

Meeting Agenda
City of Bangor Airport Committee Meeting
City Council Chambers
3rd Floor
March 5, 2012 6:00

The following City Councilors were in attendance: Charlie Longo, Pat Blanchette, Susan Hawes, Joseph Baldacci. The following City staff was also in attendance, Interim Airport Director, Anthony Caruso. Councilor Longo opened the meeting.

Agenda:

1. Industry Update/Overview

- a. Passenger Statistics for end of year 2011. Airport Interim Director Anthony Caruso indicated that Passenger traffic was up 17.4% for month over December 2010. Total passengers for 2011 were 429,468. 2011 was BGR's best year since 2005. BGR ended the year up 11% over 2010. Capacity was up 19% also for the last 12 month period. In December load factors averaged 76%. In 2011, BGR added service to Fort Lauderdale on Allegiant and announced that new daily service to Washington, D.C's Reagan national would start in March 2012 on US Airways. In 2011 fares were raised more than 10 times due to the increase in fuel.
- b. Passenger traffic was up 15.8% for January 2012 as compared to the January 2011 traffic. January 2012 is the best January since 1997. Load factors averaged 69.6% with capacity up 22% for the month. All three airlines contributed to the increase in capacity with Allegiant up 63%, Delta up 8.96%, and U.S. Airways up 17.35%.

Questions/Comments

Councilor Baldacci stated that it sounded like we are starting to bounce back from the recession and asked about the current Marketing Plan. Caruso responded that he will bring the Marketing Plan back to the committee for review and discussion.

Councilor Gallant asked what can be done to make the Airport more user friendly, as far as the lounge he thought smelled like smoke, the bookstore didn't seem to be up to date. He stated that the Airport concessions were kind of just blah, that other Airports he has visited are fresh and have more vendors. Caruso responded that we have done some renovations both pre and post security and that we are still working on more renovations. The Airport has also made improvements for passenger amenities such as better seating, charging stations throughout the terminals, massage chairs, free Wi-Fi, etc.

Councilor Hawes stated that the Airport has listened to the Passengers request for facilities after security. She has also heard good compliments from passengers in her travels. Caruso responded that he will be working with the Councilors to keep them up to date on renovations and that our vendors have been very good as far as working with the Airport on flights that come in the middle of the night, so they have had irregular hours.

Councilor Blanchette stated that the councilors need to be kept up to date with the renovations and also would like to be kept up to date on the vendors and when their leases expire.

2. Business Development Activities

- a. Report on Schedulers & Dispatchers conference- Caruso stated that this is a vial conference that the Airport attends. This year the meeting wrapped up with a record 407 Exhibitors and 2,536 registered attendees during the 3 day event in January, 2012. The Airport met with current Fuel Brokers such as Colt and World Fuel Services and Mercury Fuels. In addition, they met with a new contact with CHEMOIL, a company previously in the Buinkers Marine Fuels business, and emerging in the Aviation Fuel Market. In general, the atmosphere was considered to be “cautiously optimistic”, with an enthusiastic response.

Questions/Comments

Councilor Blanchette asked what type of business and planes come into the GA Market, and what Fuel Brokers do we do business with. Caruso provided a brief overview of the different business segments of the airport. Caruso responded that he will get a list of Fuel brokers to the Councilors and once the weather warms up he will give the Councilors a familiarization tour of the Airport.

- b. 2012 Business World Expo (BAWE)- Caruso stated that this is the second annual show for BAWE and exhibitor attendance was up from last year’s event. This is the only European trade show for airport operators and the world’s business destinations. This show brings together key decision makers who have the ability to drive business to our location. Shannon, Ireland, one of BGR’s top competitors in this market, continues to exhibit at this show claiming quick tech stops and an excellent alternative to other locations. Joe Buckley, Technical Traffic Development Director, Shannon Airport gave a presentation showcasing why they claim to be the leader in tech stops. This is why it is vital that we market this show. We were asked to speak at next year’s event.

Questions/Comments

Councilor Hawes thanked for the information on these trips and was glad that the Airport is keeping the Councilors up to date on the trips and what is going on.

Councilor Gallant, discussed the Airports tech stops and about servicing airplane parts.

Councilor Blanchette discussed that the Saab dealership is what Bob Ziegelaar had discussed years ago with the Councilors and that the airport should look into that. Caruso agreed.

- c. Networks 2012- Caruso stated that this is an Air Carrier event. Marketing Manager Risteen Bahr is attending this event. The Airport meets with senior Planners. We have six meetings line up. We will have a full report at the next Committee meeting.

Questions/Comments

None

- d. Reduced Military Charters- Caruso stated that the Airport has budgeted for the Military traffic knowing that eventually, it would slow down. Back in 2009 there was discussion with one of our competitors regarding taking military flights elsewhere offering better deals, but Bangor maintained the flights. We are now currently in the wind down process. In 2009 we had roughly 900 flights and we are down to roughly 600 flights in 2012. We are planning for the reductions.

Questions/Comments

Councilor Blanchette commented that she is sorry that we are losing the volume, but glad that the troops are coming home.

Councilor Hawes commented about the troop greeters always being at the Airport for the Military flights regardless of the time of day. Caruso responded that we will always be here to support the troop greeters.

3. Airport Construction

- a. General Aviation Apron project review- Interim Director Caruso stated that the 5.1 million dollar project of the rehab of the GA ramp where we are going to increase the effectiveness of the pavement it is a 90% Federal match through the AIP program. This should start in April/May.
- b. Inline baggage handling system-Caruso discussed that we are working with the TSA on the one million dollar project. This will increase the effectiveness on check baggage. This will go behind the wall of the ticket counter. We are awaiting the approval through TSA.

Questions/Comments

None.

4. Airport Passenger Facility Charge (PFC) approval

Airport Interim Director, Caruso, stated that on February 28, 2012, Bangor International Airport was notified by the FAA that the airport's passenger facility charge (PFC) application was approved. The Passenger Facility Charge (PFC) Program allows the collection of PFC fees up to \$4.50 for every enplaned passenger at commercial airports controlled by public agencies. Bangor's application, 12-03-C-00-BGR, is approved for collection up to \$2,576,497 for the following projects: (1) Electrical Improvements- primary underground service and the international terminal generator. Hupp reviewed the upcoming 5 year projects for FAA. Please see the attached memo for the details. (2) Terminal Building Renovations Phase I-This project includes the design and construction of high priority upgrades to the existing domestic terminal. This includes the consolidation of airline ticket counters, the construction of a new elevator and escalators, demolition and relocation of the support spaces along the curbside edge of the ticket counter area and demolition of the restrooms in the passenger departure area and the construction of new code-complaint restrooms in the passenger arrival area. (3) PFC Application Costs- This project consists of the professional and administrative services for the work involved in assisting with the preparation of the application and process.

Questions/Comments

Councilors discussed changing the Airport Committee meeting time and day of the week meeting. This will be discussed the next meeting. Caruso will provide a few options for Committee consideration.

Meeting adjourned.