airport Commission was held Monday, January 19, 2008 at 4:00 p.m. in the 2<sup>nd</sup> floor conference room of the terminal building.

Members Present: Will Dirickson, Greg Edwards, Bill Schrader, Kurt Goodwin, Jeff Uphoff

Members Absent: None

Others Present: Barbara Hutchinson, Executive Director; Jeff Brill, Director of Finance & Administration; Jason Burch, Director of Air Service Development & Marketing; Marijean Jagers, Standing Partnership

Mr. Edwards called the meeting to order at 4:00 p.m.

## **1. Minutes**

Mr. Edwards moved to accept the October 20 and November 17, 2008 minutes. Mr. Dirickson seconded the motion and it passed unanimously.

## **2. Presentations**

a. Airport Communications Plan – Marijean Jagers of Standing PR presented the Airport Communications plan and survey results to the Commission. The plan included the following information:

1. Communications goals - create opportunities to demonstrate value of CHO to existing business and leisure travelers, develop and execute outreach plan to grow corporate customer base, develop communications tactics to promote parking, maintain relationships with vendors and tenants and advance the reputation of CHO as a good citizen of the community and Central Virginia's business partner.
2. External perceptions from survey - the Airport is community oriented, communicates transparently, the small size is appreciated, and the location is convenient and accessible. Flight options are limited and small airplanes turn off some customers. Cost is expensive as compared to competition and some amenities are lacking after last departure. Rental car and taxi driver customer service and actions negatively impact the airport's image.
3. Internal perceptions - communications are good but could be stronger between departments and tenants, and airport tenants need to feel appreciated. UVA and CHO need to collaborate. Employees feel that CHO's customer service is excellent, others see room for improvement and that CHO could focus more on non-commercial airline travelers. The runway extension will improve business. Meridian hanger is in poor shape and the general aviation lacks amenities for

general aviation pilots. While on a financial level the economy has negatively impacted the airport's operations and the airport operates on a small budget, employees perceive benefits as good.

4. Brand position is convenience, valued choice for business travelers, focus on a positive customer experience, safe and hassle free travel to/from Central Virginia and worth the additional cost for convenience and atmosphere.
5. CHO's Positioning Statement - *Charlottesville-Albemarle Airport (CHO) is a regional airport serving Central Virginia with a convenient choice for business and leisure commercial air travel, as well as general aviation. CHO's value is in safe travel, friendly staff and an overall positive customer experience.*
6. Key Messages – CHO makes flying convenient and enjoyable. CHO is committed to continuous improvement of customer service, air travel choices and options, as demonstrated through the airport's plans to extend the runway to accommodate better conditions for inclement weather, larger aircraft and fully booked flights. CHO has short security lines, convenient parking, accessible taxi and rental cars and is transparent in its communications with the community,
7. CHO is vital to economic development by providing services to executives and leisure travelers, and supports itself with funding generated from parking and tenant fees and operates on a limited income budget.
8. Strategic Overview:
  - Media Relations – create a media relations foundation and fully leverage proactive and reactive opportunities.
  - Community Relations - review and prioritize community outreach calendar of activities and create media relations opportunities to promote outreach events. Review and prioritize speaking engagement opportunities.
  - Crisis Communications – create comprehensive plan for crisis communications.
  - Social Media – leverage relationship building using online tools such as creating searchable, community-building content on gocho.com, facilitate content-creation learning session for blog team, monitor online content for interaction opportunity and fresh content ideas, and evaluate success by analysis of Google analytics results.
  - Internal Communications – document communications process and develop recommendations for key opportunities to communicate with staff and vendors/tenants, create timeline of communications opportunities and explore recognition tactics.
  - Government Relations – develop presentation for use in government outreach, provide support for lobbying efforts and develop talking points around key opportunities such as the runway expansion.
  - Integrated Communications Plan – develop and distribute runway expansion messaging to staff, board, commission and spokespersons, TV, Radio, post FAQs on CHO web site and create a Town Hall style meeting for community members.
  - Integrated Communications Plan – host brand launch internal party and distribute shirts and other items to CHO team, provide branded items to

CHO travelers, provide branded water bottles to parking lot users, distribute news release to local media, invite media to brand party, post launch look on gocho.com, create CHO's facebook group and create CHO holiday card.

- b. Strategic Marketing Plan – Mr. Burch started his presentation by quoting the air service risk analysis from Mead & Hunt: “the outlook is more of the same kind of behavior until the economy improves and energy prices stabilize, look for the airlines to possibly cut capacity and be aggressive in moving underperforming capacity into new routes or strong performance routes.” He noted there is an inherent challenge in marketing an airport in that it is not the subject of customer’s final destination. He stated with a focus on coordinated branding and internal staff efforts to support these measures, CHO will come out with a well planned, well executed identity in the air travel sector.

Mr. Burch stated that CHO’s Marketing Plan was broken down into quarters. He reported that quarter one, the goal was to support the brand, build relationships, increase general aviation’s profile and make results measureable/traceable. He further pointed out that CHO’s features and benefits are as follows: close, convenient, connected, competitive, comfortable, non-stop flights, centrally located, fixed airline gates, free wifi, work stations, gorgeous views, friendly & accessible staff and global one-stop flights. He also stated that measurements include the number of passengers traveling per month/year, parking revenues, website traffic, email subscription’s and online flight bookings. In conclusion he stated that the first quarter objectives will focus on reaching the general market with ads and emails, existing customers with general brochures, giveaways (luggage tags) and promotions (branded luggage set), businesses with ads, UVA with the web and ads, and tenants with email and general brochures.

### **3. Matters from the Public – None.**

### **4. Action Items**

- a. The Market – Request to move the entrance – Mrs. Hutchinson stated that the contract expires August 1, 2009 and that without moving the entrance to the secure side, the Market indicated it would not be able to renew its contract. She noted staff was told that unless their gross sales increased 40%, regardless of the door location, the Market will have no choice but to non-renew. She stated by relocating the entrance, the market stands to gain the passengers lost in the morning that are focused on getting through screening since it is the busiest time of the day. She reported that a third of the daily departures are from 5:30 am – 7 am, representing a significant number of possible customers. She stated Tiger Fuel is willing to sign a contract amendment that in the future if the Market wanted the door moved back to unsecure side of the airport, it would incur the expense. She also stated that the cost of moving the door to the secure side is \$11,000, which the Board has approved. Mr. Edwards confirmed that he participated in a meeting with representatives from the Market, and stated that he believed the Market is an important amenity for passengers. He recommended approval of the relocation, and noted the purpose of the concession is to serve passengers, not employees and tenants. Mrs. Hutchinson concluded the Authority spent two years trying to

fill the concession and spent a considerable sum on the upfit of the area. Mr. Uphoff moved to approve the relocation. Mr. Dirickson seconded the motion and it passed unanimously.

- b. Airfield Lighting Project Construction Change Order One - Mrs. Hutchinson reported the Albemarle County project inspector implemented a requirement that a sediment trap be converted to a bio-filter. She stated the cost of the revision totals \$36,052.50. Mrs. Hutchinson stated the engineer has confirmed the project will under-run creating funds to offset the change order within the project budget. She stated that if the project over-ran for any reason, the change order will be eligible for 95% reimbursement from the FAA and Virginia Department of Aviation. Mr. Schrader moved to recommend the Authority approve the Airfield Lighting Project Changer Order One. Mr. Dirickson seconded the motion and it passed unanimously.
- c. Extend Runway 21 – Benefit Cost Analysis (BCA) & LOI Application – Mrs. Hutchinson reported the Federal Aviation Administration strongly encouraged the Authority to completely revise the Benefit Cost Analysis for the proposed Runway extension project. She stated it was noted a new BCA would be required for Congressional assistance in obtaining additional federal funding, and that emphasis on a high quality product was repeated. She noted the latest BCA was completed in 2004 and stated that since that time, both the project estimates and aircraft operations have changed. She stated the FAA also recommended the Airport formally apply for a Letter of Intent (LOI) with the FAA, which can be included with the BCA scope of work. She pointed out that the LOI requires an extensive financial analysis, both historical and forecast, of both operating and capital results of the Authority. She reported Delta Airport Consultants has proposed partnering with Unison Corporation to complete this project, noting a team member is a recently retired FAA official that wrote the BCA/LOI requirements and familiar with CHO's capital and PFC structure. She stated the application deadline is March 1 to meet the FY 10 federal deadline, and the expense is inflated for overtime hours to meet the very tight schedule, with the total cost \$166,000. She also stated that the BCA is eligible for future FAA/State funding, to be paired with a future phase of the runway extension project. She noted that the LOI and Financial Plan may not be eligible for funding and that the Authority may be responsible for that \$55,000 share. Mrs. Hutchinson concluded the Coverage Fund has an unappropriated balance of approximately \$800,000, which would cover the expenses deemed not eligible. Mr. Edwards suggested submitting a quality product is more important than meeting the deadline given the importance of the project to the Airport and community.
- d. Sanitary Sewer Extension – Request for Easement – Airport Office Center, LLC – Mrs. Hutchinson reported that the Airport Office Center was seeking an easement from the Authority to install an underground sanitary sewer line on airport property. She stated the easement area is approximately 250'x20', and that the value utilizing the Albemarle County Service Authority formula totals \$50,000, less than market value of the property but noted it might be difficult to negotiate that amount. She concluded the reason for installation on airport property is to avoid clearing and grubbing the woods behind the office building, which also help shield a neighborhood development from the airport.
- e. Virginia Department of Aviation – Grant Offer Acceptance – Mrs. Hutchinson reported the Authority has received grant offers from the Virginia Department of Aviation for Air Service Development (\$16,000) and Advertising & Promotion (\$25,000). She concluded both grant offers were anticipated in the FY 2009 operating budget.

- f. Comprehensive Annual Financial Report – Mrs. Hutchinson reported the CAFR was mailed to each member. She noted there were no material findings and that the only suggestion was that the Executive Director review the bank account reconciliations. She also pointed out this was the first year the CAFR was reviewed and approved by an audit committee, of which Mr. Dirickson is a member.

## **5. Airport Statistics**

Mrs. Hutchinson presented a newly formatted spreadsheet which consolidated statistics but added more information for a more comprehensive review. She reported that December 2008 Aircraft Operations - itinerant (Air Carrier/Taxi) was down 13.9%, (General Aviation) down 6.6% and (Military) up 27.6% as compared to December of 2007. She also stated that local aircraft operations were down 35.1% in December 2008 as compared to December of 2007. She stated this brought total operations to an increase of 15.6% for the calendar year as compared to 2007, surprising given the commencement of a downturn in passenger traffic in February 2008. She stated that Passenger traffic was down 5.3% for the month of December 2008 and down 8.2% for the calendar year 2008 as compared to 2007. She also reported parking revenue was down 10.2% in December 2008 and down 8.8% for the calendar year, relatively proportionate to passenger traffic. She concluded FBO fuel sales were down 20.4% in December, with the calendar year down 3.4%. She noted fuel sales were indicative of the decline in aircraft operations in December. Mr. Edwards concluded the new statistics format was very good and the Commission concurred this format should be used in the future.

6. **Construction Update** – Due to time constraints no update was given.

## **7. General Aviation Update**

- a. Landmark Aviation – Cessna Repair Certification – Mrs. Hutchinson stated Landmark Aviation has received its Cessna Repair Certification, expanding on-field maintenance opportunities.
- b. Charlottesville Flight Center – Mrs. Hutchinson remarked that The Charlottesville Flight Center has asked the Authority to sponsor a Cessna event in the spring.
- c. NATA President Jim Coyne Visit to Charlottesville – Mrs. Hutchinson concluded the Authority will help coordinate this general aviation event.

## **8. Other Matters**

- a. International Airport Delegation Visit – Mrs. Hutchinson reported the U.S. Department of Commerce is sponsoring an airport development program whereby 19 airport officials from the former Soviet Union are visiting the US to learn about airport management and operations. She stated CHO has been asked to host the delegation for a tour and presentation on February 4, 2009 from 9:30 a.m. to 11:30 a.m.
- b. Meeting Change of Date – It was agreed the next meeting will be conducted on February 23, 2009 due to the Presidents Day holiday.

9. **Adjourn** - There being no further business, the meeting was adjourned at 5:50 p.m.

Next Meeting: Monday, February 23, 2009