

County Council of Beaufort County
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AIRPORTS BOARD MEETING MINUTES
OF FEBRUARY 18, 2010

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, February 18, 2010 in the Council Chambers of the Beaufort County Government Center. Chairman Pete Buchanan called the meeting to order.

A motion was made and seconded to approve the February 18, 2010 agenda. The motion passed unanimously.

A motion was made and seconded to accept the January 21, 2009 meeting minutes. The motion passed unanimously.

GUEST INTRODUCTIONS – Guests attending the meeting introduced themselves.

MEMBERS PRESENT

Pete Buchanan – Chairman
Jared Newman – Vice Chairman
Councilman Ken Heitzke – Town of Hilton Head Liaison
Will Dopp
Leonard Law
Ross Sanders
Joseph Mazzei
Noel Duncan
Joe Zimmerman
Graham Kerr

MEMBERS ABSENT

Councilman Rick Caporale – Beaufort County Liaison
Paul Jorgensen

STAFF

Paul Andres – Airport Director
Larry Yeager – Chief of Operations
Joel Phillips – Beaufort Co. Airport Supv.
Linda Wright – Admin. Asst.

GUESTS

Bill Coleman – Resident
Jim Fisher – Resident
Mike Bennett – Signature Flight Support
Chief Bruce Kline – Lady's Island/St. Helena Fire District
David Townsend - Lady's Island/St. Helena Fire District
Jonathan Dyer – Beaufort Gazette

PUBLIC COMMENTS – There were no public comments at this time.

HILTON HEAD ISLAND AIRPORT REPORT

1. Tower Report: Paul Andres
 - For the month of January 2010 there were 2,586 total flight operations of which 1,240 were conducted under IFR procedures.
2. Projects: Paul Andres
 - Tree Obstruction Removal – The FAA is completing their review of the Environmental Assessment Study and should provide a determination very soon. The Town of Hilton Head Planning Commission discussed the proposed LMO amendments and made some recommendations for Town Council's consideration. They want to pursue obstruction lighting of the large specimen live oaks at the St. James Baptist Church. If the FAA will not allow this then the trees will have to be trimmed 1 foot below the approach slope. They also recommended that any of the LMO amendments apply only to the North end of the Airport and nowhere else around the Airport's property. Because of the amendments, the LMO will go back to the Hilton Head Town Council for another first and second reading which should occur March 2nd and March 16th. Mr. Andres encouraged the Board members to attend these meetings.
 - Emergency Generator – Mr. Andres, Chief Yeager, the engineer and the contractor met onsite February 8th to develop a final inspection punch list. This deals mostly with the concrete around the building and the steps.
 - ARFF Station and Runway Safety Area Drainage Improvements – A preconstruction meeting was held February 3rd. Contract documents are being finalized and the project should start shortly. The Runway Safety Area Drainage Improvements project is currently on hold due to the bald eagles actively nesting at the Airport. Mr. Andres stated he is currently working with the Fish and Wildlife Service to obtain the necessary permits to deal with the bald eagles after the nesting season is completed.
 - Hilton Head Master Plan – An update presentation to a joint session of County and Town Councils is being scheduled during the week of March 8th - 12th.
 - Design Projects –These projects are still on hold.

Mr. Buchanan asked for further clarification on the obstruction lighting for the oak trees at St. James Baptist Church. Mr. Andres stated a pole would be installed between the two trees with an obstruction light on top of the pole. Mr. Buchanan wanted to know how much would be trimmed off the other trees. Mr. Andres stated the current proposal before the Town Council for the specimen live oaks would be to trim 1 foot below the slope. Mr. Andres stated the level of accuracy on the height surveys is plus or minus 5 feet which means a tree could still be 4 feet into the slope. Mr. Andres stated this is why the original request was to trim the trees 10 feet below the slope. Mr. Andres stated that the vast majority of hardwood trees are off airport property on the North end. He stated the current proposal states the trees are to be trimmed at a five year growth interval which means they would have to be trimmed every five years. Mr. Buchanan wanted to know why this does not apply to the South end of the Airport. Mr. Andres stated his understanding was that the Planning Commission is uncomfortable in recommending any permanent changes to the LMO until other issues such as the Master Plan are presented. He

stated other comments have been made that the LMO is fine just the way it is and does not need to be changed. Mr. Newman asked if he was correct that the FAA will not pay for future trimming of the trees. Mr. Andres stated this is correct. The FAA will only pay for the initial clearing and the corresponding plant back that goes along with the clearing. The FAA considers all future maintenance to be a local responsibility.

Mr. Buchanan asked that the following open discussion be put on record to show the Board's concerns with the tree obstruction and budgetary activity to maintain the trees and that the Board does not feel it is prudent for the Town of Hilton Head to delay any actions on the South end or to leave the trees so close to the centerline of the slope of the approach:

- Mr. Sanders asked if the Town is willing to incur those responsibilities.
- Mr. Andres stated he did not know.
- Mr. Dopp stated the Town had used a bucket fire truck to measure the trees at the St. James Baptist Church.
- Mr. Andres concurred and stated that the Town measured the taller of the two trees to be 60 feet whereas our survey data shows that it is 68 feet.
- Mr. Kerr asked how far these trees are from the end of the runway.
- Mr. Andres stated they are 1,900 feet directly off of the centerline of the runway.
- Mr. Kerr stated that by using the rule of thumb of 300 feet of height per mile of glide slope, this would be approximately one-third of a mile off the end of the runway. He stated this would mean that the middle of the glide slope is 100 feet. He stated this would mean there is a tree on the centerline at 68 feet which is 30 feet below the middle of the glide slope.
- Mr. Andres concurred.
- Mr. Kerr asked that if the Town really wants this tree are they willing to give up IFR commercial operations at the Hilton Head Island Airport.
- Mr. Mazzei stated that he believes that if the Town wants to keep the tree then the Town's solicitor should write something up that they (the Town) accept full liability and responsibility in order to absolve the County. He stated if this is not done and someone does hit the tree no one will remember who bears the responsibility.
- Mr. Andres stated they are still awaiting a response from the FAA on their obstruction analysis of the two trees.
- Mr. Duncan wanted to know if there are any remarks on the Jeppsen plates.
- Mr. Mazzei stated he gave a member of the Town Council the plates. He stated he showed them the trees and the notation on the plates about the trees. He continued by stating it is pretty clear that the trees are an obstruction around the runway, but even the plate does not show this particular tree. Mr. Mazzei stated Mr. Andres used a "Google Earth" display which shows the tree being on the centerline. He further stated that he flew over the approach and made a video tape of the tree, but he was unable to tape the indicator at the same time in order to see the 30 foot spread as he flew over it.
- Mr. Buchanan wanted to know if the same type of problem exists on the South end.
- Mr. Andres stated they do not have survey data on the number of obstructions at 34:1 on the South end. He stated that at some point they will have to do the surveys on the sides for the 7:1 slopes which also have a lot of obstructions.

3. Operations Report: Chief Yeager

- For the month of January 2010 there was 1 general aviation fire due to a loose

fuel line on a single engine aircraft. He stated the aircraft caught fire while on the ramp, but it was extinguished with a hand extinguisher. There was minimal damage. There were 4 medivacs standbys at the Airport Fire Station.

4. Noise Complaints & Traffic Counters: Chief Yeager

- There were no noise complaints for January.
- The after hours traffic count was 85.

BEAUFORT COUNTY AIRPORT REPORT

1. Fuel Sales: Joel Phillips

- The total fuel sales for January were 8,222 gallons (4,385 gallons of AvGas and 3,837 gallons of jet fuel). Fuel sales are up approximately 56% from the same time period last year. There were 2 medivacs, 1 Angel Flight and no emergencies.

Mr. Dopp asked about the status of the lease for the fuel trucks. Mr. Phillips stated it has been vetted by the County Attorney and has been sent back to the Airport. He stated they are still trying to negotiate a better price from Eastern Aviation. Mr. Phillips hopes to have the trucks by the first of April.

2. Projects: Paul Andres

- Tree Obstruction Removal – This project is on hold. Mr. Andres stated they met with SCE&G officials in January where they were briefed on a new system upgrade project that SCE&G is pursuing in this vicinity for electrical services to Lady's Island and St. Helena. He stated this project will lower or remove 10 of the 13 power poles that are obstructions in the 34:1 slope. These poles will be removed at SCE&G's expense. This project is expected to be completed by December 31, 2010 at a cost of approximately \$950,000.00. Mr. Andres stated SCE&G has been asked to submit 7460 forms to the FAA for a determination on having an obstruction light for the 3 remaining power poles. He further stated these power poles would cost another \$1,000,000.00 to get them out of the 34:1 slope. These poles are located at the very edge of the approach zone. This information was provided to the FAA at the January 26th meeting. A final decision between the County Administrator and the FAA will determine whether a 34:1 or 20:1 slope is ultimately cleared. There are 43 identified trees that remain as obstructions in the 20:1 slope. There are 601 identified trees that remain as obstructions in the 34:1 slope.
- Master Plan – Mr. Andres and the consultant briefed Mayor Keyserling and the City Manager of Beaufort on January 12th. The City's feedback has been received and it has been discussed with the FAA. The FAA stated that the County should complete the Master Plan whether or not the recommendations can be implemented because of the potential impact to the salt marsh. The FAA does support the conclusion of the study that the runway safety areas are deficient and should be addressed and that the runway length should be 4,400 feet. Mr. Andres stated he is awaiting a decision from the County Administrator in order to authorize the consultant to resume the planning efforts.
- Runway Overlay and Airfield Electrical Improvements Projects – A preconstruction meeting will be held February 19th. Hopefully, these two projects

and activities will be coordinated concurrently during the runway closure period. The runway will be closed approximately 16 days towards the end of March and the first part of April for the overlay process and approximately 2 more days a month later for permanent airfield stripping and marking. An attempt will be made to contact aircraft owners so they have the opportunity to relocate their aircraft during the closure period.

COMMITTEE REPORTS

1. Finance: Leonard Law – No Report.
2. Lady's Island Airport Operations: Graham Kerr
 - Mr. Kerr stated Mr. Phillips had already covered the leasing of the fuel trucks and the Lady's Island/St. Helena Fire Department Lease would be discussed later in the meeting.
3. Hilton Head Island Airport Operations: Will Dopp
 - Mr. Dopp stated his item of the Hilton Head Island Airport Open House would be discussed under New Business.

UNFINISHED BUSINESS

1. Aircraft Tax Rates: Will Dopp
 - Mr. Dopp stated they are still in the processing of receiving information and therefore he was not ready to make a recommendation. Mr. Buchanan stated they are trying to determine whether they can require aircraft owners to register their aircraft in Beaufort County in order to rent a hangar. He stated they have been informed verbally on two different occasions by the FAA they cannot discriminate against non-residents, but a third inquiry has been made for a written response. The FAA's response has not yet been received. An open discussion followed.
2. Through-the-Fence Agreement: Paul Andres
 - Mr. Andres stated negotiations are ongoing with the private hangars located on the Northeast quadrant of the Hilton Head Island Airport. He stated he has met with the property owners association's representatives and presented the recommendations that have been reviewed and approved by the FAA. The consultant expects to receive a counter proposal from the owners association which he will examine and coordinate with the FAA as there are key points that the FAA will not make any concessions on. If the counter proposal is acceptable to all parties then it will move forward, but if it is not a final attempt at negotiations will be made. Their access agreement expires at the end of 2013. If an acceptable agreement is not reached shortly negotiations will cease and at the end of the agreement period their access to the Airport will be closed off.
3. Enhanced Revenue Planning: Paul Andres
 - Mr. Andres stated this would be discussed under New Business – Airports Budgets.
4. Hilton Head Island Airport Parking Concessions: Paul Andres
 - Mr. Andres stated that he and the Purchasing Director consulted with Republic Parking after concerns were expressed at the January Airports Board meeting.

Mr. Andres stated that Republic Parking has agreed to share the risk of mandated employee benefits 50/50 over the term of the contract. Mr. Andres stated this contract will generate between \$25,000.00 and \$30,000.00 per year. Republic Parking will install just under \$81,000.00 in new equipment at their expense and depreciate it over the term of the contract. Mr. Andres asked the Board to move this forward to the Public Facilities Committee and County Council for approval.

A motion was made and seconded to forward the Republic Parking contract to the Public Facilities Committee and County Council for their approval.

Mr. Dopp stated the contract does not show a date when the new equipment has to be installed. Mr. Andres stated that the amortization schedule shows they are depreciating the new equipment as of the first day of the contract.

When the vote was called, the motion passed unanimously.

5. Lady's Island Airport Fuel Trucks: Paul Andres
 - Mr. Andres stated they are waiting on Eastern Aviation to make a few minor changes to the lease agreement. Once this occurs, it will be forwarded to the Public Facilities Committee and County Council for their consideration.

6. Lady's Island/St. Helena Fire Department Lease: Paul Andres
 - Mr. Andres stated that following the January Airports Board meeting he met with the Chairman, Joel Phillips, Chief Kline and some of the Fire District Commissioners to discuss some of the Airports Board's concerns. Mr. Andres stated the Fire Department's position is that they cannot afford to pay an increase in their lease as this would cause an increase in the millage and taxation for the residents of Lady's Island and St. Helena. He stated the Fire Department would like to enter into a new 5 year lease at \$5.00 per year, but that the Airport and the FAA indicated they would prefer that the lease be based on fair market value of the ground adjusted for the benefit of having the fire station located at the Airport and being able to provide service to the Airport. During an open discussion concerning the possible options, a suggestion was made that the County reduce the Airport debt in exchange for allowing the fire department to continue leasing the land for \$5.00 per year. Chief Kline stated they are possibly looking to move in the future to a better location, but need to remain where they are at \$5.00 per year while they make plans to move. Mr. Andres suggested this item be deferred until the Airports Budgets were discussed later during the meeting.

NEW BUSINESS

1. Hilton Head Island Airport Open House: Will Dopp
 - Mr. Dopp stated he would like to have another open house at the Hilton Head Island Airport.

A motion was made and seconded to support an open house at the Hilton Head Island Airport to be held May 1, 2010 under the direction of Will Dopp. The motion passed unanimously.

2. Airports Budgets: Paul Andres

- Mr. Andres presented the budgets for both Airports (see Attachment A). The highlights are shown below:

Hilton Head Island Airport

Mr. Andres explained that the item listed as Hangar Debt Service for the Hilton Head Island Airport was because the County Council decided the construction bond would need to be repaid. He stated that the Airport is collecting \$117,000.00 in rent, but the Airport is paying out \$126,500.00 in debt service per year on the hangars plus the O&M cost. This means the Airport is losing \$20,000.00 to \$30,000.00 per year on the hangars. Mr. Andres stated he would like for the County to consider eliminating this debt service requirement and treat the hangars the same as at the Lady's Island Airport. Mr. Andres stated he would also like to see reallocating an amount equivalent to aircraft property taxes for the benefit of the operating revenues of the Airport. He also stated the Airport directly supports the tourism and hospitality industry on Hilton Head Island and he thought it would be a good idea to start requesting some Accommodations Tax funding to help offset some operating expenses at the Airport. The large amount for Capital Outlay in 2012 is for the major maintenance that is needed to the commercial passenger terminal.

Lady's Island Airport

Mr. Andres stated revenues for the Lady's Island Airport are generated through fuel sales and hangar rentals. He noted that in 2013 the fuel sales go down approximately \$100,000.00 because this is the year there would be a 3 to 4 month closure of the Airport for runway expansion if the Capital Project Plan is implemented. He also noted additional revenue could be generated if an equivalent amount of Aircraft Property Tax Revenue was allocated to the Airport and if County Council would consider paying the equivalent fair market value for the Lady's Island/St. Helena's land lease or reducing the debt to the General Fund in lieu of a monetary payment.

Following an open discussion a motion was made.

A motion was made and seconded to forward the Airports Budgets as presented along with a one page executive summary highlighting the major goals and objectives to the Finance Committee for their consideration. The motion passed unanimously.

A motion was made and seconded to table the Lady's Island/St. Helena's Fire Department Lease Agreement. The motion passed unanimously.

PUBLIC COMMENTS

1. Bill Coleman – Mr. Coleman stated that a suggestion had been made to charge for parking at the old airport terminal. He stated that according to the parking agreement, Republic Parking would be entitled to claim all monies collected unless the language is changed. Mr. Coleman stated that the FAA will not allow a light to be placed on or near the two specimen trees at the Hilton Head Airport and that they will be trimmed which would probably kill the trees. Mr. Coleman suggested that the Hilton Head Town Council table the reading of the proposal to trim, remove and clear cut Hilton Head Island property at and around the Airport until after the mid-March review of the Master Plan. He stated he believes the Master Plan will recommend lengthening the runway to 5,000

which will mean the 34:1 slope will move further North requiring another trim, removal and clear cut. Mr. Coleman concluded by stating that if they wait until the Master Plan has been presented it would eliminate two \$3 million tree trimming, removal and clear cutting efforts.

FUTURE MEETINGS

The next meeting of the Airports Board will be held on Thursday, March 18, 2010 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 3:10 PM.