

Meeting Agenda
City of Bangor Airport Committee Meeting
City Council Chambers
3rd Floor
November 2, 2011 4:00

The following City Councilors were in attendance: Gerry Palmer; Nelson Durgin; Richard Bronson; and Pat Blanchette. The following City staff were also in attendance, Airport Director, Rebecca Hupp and Risteen Bahr. Councilor Palmer opened the meeting.

Agenda:

1. Industry Update/Overview

- a. Passenger Statistics for September - Airport Marketing Director, Risteen Bahr indicated the Airport had a 17.3% increase in September compared to September 201, and had a 10.6% increase year to date compared to last year. This is above the industry average.
- b. Air service developments - Airport Director Hupp, indicated that the Airport is continuing to watch the proposed slot swap between U.S. Airways and Delta for JFK and DC. This transition may be done by December and we are looking at this opportunity. Allegiant Air will start the new service to Fort Lauderdale on November 17th. We will be holding an inaugural flight event for this which will be held at 11:00 AM. We will also be doing a drawing for a round trip air ticket on Allegiant and a Royal Caribbean Cruise for two plus a two night stay at the Sheraton Fort Lauderdale Beach Hotel. The Airport is continuing to work on obtaining a waiver for the Cuba Embargo so that we can attract a transit charter program. The Airport also continues to work on the Federal Grant for Small Community Air Service Development.

Questions/Comments

Councilor Durgin asked about the Jet Blue incident when the Passengers were left on the plane for seven hours. He asked what steps Bangor International Airport had in case there was a power outage, what would Bangor International Airport do. Hupp responded that we do have options in case of a power outage and that passengers will not be kept on the plane. Specifically, the Airport has generator power to operate the terminal building including the jet-bridges. The Airport also has multiple sets of air stairs that can be used to deplane passengers remotely.

2. Business Development Activities

- a. Routes Conference-Risteen Bahr discussed the World Route Development Forum that she and Tony Caruso attended. This forum is a meeting of the aviation industry which includes airlines, airports, tourism authorities, tour operators, and cargo operators. The driving force for the meeting is the one-on-one meetings that are held between potential partners and existing partners. This was BGR's first year to attend. We did have a small booth and participated in 10 formal meetings and two briefings. In several of our meetings with both domestic carriers as well as international charter and cargo carriers, we learned information from existing and potential partners that we might not have learned had we not been in attendance. Our meetings with cargo carriers were all excellent. These carriers use BGR primarily as a technical stop. Overall, this is a worthwhile meeting and we should continue participating. It is another

chance to meet with multiple carriers in one place for one-on-one meetings and networking. There were about 3000 people in attendance.

Questions/Comments

Councilor Durgin asked if we can bring in large aircraft to BGR with heavy equipment like for the Waterfront Concerts. Bahr responded yes and that she will look into this further.

- b. National Business Aviation Association- Airport Director Hupp indicated that this was held in October and the conference drew 1,106 Exhibitors, a 2 percent increase over last year's exhibitor count of 1,086. The number of attendees was also up 7% from last year with 26,077 in attendance. We continue to hear from our customers that they are extremely pleased with BGR's services and value, and do not "shop around", a true testament of confidence in our service. We were able to meet with many of key customers including World Fuel Services to discuss their new elite FBO network currently in development. UVAIR presented Bangor with an award as one of their Top Suppliers.

3. Authorization to Amend Fixed Base Operating Fuel Supply Agreement

Airport Director Hupp discussed the contract with Western Petroleum, the distributor for ExxonMobil as the Airport's FBO Supplier. BGR retained the ExxonMobil premiere brand, Avitat, on the retail side when we made the fuel transition two years ago. The Western Petroleum contact was signed on July 31, 2009 with an initial 1 year term with two additional 1 year extensions. Recently, ExxonMobil notified Western Petroleum and its FBOs that it intends to exit the retail aviation fuel business at the end of November. Under the existing contract with Western Petroleum, they have the authority to substitute fuel brands. The Airport is requesting authorization to amend the existing agreement to reflect the changes necessitated by ExxonMobil's exit from the market place. This will allow the Airport to maintain the existing credit card processing and support functions without extending the term of the agreement. The final agreement will be in a form reviewed and approved by the City Solicitor.

Questions/Comments

Councilor Blanchette asked are other Airports going through the same issues. Hupp responded that Portland made the decision to transition to a new fuel brand and other places are also moving ahead. Blanchette also indicated that perhaps the Airport should issue an RFP and the Council needs to discuss this. Councilor Durgin responded that the proposal to amend the contract makes sense and we can go out for the RFP prior to the expirations of the current contract. Hupp indicated that we have the open access fuel model; a transition we made 3 years ago. We have a contract with Irving Fuel for the Airport's fuel supply. In the coming months we will have a workshop on the FBO services with the Council/Committee around January.

Councilor Palmer asked if the Avitat brand gone and Hupp responded yes.

Bronson approved and Durgin seconded.

4. Review of Proposed Five Year Capital Improvement Program Project.

Airport Director, Hupp reviewed the upcoming 5 year projects for FAA. Please see the attached memo for the details.

Questions/Comments

Councilor Blanchette asked about the bird flight pattern. Councilor Bronson asked if the necessary funding would be there if additional funds are being carried forward. Hupp responded that we receive roughly 2 million dollars per year in AIP funding. Councilor Durgin added that it is a good progressive plan.

5. Troop Greeter Pavilion and Ground Breaking Ceremony

Airport Director Hupp indicated that the Airport has proposed to do a permanent pavilion for the troops. Approximately 18 months ago the Airport discussed that once we reached the millionth service member coming through Bangor, we would construct a pavilion in recognition of the Troop Greeters for all of their work greeting the military. We are planning a ground breaking ceremony for November 10, 2011.

Questions/Comments

Councilor Bronson-where is the cost or funds coming from. Hupp responded that it is coming out of the Airport funds and anticipates that it won't be any more than \$5,000. We are also working on donations, contributions in exchange for recognition. Councilor Palmer asked where this will be located. Hupp responded between the hotel and the car rental lot, and it is an all weather pavilion, but will not be heated.

Meeting adjourned.