

Meeting Agenda
City of Bangor Airport Committee Meeting
City Council Chambers 3rd Floor
August 12, 2014

The following City Councilors were in attendance: Airport Committee Chair Nelson Durgin, Councilors, Pauline Civiello, David Nealley, and Gibran Graham. The following City Staff were also in attendance, Airport Director Tony Caruso, and Marketing Manager Risteen Bahr. Also in attendance was President/Owner Allon Fish for BAFS.

Agenda:

1. Portland Cellular Partnership-lease amendment.

This lease amendment outlines the terms and conditions for a lease of 1,000 square feet located adjacent to the International Arrivals Building, at Bangor International Airport (BGR). Portland Cellular desires to build a new equipment shelter for their distribution antenna system and supporting equipment. They currently lease 240 square feet of ground space for a smaller equipment shelter. The smaller shelter will be discontinued. The provisions of the original lease will remain unchanged. The new lease rate shall be \$26,000 annually and shall increase 3% each New Year of the term. Portland Cellular has been a tenant since 2006. The old rate was \$18,000 annually. It will be a 5 year term with option for extensions. They are leasing a space for their antenna system.

Motioned passed by Nealley and seconded.

2. Bangor Airport Food Services (BAFS)-lease extensions

The leases with DMF, Inc. d/b/a Bangor Airport Food Services (BAFS) for the airport terminal food concessions and BAFS for the in-flight-kitchen are nearing the end of their initial five (5) year terms. Both leases stipulate five (5) year lease extensions. BAFS is interested in extending both leases. The Airport has been pleased with the service provided by the current vendor and the current rental rates are among the highest in the industry. This vendor has been a proactive business partner in recruiting and retaining the international transit business and has also made several investments in Airport facilities, per the lease agreements. The rental rate for the in-flight kitchen is \$27,500.00 per year. The lease rental rate for the food concession is 12% of gross sales. BAFS is in the process of making improvements within the restaurant at the airport. Also, as part of this agreement, BAFS has agreed to offer a food and beverage concession beyond security screening and make substantial investments in the facilities. BAFS has operated this post security concession successfully for several years. Marketing Manager Risteen Bahr and Owner Allon Fish indicated that there are a number of improvements in the building, and they are making improvements to the restaurant and coffee shop. Some of the improvements are a express pick up area, new charging station, table service, new counter tops, a whole new look. Also, the name of the restaurant will be called The Refueler Pub & Grill.

Questions/Comments:

Councilor Graham asked if we can validate parking for guests who will just come to the Airport to eat at the Grill. Airport Director indicated that he will look into that.

Motioned passed by Councilor Civiello and seconded by Councilor Nealley.

3. Airport statistics- July 2014

The total monthly passengers was up by 4.8% and YTD Passengers was down by 1.1%. Compared to the three year average we were up by 15% for the monthly passengers and YTD was up by 13%. We have very strong load factors. Allegiant was 96%, Delta at 83%, United at 82% AND US Airways at 73%. Total Operations was up by 8%. Fuel Sales for DOD is very strong, up by 33.9%, and total fuel sales was up by .7%. Market Share is a good mix, US Airways at 35%, Allegiant at 12%, United at 12% and Delta at 41%.

Questions/Comments

Councilor Graham asked how the United flights were going. Marketing Director Bahr responded that that are going well, and most of the inbound flights are full with passengers coming into Bangor for vacation.

4. Airport Car Rental Company-issue of RFP notification

The City of Bangor will be issuing a Request for Proposals (RFP) for the car rental concessions at Bangor International Airport (BGR). By way of background, the Airport receives revenue from the rental agencies based on rentals of the counter space, leasing of maintenance facilities, parking space rental, as well as percentage of gross rental revenues. There are currently five (5) car rental agencies at BGR: Hertz, Avis, Budget, Alamo and National. The previous agreement was a term of five (5) years, however they are now operating under a one year extension. The Airport has contacted these potential proposers as part of the process of preparing the RFP, in order to gain their feedback. We will be issuing the Request for Proposals around August 11th, the deadline will be September 5th, we will complete the Evaluation Process around September 30th, then the recommendation to Finance Committee will be October 6th, City Council to approve on October 15^h, and the effective date of Term Agreement will be November 1st.

Meeting adjourned