

County Council of Beaufort County
Hilton Head Island Airport – www.hiltonheadairport.com
Beaufort County Airport – www.beaufortcoairport.com
Post Office Box 23739 – 120 Beach City Road
Hilton Head Island, South Carolina 29925-3739
Phone: (843) 255-2950- Fax: (843) 255-9424

**AIRPORTS BOARD MEETING MINUTES
OF MARCH 17, 2011**

The print media was notified in accordance with the State Freedom of Information Act.

The regularly scheduled meeting of the Beaufort County Airports Board was held at 1:30 PM on Thursday, March 17, 2011 in the Council Chambers of the Beaufort County Government Center. Chairman Pete Buchanan called the meeting to order.

It was moved by Mr. Zimmerman, seconded by Mr. Wirth, that the agenda for the March 17, 2011 meeting be accepted. The vote was: FOR – Mr. Mazzei, Mr. Jorgensen, Mr. Sanders, Mr. Dopp, Mr. Zimmerman, Mr. Buchanan, Mr. Law, Mr. Kerr, Mr. Wirth, Mr. Gilbert. ABSENT – Mr. Newman. The motion passed.

It was moved by Mr. Kerr, seconded by Mr. Jorgensen that the minutes for the February 17, 2011 meeting be accepted. The vote was: FOR – Mr. Mazzei, Mr. Jorgensen, Mr. Sanders, Mr. Dopp, Mr. Zimmerman, Mr. Buchanan, Mr. Law, Mr. Kerr, Mr. Wirth, Mr. Gilbert. ABSENT – Mr. Newman. The motion passed.

GUEST INTRODUCTIONS – Guests attending the meeting introduced themselves.

MEMBERS PRESENT

Pete Buchanan – Chairman
Councilman Rick Caporale – Beaufort County Liaison
Councilman Ken Heitzke – Town of Hilton Head Liaison
Will Dopp
Joseph Mazzei
Joe Zimmerman
Graham Kerr
Ross Sanders
Richard Wirth
Derek Gilbert
Leonard Law
Paul Jorgensen

MEMBERS ABSENT

Jared Newman – Vice Chairman

STAFF

Paul Andres – Airport Director
Rob McFee – Director, Engineering and Infrastructure Division
Larry Yeager – Chief of Operations
Joel Phillips – Beaufort Co. Airport Supv.
Linda Wright – Admin. Asst.

GUESTS

Councilman Bill McBride
Councilman Paul Sommerville
Judy Elder – Talbert & Bright
Joe Croley – Resident
Marty Craig – Sea Breeze
Ann Craig – Sea Breeze
Steve Cucina – Signature Flight Support

PUBLIC COMMENTS

1. Sea Breeze Airways, LLC: Marty Craig
 - Mr. Craig shared with Board members an outline of his proposed hangar development at the Hilton Head Island Airport (see Attachment "A"). Mr. Craig would like to be able to construct a 16,000 square foot hangar and office space for 16 to 22 people in order to establish a Part 145 repair station and serve as a base for a Part 135 air charter business. Following a question and answer session, it was decided that some of the Board members would meet with Mr. Andres to draft a list of questions to be presented to Mr. Craig. Mr. Craig agreed he would respond in approximately 3 weeks after receiving the questions.

HILTON HEAD ISLAND AIRPORT REPORT

1. Tower Report: Paul Andres
 - Mr. Andres stated the color guard of the local chapter of the Civil Air Patrol that meets at the Hilton Head Island Airport won first place in State competition and will be representing South Carolina at the national competition in Virginia. Mr. Andres stated they are to be commended for their accomplishment.

It was moved by Mr. Dopp, seconded by Mr. Kerr, that the Airports Board recommend to County Council that they recognize the local chapter of the Civil Air Patrol for their accomplishment in the State color guard competition. The vote was: FOR – Mr. Mazzei, Mr. Jorgensen, Mr. Sanders, Mr. Dopp, Mr. Zimmerman, Mr. Buchanan, Mr. Law, Mr. Kerr, Mr. Wirth, Mr. Gilbert. ABSENT – Mr. Newman. The motion passed.

- For the month of February 2011 there were 2,214 total flight operations of which 1,064 were conducted under IFR procedures.
2. Projects: Paul Andres
 - **Tree Obstruction Removal** – This project is still on hold pending resolution of the St. James Baptist Church litigation. Mr. Andres stated St. James Baptist Church has added an attorney to their team and as a result they requested an extension. The Circuit Court judge has agreed to consolidate the appeals. The hearings will begin March 31st starting at 1:00 p.m. in the County Courthouse.
 - **ARFF Station** – This project is finishing up with the punch list items. The contractor is scheduling the final inspections.
 - **Runway Safety Area Drainage Improvements** – The Town's water quality plant recommendations have been forwarded to the FAA and the U.S. Department of Agricultural Wildlife Services for review.
 - **Hilton Head Master Plan** – The Master Plan is still being reviewed by the FAA.
 - **Design Projects** – The commercial terminal improvement design and the commercial apron joint repair project should resume shortly.

3. Operations Report: Chief Yeager

- For the month of February 2011 there were 3 medivacs. There was 1 in-flight emergency involving a twin engine general aviation aircraft. The aircraft landed without incident.
- There will be a FAA required tri-annual airport emergency drill on April 12, 2011. The Town of Hilton Head Island will be involved as the immediate mutual aid responders. The ARFF group at the Marine Corp Air Station will also be bringing their fire trainer to the Hilton Head Island Fire and Rescue Training Center which is located adjacent to the Airport.

4. Noise Complaints & Traffic Counters: Chief Yeager

- For the month of February 2011 there were no noise complaints.
- For the month of February 2011 the after hours traffic count was 86.

BEAUFORT COUNTY AIRPORT REPORT

1. Fuel Sales: Joel Phillips

- For the month of February 2011 there were a total of 1,074 operations. The total flow of fuel was 5,869 (4,020 gallons of AvGas and 1,849 gallons of jet fuel).

2. Projects: Paul Andres

- Tree Obstruction Removal – Mr. Andres stated the attorney is still trying to finish up the remaining litigation cases and hopes to have them resolved by this summer. The FAA is still working on the power pole issue with SCE&G.
- Master Plan – Mr. Andres gave a presentation on the update of the Master Plan (see Attachment "B"). Mr. Kerr stated the revision requires them to go back to get the corrections made and wanted to know if it would be best to make sure the County Council knows what the corrections are. Mr. Andres stated that once the Master Plan is complete and accurate as possible, it will be distributed to the elected officials with more than enough time for their review and opportunity to ask questions for clarification. Mr. Buchanan concurred with Mr. Andres and stated that these detailed corrections will probably not change the judgment of the Council. Mr. Kerr stated part of the land on the taxiway belongs to the City of Beaufort and felt the boundaries need to be straightened out. Mr. Dopp stated that because of this the City of Beaufort will have to give their approval at some point. Mr. Andres stated this will be addressed and handled by Mr. Kubic, but the Mayor and City Manager of Beaufort have already been briefed up to this point with the same information presented to the Airports Board at this meeting.

COMMITTEE REPORTS

1. Lady's Island Airport Operations: Graham Kerr

- Mr. Kerr stated that at the last meeting a motion was passed to develop a generic RFP relating to aircraft hangars and maintenance facilities at the Lady's Island Airport. He stated it was decided to use the Charleston document as an example and as a result they have developed a short simple RFP and it will be presented once the details are worked out.

- Mr. Kerr stated there are 2 major national general aviation air shows. One is in the spring at Lakeland, Florida called Sun and Fun and the second is located in Oshkosh, Wisconsin in the middle of summer. He stated that because of the opportunity for these general aviation pilots to refuel on their way to Lakeland, the Lady's Island Airport has placed an ad on the Sun and Fun website. The ad states that pilots will receive a \$0.50 discount on fuel, free hot dogs and courtesy vehicles for transportation into town which will be provided by volunteers from the Lady's Island Airport. Mr. Dopp wanted to know if the operating hours would be extended. Mr. Kerr stated they would operate on standard hours unless an adjustment is needed.

2. Hilton Head Island Airport Operations: Will Dopp

- In comparing the first two months of 2011 to the same time period last year, aircraft movements were down 16%, but the passenger count was up 3%.
- Signature Flight Support's revenues were \$372,000.00 which is an increase of 2% over the same time period last year. The County's share was approximately \$10,000.00 which is down 6.5%. Fuel sales were up approximately 5.5%. Mr. Dopp stated he was going to look into the matter as to why Signature's revenues are up while the County's share went down. Mr. Andres stated this may be a timing issue with the reporting as he had just dropped off a check in excess of \$10,000.00 from Signature to the County Finance Department.
- Under the new contract with Republic Parking the County will receive approximately \$50,000.00 for the year which ends March 31st as compared to \$18,000.00 last year.
- As a result of comments made at the last meeting concerning the low visibility of the entrance to the Hilton Head Island Airport, Councilman Caporale contacted various people about the problem and as a result suggestions were made on how to remedy this problem. Mr. Andres stated the Airport maintenance technician is in the process of cleaning and repainting all of the signs. The entrance sign has been completely redone and looks brand new. Although it is not known who did it, someone installed an airplane sign under the existing DOT sign. Mr. Andres stated he will be in contact with the traffic engineer for the Town so see if it is permissible to put reflective painting on the curb at the main entrance. He also stated that some of the small brush has been cut back that was obstructing the sign.
- The Hilton Head Island Airport open house will now be held on a bi-annual basis since the event involves a lot of work and costs. Mr. Dopp stated it is also because it is difficult for the open house to try to compete with the Blue Angels at the Marine Corps Air Station. He stated they will use what limited resources they have to bring in some fly bys or static display aircraft and equipment to promote more interest.
- Beach City Road will be closed due to the construction of a roundabout at Beach City Road and Mathews Drive. Mr. Andres stated an announcement was made in the newspaper that there will be detour signage placed on 278 directing the traffic

to the detour route which is Mathews Drive to Cardinal Road to Beach City Road. This detour will affect traffic in both directions.

UNFINISHED BUSINESS

1. Aircraft Hangars (HXD): Paul Andres
 - Mr. Andres spoke with FBO Manager, Mike Bennett, earlier this week. They are still waiting to hear back from Signature Flight Support executives about their thoughts and concerns regarding the proposed hangar management agreement.
2. Through-the-Fence Agreement: Paul Andres
 - Mr. Andres stated that he was involved in a conference call yesterday with the FAA, the consultant, the County Attorney as well as representatives and attorneys for the Exec Air Through-the-Fence complex. The key issue at this point is that Exec Air's regime consists of approximately 43 individual owners who all have a say in what goes on so they have decided to let the attorneys discuss this issue.
3. FY-12 Budget Preparations: Joe Zimmerman and Paul Jorgensen
 - Hilton Head Island Airport – Mr. Zimmerman stated the budget was revised slightly and has been submitted to the County for their review. He stated that one of the key points is implementation of the Passenger Facility Charge. He stated it is critical to get this done as soon as possible. Mr. Zimmerman stated that if this is done in the beginning of FY-2012 and if the projected passenger volume is reached, the PFC's will generate enough surplus cash to cover the County's required 2.5% contributions for the CIP plans through FY-2016. He stated that beyond this it would give us an approximate \$400,000.00 surplus with which to pay down construction costs the County has advanced in the past such as the control tower construction. Mr. Zimmerman stated that the FY-2012 revenues ended up about \$1.5 million and the expenses were approximately \$1.6 million so there is a negative cash flow before depreciation. There is a positive cash flow beginning in FY-2014 which is a transition year with nice increases in FY 2015 and FY-2016. Mr. Zimmerman stated the depreciation went up to \$950,000.00 this year because we are depreciating some items that have not been depreciated in the past. He concluded by stating that some people may be upset by the "book" loss of approximately \$1.1 million, but the cash flow is not bad and looks stronger going forward. Mr. Dopp wanted to know if County Council has to approve the PFC. Mr. Andres stated it will require Council approval. He stated the consultant will prepare the package which will then go to the airlines for their concurrence as well as the Council's concurrence and then it will go to the FAA for their approval. Mr. Andres stated that he hopes to have a PFC proposal for the next Public Facilities Committee meeting which is to be held at the end of the month. It will then require the Council's approval to move forward. Ms. Elder of Talbert & Bright stated that she would have the contract to Mr. Andres by Monday so that he can take it to the Public Facilities Committee meeting for the PFC's as well as the surveying for the tree removal on Runway 3. She stated that once the contract is approved they can move forward with the PFC's.

It was moved by Mr. Mazzei, seconded by Mr. Dopp, to recommend to the Public Facilities Committee that the contract for Talbert & Bright to proceed with the PFC's and surveying for the tree removal on Runway 3 be approved. The vote was: FOR – Mr. Mazzei, Mr. Jorgensen, Mr. Sanders, Mr. Dopp, Mr. Zimmerman, Mr. Buchanan, Mr. Law, Mr. Kerr, Mr. Wirth, Mr. Gilbert. ABSENT – Mr. Newman. The motion passed.

- Lady's Island Airport – Mr. Jorgensen stated Lady's Island Airport budget subcommittee met and formulated the budget which has been submitted for approval. He stated there have been two alterations to the budget so far. One is the depreciation expense which has increased substantially to \$60,000.00 this year and next year it will be \$260,000.00 because, like the Hilton Head Island Airport, some of the items were not depreciated in the past that should have been. Mr. Jorgensen stated a \$15,000.00 consulting fee has also been added. He concluded by stating that as soon as concrete information is received back from Finance, they will meet, discuss and make any other recommendations as appropriate.
4. Airports Board Goals/Objectives: Pete Buchanan
- Mr. Buchanan stated he has not received any further information from anyone concerning changes. He did congratulate the Board for their increase in activity and interests on various topics.

NEW BUSINESS - NONE

CONTINUATION OF PUBLIC COMMENTS - There were no public comments at this time.

FUTURE MEETINGS

The next meeting of the Airports Board will be held on Thursday, April 28, 2011 at 1:30 PM in the County Council Chambers of the Beaufort County Government Center.

ADJOURNMENT

With no further business to discuss, the meeting was adjourned at approximately 2:50 PM.



**Proposed
Hangar Development
Hilton Head Island Airport**

What Beaufort County is Getting:

- A “state of the art” new hangar capable of supporting both Turbo-prop and Jet aircraft
- The establishment of a Part 145 Repair Station capable of overnight support of any Regional Airline operations
- The possession of the Hangar after the lease term is over
- An Hangar capable of being used to support a new airline from Hilton Head to other regions along the Eastern US
- Enhanced traffic flow into Hilton Head Island and a growth in tourism dollars
- A modern approach to attract increased airline service

Outline:

***Sea Breeze Airways* would like to construct a 16,000 sq. ft. Hangar, capable of housing at least one Q-400 Dash 8, that would consist of both Hangar and Office space.**

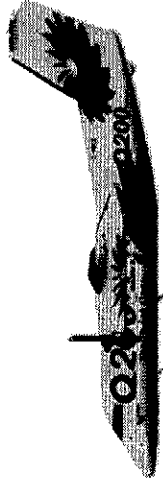
This Hangar space requires approximately 1 – 1.5 acres of property and would be constructed of metal and concrete. Johnson and Associates of Bluffton, SC are the architects for this project.

The funding for the Hangar is through a private investment group.

Types of Aircraft to be Supported

The Hangar operation would be able to support all series of the Dash 8 turbo prop aircraft as well as other Regional Aircraft types. (Pictures of two of the aircraft types , the Q200 and Q400, are included below.)

These aircraft, capable of being supported by the Hangar, are those presently being operated by US Air and previously by Delta Airlines.



Why – the Request

- The construction of the Hangar is intended to act as a base for ***Sea Breeze Airways*** charter business, maintenance and support of existing and new air operation.
- The Hangar is also intended to support future scheduled aircraft offering the necessary support for line maintenance and overnight basing of aircraft.
- The Hangar is also intended to be available as a base of operation for emergency / evacuation issues.

When

- ***Sea Breeze Airways*** would like to solidify the lease of the airport property before **August 01, 2011**.
- The construction of the Hangar could start by **December 01, 2011**.
- The Hangar does not need to be limited in development by the extension of the runway, as it can be utilized under the present airport conditions.

What We Are Asking For:

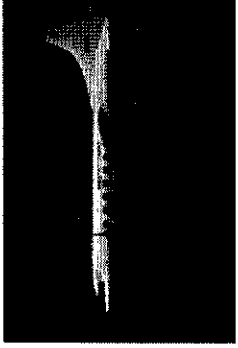
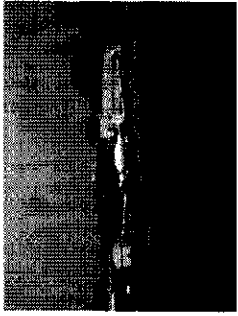
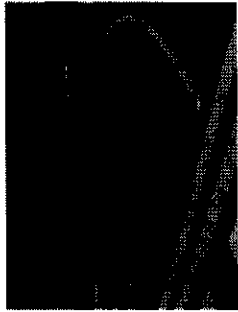
- ***Sea Breeze Airways*** is asking for property that will not require mitigation or limitation on development due to special tree or wetland protection and will have water and sewer access readily available.
- In the event that the Hangar access to the taxiway is not able to be completed in a timely manner , ***Sea Breeze Airways*** may consider the option of absorbing some of the costs to expedite the program
- That all of the Surveying, FAA approvals and Licensing procedure costs be absorbed by Beaufort County.
- That the above items are determined before ***Sea Breeze Airways*** makes any investment in the further design or the construction of the Hangar.

Summary

- **The staff at *Sea Breeze Airways* has a number of years of experience in both airline operations and maintenance support of Regional Airlines.**
- **The staff supporting the Hangar operation will be highly trained and experienced in the support of Dash 8 aircraft.**
- **The facility will be able to support both commercial and private aviation in airframe, power plant and avionics.**
- **The Hangar will be an advantage to air carriers that are looking to serve the east coast and island destinations.**



Beaufort County Lady's Island Airport



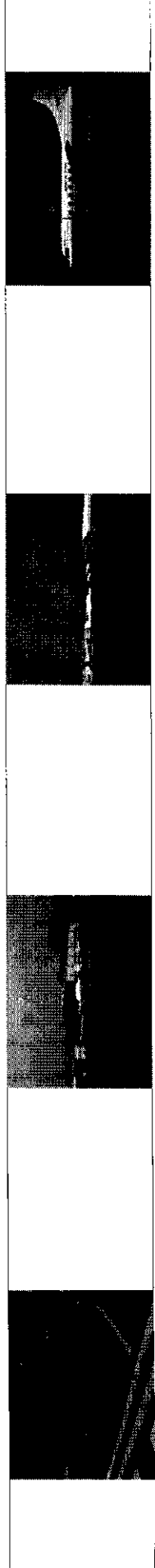
Airport Master Plan Update

Presentation to Beaufort County Council
March 14, 2011



Master Plan Process

Master Plan: 20-year development plan for airport to accommodate expected growth





Master Plan Process Cont'd

Environmental Review

Capital Improvement Plan

Airport Plans

Deliverables

Master Plan

Airport Layout Plan

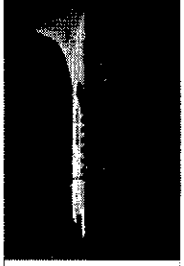
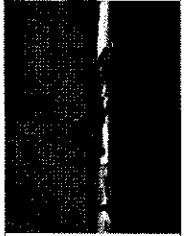
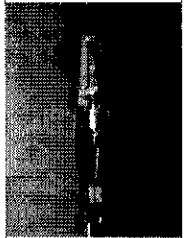


In Progress



Pending

** Estimated Completion
July, 2011*





Meeting RSA Standards

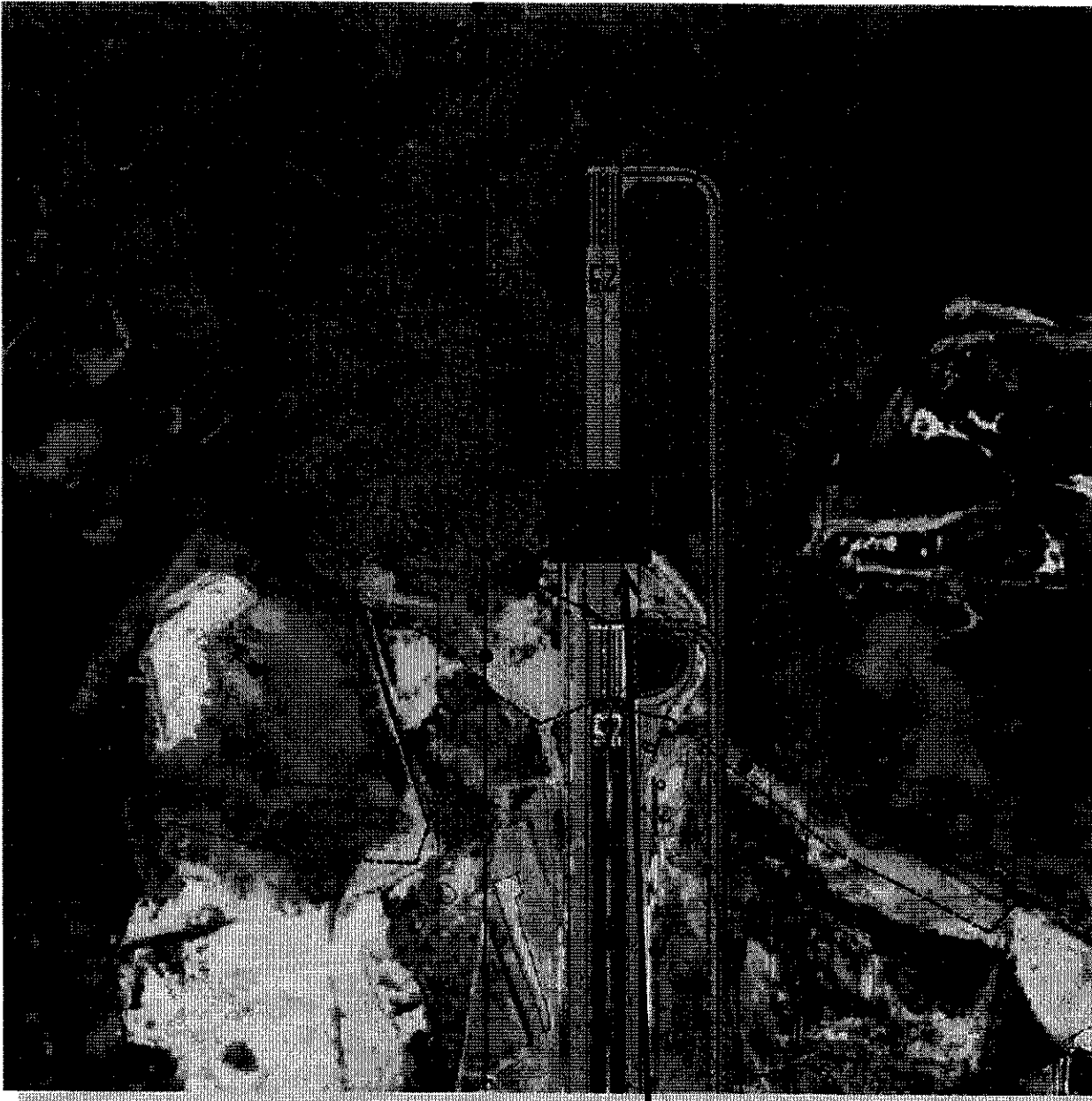
Runway 7

Expand RSA 175'
to support aircraft
weight

Runway 25

Expand RSA 170'
to support aircraft
weight

*A short-term
project*



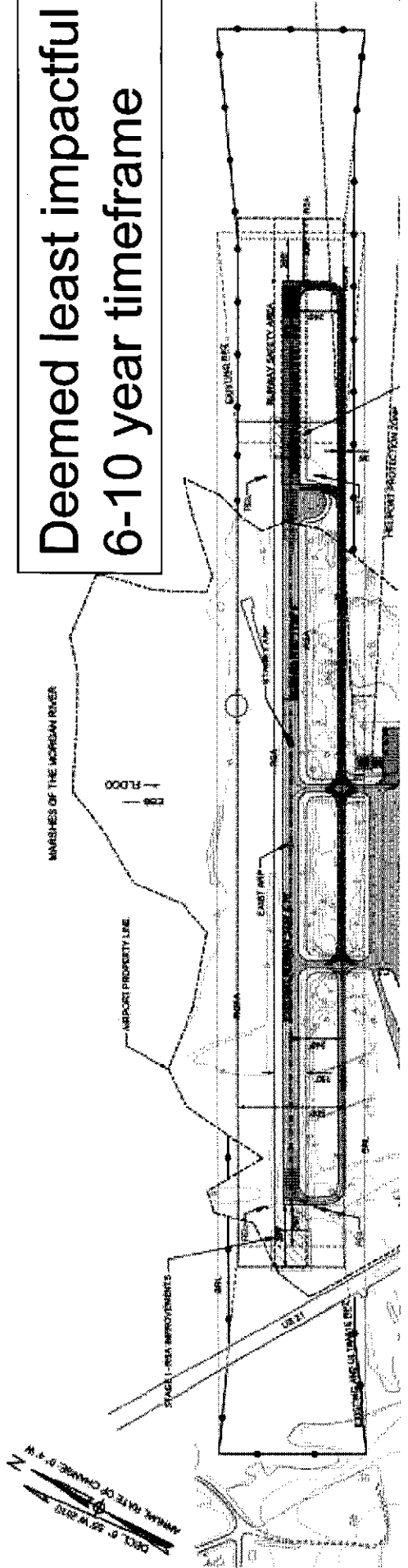


Runway to 4,400' (966' Extension)

Chosen Alternative: Extend into the Marsh

- Meets demand
- Has impacts to marsh/Ocean and Coastal Resource Management (OCRM)
- No land acquisition
- No residential and business impacts
- No cemetery impacts
- No Highway 21 impacts
- Preserves future LPV
- Prevents impacts to Beaufort MCAS

Critical Issue





Terminal Area Development

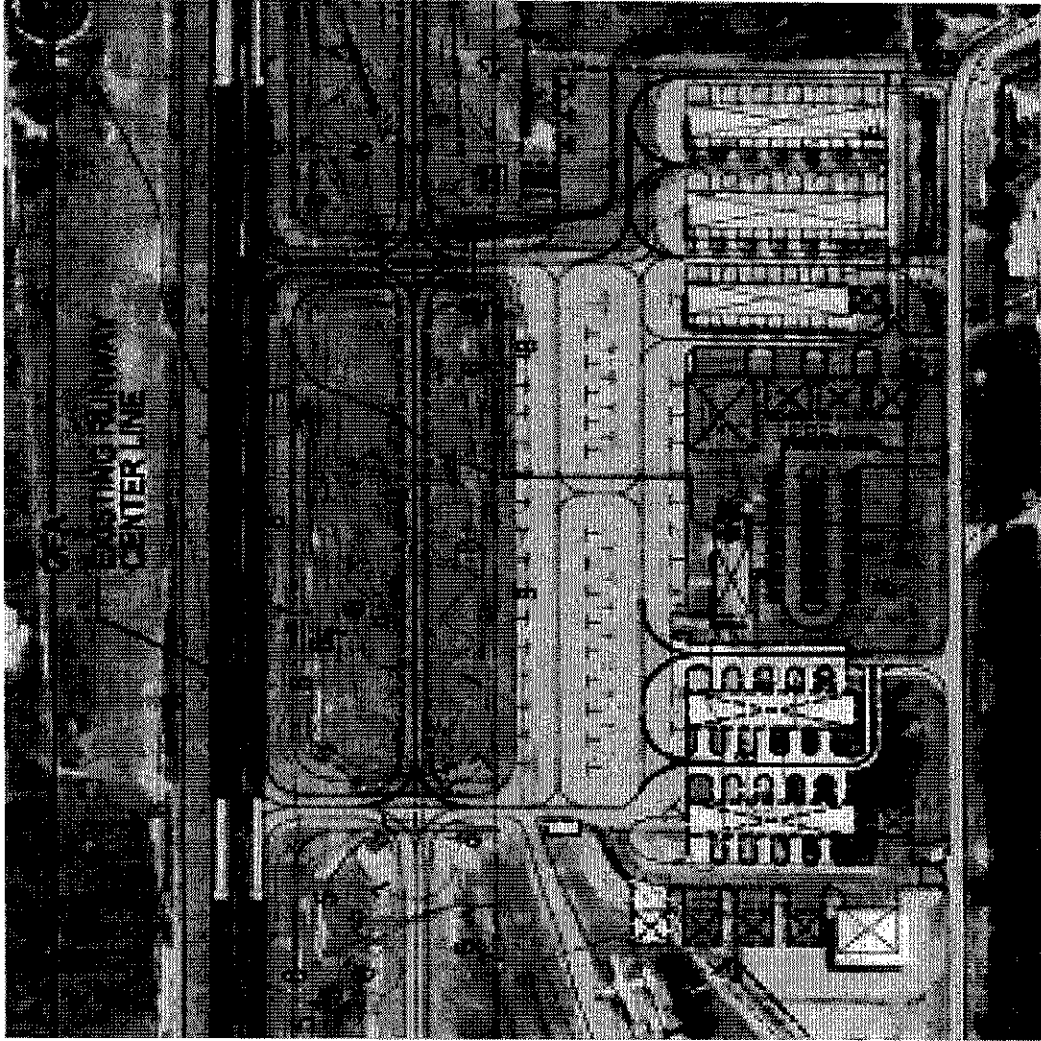
Phased Development to Accommodate Growth

In Based Aircraft

- Full length parallel taxiway
- T-hangar and conventional hangars
- Aircraft apron expansion
- Improved access and parking
- Expanded terminal building
- Relocated fuel facility
- Helipad



Terminal Area Development Cont'd



Development Stages Existing Pavement

Stage 1: 0 – 5 years

Stage 2: 6 – 10 years

Stage 3: 11 – 20 years



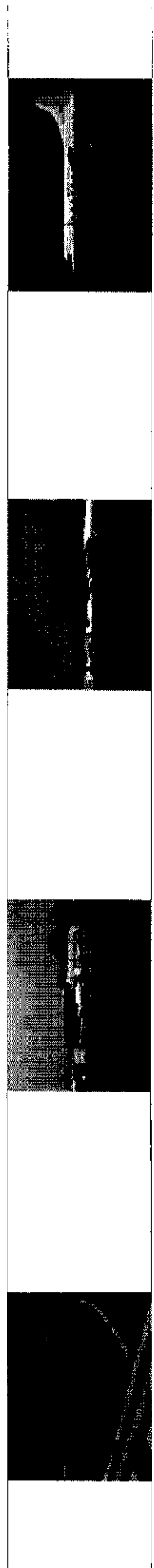


Remaining Steps

Following client approval of the recommended plan, the following tasks may be immediately carried out to complete the Master Plan:

- Finalize the draft Airport Layout Plan set
- Address any edits/comments on draft Master

Plan chapters completed to date (Inventory through Alternatives)





Remaining Steps Cont'd

- Finalize draft Environmental Overview chapter
- Complete the Capital Improvement Program chapter
- Final County Presentation
- Submit to FAA for review and approval

