

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 JANUARY 19, 2012**

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, January 19, 2012 in the Council Chambers of the Beaufort County Government Center. Chairman Joe Mazzei called the meeting to order.

PLEDGE OF ALLEGIANCE

The Chairman led those present in the Pledge of Allegiance to the Flag.

It was moved by Mr. Wirth, seconded by Mr. Dopp that the agenda for the January 19, 2012 meeting be accepted. The vote was: FOR – Mr. Gilbert, Mr. Jorgensen, Mr. Law, Mr. Sanders, Mr. Dopp, Mr. Mazzei, Mr. Buchanan, Mr. Kerr, Mr. Zimmerman, Mr. Wirth. AGAINST – None. ABSENT – None. The motion passed.

It was moved by Mr. Buchanan, seconded by Mr. Sanders that the minutes for the December 15, 2011 meeting be accepted. The vote was: FOR – Mr. Gilbert, Mr. Jorgensen, Mr. Law, Mr. Sanders, Mr. Dopp, Mr. Mazzei, Mr. Buchanan, Mr. Kerr, Mr. Zimmerman, Mr. Wirth. AGAINST – None. ABSENT – None. The motion passed.

GUEST INTRODUCTIONS – Guests attending the meeting introduced themselves.

MEMBERS PRESENT

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

STAFF

Paul Andres – Airport Director
Rob McFee – Director, Eng. & Infrastructure Div.
Joel Phillips – Beaufort Co. Airport Supv.
Linda Wright – Admin. Asst.

GUESTS

Councilman Paul Sommerville
Councilman William McBride
Judy Elder – Talbert & Bright
Erin Moody – Island Packet
Steve Cucina – Signature Flight Support
Mike Peery – Signature Flight Support
Joe Croley – Resident
Jim Brown – Resident
David Boyle – Resident
Tom Olsen – Resident
Gerald Hyde – Resident
Jocelyn Staiger – Resident
Dr. Bruce Wyles – Resident
Judy Holtquist – Resident

MEMBERS ABSENT

None

COMMITTEE REPORTS

Mr. Mazzei suggested they begin the meeting with Mr. Buchanan's report on the Lady's Island Airport since most of the guests in attendance were interested in the Lady's Island Airport Master Plan Update that was presented to joint Councils on January 18th.

1. Lady's Island Airport: Pete Buchanan
 - Mr. Buchanan gave a presentation on the importance of the Lady's Island Airport, its customers, services to the community, and what it can do in the future (See Attachment "A").

PUBLIC COMMENTS

1. Jim Brown – Mr. Brown stated there are other ways to develop the area and to bring business to Beaufort outside of expanding the Lady's Island Airport. He stated people come here for the quality of life. He stated there are pros and cons to the future development of the Airport and suggested they take a survey of the neighbors. Mr. Brown stated the Airport was already at its current location when he built his house so he knew it was there and they do have some noise, but "it is what it is". He stated he was curious as to how the County intends to deal with the negative property values and the noise that will come along with increased air traffic. Mr. Brown wondered whether the quality of life will be lost at some point. He stated he knows there is consideration for a very large and nice regional airport thirty minutes away in Jasper County. Mr. Brown concluded by stating he would like to see someone provide an honest assessment of what the property value decrease would be, the noise pollution and road traffic. He stated there is not a balance of what is being presented by the government.
2. Dr. Wyles – Dr. Wyles stated he owns 77 lots directly across from the Lady's Island Airport. He stated he purchased and developed the lots with the knowledge that the Airport was there. He stated no one has had a problem with the Airport being there, but he was concerned about the 2 public schools within 1 mile of the Airport. He stated he spoke to Mr. Jason Taylor, Ridgeland Town Manager, who told him they have a 3,000 acre tract that they will be able to use for an airport so it does not make sense to consider developing the 120 acres on Lady's Island. Dr. Wyles also stated there is not enough room for more businesses. He stated that Doug Carmody, who provides the most business to the Lady's Island Airport, informed him that he (Mr. Carmody) does not need the Lady's Island Airport to grow his business. Dr. Wyles stated he knows the Airport gets the majority of the money from the government, but he felt the Country is tired of spending money just because you can. He concluded by stating we need to work with Ridgeland for their airport or look at other opportunities.

Mr. Law stated that there is no mention of schools in the report that was presented at the joint session. Mr. Mazzei stated one of the duties of the Master Plan is to look at whether or not the Airport meets the design criteria of the aircraft currently at the Airport. Mr. Mazzei stated people are getting confused in thinking that this is an expansion of the runway rather than just bringing the Airport up to standards. Mr. Mazzei asked Ms. Elder to answer Mr. Law's question. Ms. Elder stated she is not the consultant for the Lady's Island Airport project, but she understands that the consultant on this project is basing everything on one aircraft (King Air) that is currently being used at the Airport. She stated the schools will be looked at when they do the compatible land use analysis in the next phase of the project which is the environmental assessment. Mr. Mazzei added

that there will be plenty of time for public input and that this is only an outline of what needs to be done to bring the Airport up to standards which would take six years or more. He reiterated what he had said previously that this plan is not to extend the runway just for the sake of expansion; it is to bring the Airport into compliance.

Mr. Brown stated there is no mandate that states an airport has to be brought into compliance because of its age. He added if they cannot maintain what they have safely then the Airport should be shut down, but added he is not in favor of shutting it down.

HILTON HEAD ISLAND AIRPORT REPORT

Before starting the report, Mr. Andres summarized the Airports financial statements. He stated the cash flow before depreciation through November at the Hilton Head Island Airport was positive by \$80,000.00 and the Lady's Island Airport was positive by \$11,000.00. He stated a number of receipts such as FAA grant funds will further contribute to a positive balance, particularly at the Hilton Head Island Airport. Mr. Andres stated Ms. Holland plans to be present at the next Board meeting to review the first 6 months of FY-12.

1. Tower Report: Paul Andres
 - For the month of December 2011 there were 2,478 total flight operations of which 1,375 were conducted under IFR procedures.
2. Projects: Paul Andres
 - Tree Obstruction Removal – The on-airport North end tree obstruction removal project continues. The clear area has been completed and the contractor is working in the buffers to prune and remove the last few remaining trees that need to be addressed. The contractor, under a change order, is grinding the stumps flush to ground level in the area that was cleared. Quotes are being received at this time to relocate the perimeter fence in order to enclose the area that was cleared. The revised estimated completion date is now the end of January 2012. The consultant has already started to prepare a preliminary mitigation plan which will be submitted to the Town's Design Review Board for approval. This plan will emphasize dense replanting in the buffer areas.

One more aviation easement has been obtained for the off-airport piece on the North end. There are still 10 more easements needed in order to get approval and permitting from the Town.

Mr. Andres stated they hope to bid the project for the South end by June 2012. Grant funding has been requested from the FAA which is anticipated to be received as soon as entitlement funds are available this Spring. Currently 23 of the 26 required easements have been obtained. Assuming the plant back portion is completed on the on-airport North end piece, the South end could start sometime in the Fall.

- Runway Safety Area Drainage Improvements – The Taxiway F repairs have been completed and are being monitored. Mr. Andres stated we are awaiting additional FAA grant funding this March to finish the remaining phases of this project for piping the open ditch in the runway safety area.

- Master Plan – Mr. Andres stated we are just starting the environmental assessment. Approximately 6 to 8 sections of work out of 20 have been started. These include such items as archeological survey work. This phase of the Master Plan is programmed for 18 months. It will take the consultant at least 12 months to complete their work and 6 months for the FAA to review and issue a finding on the environmental documentation. Nothing can proceed with any FAA funding until the environmental documentation has been satisfied. If it is not satisfied, the process stops at this point and nothing else will move forward. If everything goes as planned, including the acquisition of property, it will take approximately 4 ½ years to complete Phase I of the Master Plan.
- Design Projects – Mr. Andres stated he met with the consultant about the commercial terminal improvements. He said he has seen a schematic view of what is possibly needed. We still have additional negotiations before proceeding any further and there will also be more discussions with the FAA regarding funding for this project.

Design of the runway lighted sign relocation is underway. Mr. Andres stated we are looking to acquire the construction funds in the next grant cycle this Summer. The design should be finished and bid by this Spring.

Mr. Zimmerman, referring back to the Master Plan, wanted to know if the consultant had started the survey of passengers. Ms. Elder stated they did survey passengers between Christmas and New Years. She stated it was very successful and they will be doing it again during the Heritage Golf Classic. She stated that after that an economic analysis that will be presented. She stated the first public information meeting will be held toward the end of all of the field work which should be sometime in March or April. Ms. Elder stated that the environmental analysis will take several more months after which they will have another public information meeting. A public workshop will be scheduled after the draft document has been completed.

- Passenger Facility Charge (PFC) Program – Mr. Andres stated this was presented to the County's Finance Committee on January 17th. It will be forwarded to the County Council meeting on January 23rd with a recommendation for approval. With County Council approval, it will be submitted to the FAA for approval and implementation. This program will generate approximately \$250,000.00 per year on ticket surcharges for passengers departing from the Hilton Head Island Airport. Based on having one airline and the current enplanement data, this program will remain in place for approximately 10 years and generate around \$2,700,000.00 to help pay for major capital projects at the Airport.

3. Operations Report: Paul Andres

- For the month of December 2011 there were 4 medivacs. There were 3 in-flight emergencies. One was an intentional gear up landing due to a hydraulic problem. Everyone responded professionally and there was only minor damage to the aircraft. The second aircraft had a gear up indication light on, but it landed without incident. The third was a transient aircraft that indicated they were experiencing a low oil pressure light, but the pilot elected to continue and land at the Lady's Island Airport.

4. Noise Complaints & Traffic Counters: Paul Andres

- For the month of December 2011 there were 2 noise complaints from the Old Woodland Subdivision area.
- For the month of December 2011 the after hours GA traffic count was 116.

BEAUFORT COUNTY AIRPORT REPORT

1. Fuel Sales: Joel Phillips

- For the month of December 2011 there were a total of 1,122 operations. The total flow of fuel was 6,193 gallons (3,518 gallons of AvGas and 2,675 gallons of Jet fuel). There were a couple of aircraft that experienced mechanical difficulties, but they all landed without incident. An aircraft did blow a tire upon landing today which caused the taxiway to be shutdown for approximately one hour.

Mr. Dopp wanted to know if the local fire department automatically responds to these incidents. Mr. Phillips stated that they only respond if requested.

2. Projects: Paul Andres

- Tree Obstruction Removal – The FAA stated it is their responsibility to attempt to resolve the issue with the SCE&G power poles that transit the approach air space. The survey data that was done after the initial clearing indicates there are still approximately 600 tree obstructions that need to be dealt with at the Airport. The property owner mediation was unsuccessful and the lawsuits will go to trial when scheduled by the court.
- Master Plan – The joint presentation was held on January 18th. Additional presentations will be scheduled as required to address questions and concerns from the public and elected officials. When this process has been completed and the Councils have made their decision to adopt, modify or reject the Master Plan; it will be forwarded to the FAA and the South Carolina Aeronautics Commission for their review.

Mr. Mazzei stated he talked to the Mayor at the presentation and he (the Mayor) asked that Mr. Buchanan give his presentation to their Master Plan workshop.

Mr. Andres stated the Lady's Island Airport has not had a full Master Plan that looks at the needs and requirements of the Airport since 1978. He stated that aircraft such as the Beechcraft King Air continue to operate out of the Airport. He stated the consultant simply identified this as a critical design aircraft in accordance with the FAA regulations. In this case the associated facility requirements include a 4,400 foot runway. Whether or not this recommendation is accepted is up to the elected officials when they review the plan.

COMMITTEE REPORTS (CONTINUED)

2. Hilton Head Island Airport Operations: Will Dopp

- Mr. Dopp stated movements are down 12% from this time last year. The total passenger count for this year compared to last year is still down by 18% due to the

loss of Delta. In 2010, with Delta still in service, the passenger count was 150,000. For 2011, with US Airways being the only airline the passenger count was approximately 123,000. US Airways numbers alone are up 14%.

- Mr. Dopp stated the total revenues for Signature Flight Support for twelve months are approximately \$4.5 million which is up 12% over last year. He stated the County's share is approximately \$136,000.00. Fuel revenues were up due to a price increase, but the gallons are down by 5%. The gallons for the year were 686,000. The fuel revenues amount to approximately 83% of the total revenues at the Airport.
- There have been no changes in hangar tenants.
- Republic Parking revenues were down for the year, but December was up approximately 9%. The County has collected \$21,500.00 for the first 9 months of the contract.
- Mr. Dopp stated he met with the FBO Manager, Mr. Perry, as well as the Duty Manager, Mr. Cucina. He stated that while no one is ready to make any announcements, there are better things coming ahead for pilots. He stated one program they introduced this week was the Tailwins Program in which pilots earn points for fuel and other purchases which can be redeemed for rewards.
- Mr. Dopp stated the Coin Toss hangar construction has started. This will be the second privately built hangar at the Hilton Head Island Airport. CareCore is no longer a part of Coin Toss. Coventry Health Care, who replaced Mr. Ed Grisham, is taking over the sole ownership of Coin Toss.
- Mr. Dopp stated there will be an Airport Open House on May 5th.

NEW BUSINESS – None

UNFINISHED BUSINESS

1. FBO Agreement: Paul Andres
 - Mr. Andres stated contract negotiations are being brought forward to the Finance Committee on January 23rd.
2. Through-the-Fence Agreement: Paul Andres
 - Mr. Andres stated contract negotiations are being brought forward to the Finance Committee on January 23rd.
3. HHI Accommodations Tax Application: Paul Andres
 - Mr. Andres stated the Town has scheduled a special Town Council meeting for February 2nd at the Town Hall at 5:00 PM to review and possibly make decisions on the recommendations of the ATAX Committee.

4. GA Landing Fees: Joe Mazzei

- Mr. Mazzei stated that since the FBO agreement is scheduled for review on January 23rd at the Finance Committee meeting he asked for a motion to table the landing fees topic.

It was moved by Mr. Dopp, seconded by Mr. Kerr that the topic of landing fees be tabled pending the outcome of the FBO negotiations that will be presented to the Finance Committee on January 23rd. The vote was: FOR – Mr. Gilbert, Mr. Jorgensen, Mr. Law, Mr. Sanders, Mr. Dopp, Mr. Mazzei, Mr. Buchanan, Mr. Kerr, Mr. Zimmerman, Mr. Wirth. AGAINST – None. ABSENT – None. The motion passed.

CONTINUATION OF PUBLIC COMMENTS - None

FUTURE MEETINGS

The next meeting of the Airports Board will be held on Thursday, February 16, 2012 at 1:30 PM in the County Council Chambers of the Beaufort County Government Center.

Mr. Mazzei stated that Mr. Zimmerman has resigned and thanked him for all of his hard work for the Airports Board. Mr. Mazzei asked Councilman Caporale to arrange to have Mr. Zimmerman recognized by County Council.

ADJOURNMENT

With no further business to discuss, the meeting was adjourned at approximately 2:35 PM.

Beaufort County Airport



Topics

- Public Health
- Emergency Services
- Medical Support
- Local Business Support
- Tourism
- Why

Public Health



Mosquito Control



Mosquito Control Helicopter

OV 10 Bronco



Emergency Services



Disaster Relief Exercise

Medical Support

Beaufort Memorial Hospital

Duke University

Medical University of South Carolina



Beaufort Memorial HOSPITAL

DukeMedicine AFFILIATE
IN HEART AND CANCER



Duke University

Beaufort Memorial Hospital affiliation with Duke Medicine enhances the capabilities of the Cochran Heart and Keyserling Cancer Centers.

Duke regularly transports its personnel into the Beaufort County Airport to consult with local physicians and hospital staff.



Medical University of South Carolina

Medical University of South Carolina physicians travel weekly to see local patients.

Visits from MUSC arrive and depart through the Beaufort County Airport.



Local Business Support



Air Cargo Services

Marine Recruiting / Base Support



Real Estate

Aerial Surveys for possible property acquisitions.



Flight Training



**Anderson Aviation Flight Training.
Another student solo flight.**

Tourism

City of Beaufort



Hunting Island



Friends Of Hunting Island

Outdoor Recreation



Charter Fishing

Hunting





Sailing Regatta

Boating



Golf



Airport Supported Customers

Non Revenue Producing Customers

- Board of Elections
- Civil Air Patrol
- Hunting Island State Park
- Beaufort County Planning Comm.
- Lady's Island Business Prof.
- Beaufort Writers Association
- Friends of the Library
- Beaufort County Mosq. Control
- LISH Fire Dept.
- MOAA (Military Officers Association)
- Democratic Men/Woman
- Republican Men/Women
- Beaufort Water Festival
- Beaufort Irish Festival
- Beaufort County Head Start
- Lady's Island Garden Club
- Emergency Medical Services
- Peace Corp

Airport Supported Customers

Revenue Customers

- Civil Air Patrol
- SLED (SC Law Enforcement Division)
- Beaufort County Sheriff Substation
- DNR (Department of Natural Resources)
- Northrop Grumman (MCAS Support)
- USMC (Based Aircraft)
- Alfa Flying Service (Charter Service)
- Beaufort County Mosquito Control
- MUSC (Medical University of SC)
- Duke University (BMH Support)
- Paragon Produce
- Life Flight (BMH Support)
- Angel Flight International
- Secession Golf Club
- Copper Station Holdings
- Pitzagalli Construction (BJWSA Support)
- Davis & Floyd Engineering
- Sensible Car Rental
- Cox Enterprises
- Yukon River Acquisitions
- Imagine Air Charter
- Georgia Jet Charters
- Med Flight Air Ambulance
- Seaside Farms
- Martinair (UPS Feeder)
- Net Jets International
- Citation Shares
- MAC (Fedex Feeder)
- Venture Aviation
- Lane Construction
- GOMACO (Concrete Eng.)
- Crandall Bowles
- Ridgeway Enterprises
- Brazen & Greer Masonry
- Rye Aviation Air Charter

Why they will come.

1. Beaufort County Regional Plan predicts a 53% growth in population in Northern Beaufort County alone.
2. Many aircraft owners and charter operators are unable to use the existing facility due to runway length constraints.
3. Communications with aircraft operators indicate they are unable to fully serve customers in Beaufort. These aircraft are redirected to other airport facilities.
4. The future needs of the county and city for improved transportation infrastructure will demand a improved aviation facility in Northern Beaufort County. Hospital, Military and private sector need additional support.
5. Tourism related activities such as Golfing, Boating and Fishing will increase.