

SPECIAL COMMITTEE ON AIRPORT ACTIVITIES

November 25, 2003

5:30 PM

Chairman Pinard called the meeting to order.

The Clerk called the roll.

Present: Aldermen Pinard, DeVries, Garrity (late), Thibault

Absent: Alderman Gatsas

Messrs: K. Dillon

Chairman Pinard advised that Kevin Dillon, Airport Director, will update the committee as follows:

- a) Airport Financials;
- b) Capital Program;
- c) Terminal Expansion; and
- d) State Legislative Issues

Mr. Dillon stated this depicts the first quarter of the fiscal year performance at the Airport. Year-to-date we're in very good shape. Revenues are essentially on track. You can see on the listing of our revenues; just to follow these columns. The first column is our budgeted amount, the middle column was our monthly performance for September, and the last column is year-to-date, which represents one quarter worth of activity. And you can see with the operating revenue sources that were right on track. In fact rental of facilities are running a little bit ahead to about \$400,000 to the good for the first quarter. So if you look at the total operating revenues, at this point we're about four percent ahead or about \$392,000 above what the plan was. If you look at the revenues, non-operating revenues, again, most of the categories were pretty much on track. Restricted interest income we're running ahead by about 19 percent or about \$71,000. Restricted interest income is a difficult item to project because based on the returns we are going to get are based on investments. But also in terms of the customer facility charges, the customer facility charge is that per day charge that we get from the rental cars is way ahead. If you look at just one quarter, however, even though we've had some higher activity that usually balances out throughout the year because rental cars are seasonal. Usually in the summer months and in the fall we

will rent more cars than we will in the winter months. So when we start to get more into the fiscal year we'll say that balance out. But overall if you look at total income, we're about seven percent ahead of land or about \$774,000 ahead of where we had estimated we would be for the quarter. In terms of expenses, salaries are right on target where it should be after one quarter. The purchase property services, which are really all of our contracts at the Airport, were running below what we projected in expenses, about 18 percent below. We're at about \$630,000 and that's simply related to lower contract costs. Some of it is related to overtime, we've been able to keep some of the overtime in check this year particularly as it relates to security. We haven't had as many security alerts at the Airport so far this fiscal year. In terms of supplies and materials we're running about 36 percent below where we estimated. About \$143,000 less than we thought we'd be spending, but supplies and materials and another thing that's going to balance out is just how we do the purchases. That next category reimbursement for City services, that's a timing issue. As you can see we allocate about \$75,000 for the year. Principally it's the Finance Department and the City Solicitor that will back bill time to the Airport. Those are really the only two service departments. The City Clerk does have a little bit of time, but that will be coming in throughout the year. And then that equipment, capital and other; you'll see we're actually running 50 percent over where we thought we would be at this time of the year and that's really related to the timing of purchases. For example, we purchased a tow truck out at the Airport that we needed for security purposes, so you get some of those purchases earlier in the year, but that will balance out as we get further into the year. So if you look at the total operating expenses and add all of that together, we are about ten percent under where we felt we would be needing expenses at about \$577,000. Then you progress into our capital accounts, principal and interest, that's related to the bonds at the Airport. That worked out exactly because we charge that out, so exactly what you see here is what we have expended. And our capital improvement account I think as I've explained in the past, this is an account that we really hold on to until the end of the year to see if there was a capital emergency that we had at the Airport. If we don't have to use it for true capital needs, what we will typically do is use those funds to purchase snow equipment, fire equipment needed at the Airport. But we usually hold on to that account until about April or May before we'll release anything out of that account. So if you look at the total performance, or total expenses, and you include the non-operating expenses as well, we're about ten percent under budget on expenses, or about \$1,088,000 below on our expenses. After you take rounding into consideration, so far we would end the year right up to this point, we have a net income of about \$1.9 million, almost \$2 million, when in reality we budgeted for the total year that we would end up with a net income of about \$436,000. So far the budget performance is very, very good at the Airport. We anticipate we'll be able to do that for the rest of the year.

Alderman DeVries asked what is line 875, loss on FA disposal? I notice there is nothing in there but I am just curious.

Mr. Dillon replied it is a line that we carry that we haven't really used, quite frankly. It's really related to how we advertise some of the facilities out there, but quite frankly it's something that we don't use. I think we had to use it once and that's why we end up carrying it on here.

Alderman Thibault asked when do you expect these new gates to open?

Mr. Dillon answered that will be completed the first week of February of 2004. In fact if any of you are interested, just give me a call and I can take you through there. It is in shape now where you could really walk through and get a good handle on what is happening. We are talking about some type of reception. A ribbon cutting reception. We think it's important to invite travel agents, so we'll plan something towards the end of January.

Alderman DeVries stated this is a nice form.

Mr. Dillon stated this comes out of our finance department at the Airport. In terms of the capital update. Again, we're in very good shape with the capital program. I'll just run quickly through some of the projects. The runway project is essentially complete. The extension of Runway 1735; really we're down to punch list items and some navigational aid items. In fact we should be flight checking the ILS, the instrument landing system for Runway 17 on December 2nd, we'll be flight checking the ALSIP lights for Runway 35, improved lighting system, in January. That's important for us because it will allow us to reduce the minimums for landing on those runways, so it's a big weather enhancement, but essentially that project is completed. We have been tracking the usage on the runways. Right now it's almost a 50 – 50 split.

Alderman DeVries stated that's not good.

Mr. Dillon replied well we still believe that when we get to the end of the year, that's going to average out to the 65 – 35. But some of that is also a reflection of this navigational aid equipment. Once that's online, we'll be able to use the other runway. In terms of the roadway, Brown Avenue, that project is also winding down although we do have some work still to be done. The final paving unfortunately right now we're going to have to schedule for the springtime unless the weather stays as good as it's been, we may be able to sneak it in, but right now we think the final paving will have to be done in the spring. That would be the top course of paving, so everything will be marked, but it will still be that rough course.

Alderman DeVries asked some of the ramp has already received its final pavement?

Mr. Dillon answered some of the work as you go onto the Airport was already done as part of the original Airport road.

Alderman DeVries asked but the new ramp that's been constructed? That hasn't received it's second?

Mr. Dillon answered no. That hasn't been done and just about the entire length of Brown Avenue needs to come back and be resurfaced over the bridge as well. If we can fit it in, we're going to try to do it but right now we're scheduling it for the spring.

Alderman DeVries asked are we making any accommodations for some of the driveways that come up? There was a gradient difference. I'm thinking...

Mr. Dillon answered we're trying to build in lips in there. If we can't get that final paving done, yes we will accommodate that. We're also looking forward to that connection on North Perimeter Road. Right now as you go there is still a detour road, hopefully that will be done next week and then we'll be progressing through a new sign package as part of the Airport roadway work right through to January, but all of the signs on the Airport will be replaced with new color coded signs.

Alderman DeVries asked just on the Airport campus?

Mr. Dillon answered also part of Brown Avenue, but just off the Airport onto Brown Avenue that will be new signs as well. In fact, we put up our new welcome sign but we weren't too thrilled with the way it looked today so we're probably going to have that taken down and have them redo it. In terms of parking lot E, that is our new parking lot. As you come onto the Airport, you either go straight ahead or make a left to go to parking; we now have a parking lot E that you make a right. So we brought that on line for the Thanksgiving holiday period.

Alderman Thibault asked is that where the Highlander is?

Mr. Dillon answered if you make a left just past the health club, South Perimeter Road, and you go up just a short way you'll make a left into that parking lot. It's a new approximately 1,000 parking spaces for the Airport and we need it, we're already within about 60 spaces of maxing out on lot D and tomorrow will be our heaviest day. So we're happy that we have it.

Alderman DeVries asked you don't expect that you'll be utilizing the lands down behind?

Mr. Dillon replied we will not be doing that this year. But right now the way it looks if things keep going the way they're going, we'll have to pave that next summer for the following Thanksgiving.

Alderman DeVries asked and you'll know that after Christmas?

Mr. Dillon answered yes we'll probably know it after the February school vacation period. We will get a good handle on exactly what...because that's our heaviest period now, so it's no longer Thanksgiving, it's that vacation period. So we'll see how much of parking lot E fills up during that time period. But that is open, although we have to complete the permanent electric feeds. Right now the electricity to that lot is all being fed by generators, but we really needed to get it on line, but we should be able to complete that shortly in the next couple of weeks. ROR pads, that's remain overnight parking positions for aircraft. We'll be building seven new positions. Those are essentially completed. The same type of thing, we don't have the permanent electrical feeds in there yet, so we're running those on generators as well. But we'll have that completed within the next couple of weeks too. Our terminal expansion is right on schedule. That will open the first week in February and as I said before if you're interested in taking a look at it, I'd love to walk you around and see what it looks like. You'll get a good handle on it. A lot of new concession opportunities will be in there. We'll have a new restaurant and bar area. A couple of newsstand locations in the new first class flyer area will be added as well. It's going to do quite a bit to balance the traffic flow throughout the building, because we'll have a new security checkpoint down there as well as a new bag claim. Our bag claim is where we're having a lot of congestion issues because so much activity is being fit into those three belts. Now with the opening we have two new belts, but these new belts are so much bigger individually than the other belts. We actually have more capacity with this new terminal expansion so it is quite a bit of capacity that we brought to the Airport and delivers to four new gates, which we needed as well. I guess the last item on the capital items is we are almost finished with the runway 24 study. I think I mentioned that last time where we're looking at options to comply with the FAA safety overrun criteria and it appears one of the options or the option that we will pursue with the FAA, will put Willow Avenue in it's own and we'll actually add some pavement on the other side of Willow Avenue to serve as this overrun area.

Alderman DeVries asked that could be grass though? It doesn't have to be pavement?

Mr. Dillon answered it can be grass. When you go over Willow Avenue over the tunnel, it makes sense to do that with pavement but once you go on the other side, it's probably not a good idea to have the grass over that. Shouldn't be calling it a tunnel; it's an overpass.

Alderman DeVries asked will it have to be irrigated?

Mr. Dillon stated with a tunnel there's all sorts of issues that arise with fire safety and ventilation and whatnot. But we're too sure of the actual treatment. On the other end, on the 6 end, we will probably add, we have the ability to add about 110 feet of pavement. That will all be pavement because we're probably not going to achieve the full 1000 feet, but we're working with Virginia Tech right now and they're doing a lot of research and they're using our runway as a research model, that actually shows if you use pavement versus grass, there's a friction coefficient that would allow an aircraft to stop sooner on less pavement than if it was on grass. It's kind of technical research that we're going through, but we're going to make that case to FAA that will give you the 1000 feet on the 24 side, but on the Runway 6 side it's going to end up that we will give them 700 feet of full safety overrun, but on the centerline at runway it actually comes out to 810 feet. And what we're trying to prove through this research is that because that will be all paving on that side it is actually better than having 1000 feet of grass. So we still have a way to go in terms of that research, but that study is winding down and hopefully the next time we meet I'll be able to give you a full presentation on the direction that we are going to be going.

Alderman DeVries asked what kind of timeline do you think you're looking at?

Mr. Dillon replied the FAA is very anxious to get this done because we have this safety issue that's hanging out there, although it truly is not a safety issue. There are many airports across the country that have far less safety overrun area than we have right now. Laguardia is one, Logan is another, but they need to kind of clear this up because when you do work on a runway, you're supposed to comply with all of these safety requirements; when you do substantial work. We have done substantial work on that runway because we extended it, but we really have the obligation to deal with the issue. We are going to be traveling down to visit with the FAA national headquarters with Virginia Tech personnel and try to sell them on this idea. I would suspect that the timeline on this is like January. We'll make a decision that this is the final configuration and sometime after January we'll formally ask the FAA to accept it. With the FAA, their process could be as quick as 30 days or it could be as long as a year before they make a decision. The fact that we're bringing in this research may complicate it a little bit, but it really depends on how quickly they make that decision at the FAA. Following their decision to accept the direction we want to go in, then we still have the funding

conversations because unfortunately this option, even though it's not full safety overrun, it's still going to cost us \$23 million to get done. So we're going to look for the FAA to pick that up. One of the complications with funding these days is we are now a medium lot category airport because of the growth at the Airport. We only get 75 percent of our projects funded instead of 80 percent. So we're going to have to sit down and take a look at this financial plan and see how we can accommodate more. Based on where we're at with some of the other projects in the master plan, and certainly I want to come back with the full financial plan for you to consider, we will most likely look to bond this runway work some reimbursement from the FAA as well as bond the second garage. We did meet with Southwest last week, because Southwest is really the tenant that drives the capital gains at the Airport. It doesn't look like we're going to have to add this second terminal expansion beyond where we are right now in the relatively near future. We may have to build out some, but that would be a minor expense in the context of the first adding three or four gates. So principally the two projects that we'll be looking at going forward in the future is the construction of that second parking garage and this safety overrun project.

Alderman Thibault asked are there any other major carriers looking here?

Mr. Dillon answered Jet Blue continues to express an interest, although they've announced that they're going to start service in Boston. They have said in the 2000 timeframe that they may look to come to Manchester. We are having conversations with American Airlines right now, but we're not too sure that that's going to be on the agenda.

Alderman Thibault asked have all of these new gates been more or less held?

Mr. Dillon answered yes. Every gate that we have at the Airport, even with the new section, will be spoken for when it opens in February. So we don't want too...we're trying to limit the need to build additional infrastructure because even though all of the gates will be leased, we're not getting anywhere near the utilization. Our average number of turns per gate is three. Where I'd like to see it get under eight. There's a lot of capacity on the existing gates. That is one in and one out; which is three.

Alderman Thibault asked don't a lot of these airlines share some of these gates?

Mr. Dillon replied they don't. A lot of the airlines are starting to talk about that particularly Delta, Continental, and Northwest have now formed an alliance, where it had been United and US Airways had formed an alliance, but historically they do not want to share it because what happens it starts to limit their opportunities to change schedules or add additional flights if another carrier has

that time blocked off. Unfortunately this is something that happens at every airport, but we would like to try to squeeze the carriers to be a little bit more efficient before we go out and start bonding another \$30 million for another terminal, even though they pay for it all through the rates and charges, it's just not a smart thing to do. There's a lot of changes going in the airline industry that we want to track before we start making considerable adjustments. We know we have to do the garage, even though it's going to be a 4,800 space garage, we're only going to net out about 2,800 parking spaces because we have a commitment to the FAA. Some spaces of parking lot D actually sit on aeronautical area, so the FAA gave us special permission to use that for parking and we had promised that sometime in the future we would remove that off and then place it in a parking garage. We know we need to do that project and we know we need to address the safety issue, but beyond that, we're looking to kind of slow some of the capital investment and try to make more efficient use out of the infrastructure that we have. Because between the parking garage and this safety project, there could be another \$100 million in bonded. The parking garage today we're estimating will be somewhere around \$75 million, where it cost \$50 million to construct the parking garage about four years ago.

Alderman DeVries stated I just want to take you back to Runway 624. Have you been denied the waiver then?

Mr. Dillon replied we have not been denied the new waiver at this point. However, you have to go through this exercise to show feasibility. Where the waiver will come into question is if the FAA says yes this is a great thing but we're not going to fund it. Then we kind of cry poverty and...

Alderman DeVries asked do you have to reapply every few years?

Mr. Dillon answered no, once they grant the waiver, unless they make that a condition about the waiver, no they are usually good forever. For example, Laganardia Airport has a waiver.

Alderman DeVries asked so the timeframe you will know that will be January? Whether you're denied?

Mr. Dillon answered exactly.

Alderman DeVries stated we had spoken in the past about your budget possibly hitting some sort of a breakeven point where you might be able to allocate some funds once you pay off the FAA debt to additional soundproofing. It sounds like that has become a very elusive bird right now.

Mr. Dillon answered I'm not too sure. I think a lot depends on where the FAA comes down on this runway project. We had always factored the parking garage into our financial. This runway safety overrun you could say is a surprise to us, but it is something that we never anticipated and we had said all along that if we did it, the FAA would have to pay it. The thing that has changed for us is the 75-90 split. But still what we would like to do is generate...we are prohibited by federal regulation...

Alderman DeVries interjected the only thing that's changed is the 75-90 split?

Mr. Dillon answered due to the fact that we have moved into the Medium hub as quickly as we did, we only get 75 percent of that grant money so that's a couple of million dollar hit that we take. But what we're prohibited from showing with the budget that generates a profit.

Alderman DeVries asked while you repay?

Mr. Dillon answered what we are going to try to start to generate into the rates and charges is a certain set amount that will pop out over and above what we planned for soundproofing so that we can start to progress into the existing program a lot faster and that hopefully as we get into the 60, we could add that on. Because that's all going to have to be on airport funds. It is very unlikely that we're going to get federal funds for the homes that are in the 60 area, so we're going to have to do that.

Alderman DeVries asked the federal funds for soundproofing, have they dried up at all or is that still staying steady?

Mr. Dillon answered it is still staying steady. The FAA reauthorization act was passed so we are anticipating that we will get another grant. We usually get that grant announced the June timeframe. We have enough money to complete the units that we have designed for the spring and we're still designing another batch that we will do the actual construction work if we get that extra grant, which we will be anticipate to get at least \$2.5 million.

Alderman DeVries asked what time of year is it that you find out if anybody else has turned money down and might be available?

Mr. Dillon answered mid August.

Alderman DeVries asked did that happen in August?

Mr. Dillon answered not this year.

Alderman DeVries asked is that because it wasn't available or it was all utilized?

Mr. Dillon replied what's happening is any surplus funds are really getting sucked up by security aids. We are always ready with a grant, but it highly unlikely after the next couple of years there is going to be excess money.

Alderman DeVries asked what type of thing on the 624 did you have something to say about fines just in case there is something in the *Union Leader* before we have the conversation? You have talked before about how that 1,000 feet doesn't have to be paved and it could be turf, which is obviously something that is going to be swallowed much easier by the general public because they'll understand that it doesn't mean it's shifting where planes are landing. Is there anything else that is part of that safety overrun that makes it not usable even if it is paved for general shift of where planes land?

Mr. Dillon answered yes to a certain extent. It depends on how you mark the runway. I'm going to have to bring a diagram to really explain this too you because it is very complicated philosophy to declare distances. What happens is the threshold on the runway depending on the direction that you're either landing or taking off shifts. So it's hard to explain but if you have an aircraft that has to land over the threshold, but an aircraft that's departing in the same direction can start its rollout run before the threshold. We are actually using declared distances today to achieve the runway lengths that we need. In this scenario we get a side benefit that those declared distances expand for departing traffic. It's not our intent to do that but it's just how it falls out because of the fact that we are using declared distances. But I know that is as complicated as ever and I would have to actually bring a diagram in here to show you how that works.

Alderman DeVries stated I'm thinking it might be worth while at some point trying to do a little bit of a PR effort on that. Because even with the work on the north/south runway, the number of phone calls that were generated at least to me and probably to you Mike [Lopez], people were adamant that the shifting of the lanes, well they always came over here, over that area, now they're flying over this area and they have shifted the way they're circling and whether it's true or not, it just seems that everything that we do out there has added to that.

Mr. Dillon stated there is a definitive impact by the fact that if you start the rollout position of an aircraft sooner than it was in the past, it's going to get off the ground sooner. And if it gets off the ground sooner there is a tendency for it to turn sooner and that's what people are experiencing. What we're working with though is the tower to try to stipulate with jet aircraft anyway, that they have to follow an established course before they make turns. What people are seeing with the turbo props; turbo props are a little bit different because they have to be turned

as soon as they can to get them out of the way of jet traffic. Because as have jets and turbo props mixed together, you've got a spacing issue. A jet is going to catch up to a turbo prop a lot sooner so they have to turn sooner. That's what people are experiencing. Now that has worked well for some people, particularly the people I think in Ward 9 have seen a real...

Alderman DeVries interjected I've heard that about Ward 9 residents, that's why I'm surprised we're not getting them.

Mr. Dillon stated well believe it or not it has worked well for certain sections of Ward 9 that the rollout is further in Londonderry so they get off the ground sooner. They are much higher over those homes than they ever were in the past and that's noticeable noise comment that we've gotten back from people. What's happening is on Runway 624 in some cases those turbo props are turning earlier than they would have turned in the past and there are certain sections of Ward 9 now, particularly the Brown Avenue and 293 area that people are saying, hey planes are going over my house and they never went over my house before. Again, some of it we can correct, but in terms of declared distance. Just to show you very simply, although I'll have to bring the actual diagrams, if this is a runway, you may set a threshold for here, which gives you your 1,000 feet of safety area or landing area. Because you need 1,000 feet on both sides for landing as well as take off.

Alderman DeVries asked the threshold being the limit of where planes...

Mr. Dillon stated the planes will land at that location and this 1,000 feet here will be considered your safety overrun. But now when an aircraft is going to take off on this runway, they are allowed to use this safety overrun and that's why it's actually marked. You can see it from the air. It is marked just like I've marked it. This designates that this is strong enough for that aircraft to roll out and what happens down on this end the 1,000 feet isn't fixed and that's what is called declared distance and that has to be very complicated because all of these distances have to be put on a chart so that they know exactly how much landing distance they have if they land at this location to overrun the runway on this side as well as...

Alderman DeVries interjected so you're saying that the area to the swamp on the other side of So. Willow Street, that you're actually going to have a ramp leading into that and they will turn and come onto this so they actually can start revving up and get ready for take off and go across?

Mr. Dillon answered we haven't laid that...this isn't obviously really depicting the runway 6 end, this would be the runway 24 end. If you reversed it and said that this is runway 24, here is Willow Avenue. But what we're talking about doing is

this now will be depressed and put in an overpass, so the runway will actually go above Willow Avenue and what will happen is we'll probably bring this out maybe 400 feet and then we will continue on and taper down to the topography out there and make this grass. So that will get 1,000 feet. Yes this 400 feet here would be available for aircraft to roll out in the other direction if they can get to it. We may look to do that quite frankly. The impact of doing this will be an impact to, if you want to consider it an impact, would be to Bedford and Merrimack that we may be able to get them off the ground sooner. Very similar to what happened on the 35. The negative of this, we are starting to hone in on the decision of this is how we can get 1,000 feet, but we haven't made decisions as to how we are going to use it. Our primary goal...

Alderman DeVries asked do we really need to talk to them about getting that waiver first?

Mr. Dillon replied well it's the FAA. Our primary goal was preserve 6,850 feet. What we have today, we don't want to lose any of that. As I said, building some of this, there is a side benefit then in some configuration we do pick up some additional length. Because of this declared distance that we have to use. But that is not our designer and if we could get the waiver we would much rather take \$23 million in our pocket than have to build this, because truly this whole safety issue to me is not a safety issue at all. Aircraft have to be loaded to get off the ground and land within the usable runway portion. That's an extra margin that they throw in, but if you were to ask the FAA have they done research that shows you will an aircraft overrun by 1,500 feet or 200 feet, they can't tell you. The 1,000 feet is really just an arbitrary number that was picked. Aircraft need to be loaded to a usable runway.

Alderman DeVries stated I told you already that there's an endangered species identified in the swamp. Plantings turtle.

Mr. Dillon stated we are also chasing some horned snake or something out there.

Alderman Thibault asked was it a horned snake?

Mr. Dillon answered I think it's called a horned snake. Don't quote me on that, but it was spotted somewhere back in 1970. Every project we do we have to check for the horned snake before we do it.

Alderman DeVries stated it was actually identified there.

Mr. Dillon stated one of the reasons why we chose the option or looks like we're going to choose the option that we're going with, is because it minimizes the wetland impact. There were options that showed a six-acre impact, which would just be too much. This option that we're talking about is under a two-acre impact and it's not the prime wetland that would be impacted. A lot more work before we can come back to you and really present this thing, but that seems to be the direction that we're going.

Alderman Pinard asked how about the State legislative issues? Do you have anything on that?

Mr. Dillon answered there are couple of things. This is really just an information item of a couple of legislative requests we want to take to the State legislature. We're going to be asking them to file a bill that give the Airport the ability to create it's own police district and it's own police unit. Because of the complexity and the growth at the Airport some of the security changes we are recommended to do, we would be paying a lot more for the contract held with Rockingham County. We are going to try to model this legislation after the legislation that exists for the State university system.

Alderman Thibault asked wouldn't that save you money as compared to what you're paying these guys now?

Mr. Dillon answered absolutely. Because we pay a direct ten percent overhead that we're really not getting the level service for.

Alderman DeVries asked that will be federal?

Mr. Dillon answered not necessarily so. We would just establish it very similar. We'd have to develop some type of parity to other City jobs, but it's not related to...

Alderman DeVries asked so it would be part of the union then?

Mr. Dillon replied I would fully expect that.

Alderman Pinard asked when are you planning on doing this?

Mr. Dillon replied in the next legislative session. So we'd like to think that this bill would be debated sometime in February or March timeframe. We're also going to be filing a bill to allow the Airport to issue certificates of occupancy. Part of the requirement that we have with that deal that we orchestrated with Londonderry that we have to issue them. Just for the Londonderry portion of the

Airport. Just to carry out the agreement. We're already doing the inspections, but some of the tenants that we're inspecting their properties, sat back and they asked for a piece of paper for insurance reasons and whatnot, so on the recommendation of the City Solicitor's office we are filing that legislation.

Alderman DeVries asked you are utilizing all that stuff for your inspections?

Mr. Dillon answered yes. That's why we hired that last position. It was actually the Airport Building Inspector. We have used some City services but that was until we got that person on board. We're also going to file something that will require disclosure on any real estate transactions within ten miles of the Airport. What we're finding is property sales occur, we will be in one type of runway configuration when somebody looks at a house and decides to buy a house, and then when they finally move in we're in a different runway configuration. They realize for the first time that they are living next to the airport. That has caused us a lot of problems so we want to make it a mandatory disclosure that if you sell real estate. We are going to have to hone them a little bit to see if that's the right...

Alderman DeVries asked is that ten land miles?

Mr. Dillon replied that is basically ten land miles. And that seems to coincide fairly well with different noise contour levels, which would bring it out into the 50's but...

Alderman DeVries asked what is your noise contour?

Mr. Dillon answered I think it's 55.

Alderman DeVries asked won't that impact real estate prices? If you have to make a disclosure?

Mr. Dillon answered I'm not really too sure. We're not going to declare those areas noise impacted; we just want people to be aware that the airport is there. What we're trying to do is get people to do some research. Because what happens is people ask why is the plane flying over my house, well as you check you can see that your house is in the direct line to the runway. What we find is that we can't alter flight patterns within six miles of the airport. That's why we're saying ten miles because then you're pretty well covered. We could probably shrink that down a little bit. We need to do a little bit more research before we file the actual bill.

Alderman DeVries asked is this going to be the entire circle or just straight out from the runways?

Mr. Dillon answered the entire circle.

Alderman DeVries asked so all of the City of Manchester basically. That's why it won't impact your land values because it is everybody.

Mr. Dillon stated so whoever falls, whatever locations fall within that ten-mile radius, then again it may be eight miles. We may come back and adjust that.

Alderman DeVries are there other airports that this will...Pease I would think and...

Mr. Dillon answered I'm not too sure. We were going to specifically file it for Manchester. But we can always...sometimes they do take the bill and just alter if they think it's wise thing to do. We're also going to file legislation giving the Airport the ability to tow abandoned vehicles out of the parking lots. There is a little quirk in the law that we are not allowed to do that. If we had our own policy agency at the airport we could do it. So we need special legislation to do that.

Alderman DeVries asked the City towing does it for you now?

Mr. Dillon answered we have our own tow truck right now, but our people can't do it.

Alderman DeVries stated I see what you're saying. So your staff is going to be authorized to make the tows.

Mr. Dillon stated we can tow them out but after police intervention is a pretty big process we have to go through before we can declare a vehicle abandoned and take it out of the lot.

Alderman DeVries asked so do you feel that you'll be setting up your own impound lot?

Mr. Dillon stated we already have an impound lot. It's really just the process of giving the guy in the tow truck the ability when we identify a car to take it out versus going through this whole police process that we have to go through. The impound lot is off Perimeter Road. If you come into the airport, you make that left on North Perimeter Road, you go up about a quarter of a mile, that's the back half lot G.

Alderman DeVries asked where you're doing the road improvements on North Perimeter? And that is paved?

Mr. Dillon answered yes, paved and lined.

Alderman DeVries asked you have no vision that it will be moved to any other airport owned lands that aren't paved?

Mr. Dillon answered no.

Alderman Pinard asked does the Rockingham Sheriff's department have rights to go into vehicles or do they do like the State police where they put a sticker on the window and if it is there within so many days, then they have a right to tow?

Mr. Dillon responded that's how we do it today. But there is a very lengthy process that we need to go through when the vehicle is obviously abandoned. So we're trying to save really staff time having to go through this extra process. I guess the last piece is we're going to file a bill to make it illegal to carry a weapon through security checkpoint at the airport and that will probably be at all airports. There is a little quirk in the State law that licensed people; there is no law that prohibits you from carrying it through the checkpoint if you're licensed to carry a gun. But certainly it's a federal violation.

Alderman Thibault asked even onto a plane at that point?

Mr. Dillon answered as long as the plane is on the ground in New Hampshire, you haven't violated any State law.

Alderman Thibault asked and you can't stop them from getting on the plane?

Mr. Dillon answered it is a federal problem, but the issue is there is no federal law enforcement presence at the airport. We carry that out through the federal government, but they can only enforce State law. Again, it's just one of these things that really needs to be done. Just an information item to tell you that that's what we're doing. Some of these things really need to be refined a little bit more and wanted to advise as we go forward.

Alderman DeVries asked you plan to introduce them for? You can't introduce new bills now or did you already introduce them...?

Mr. Dillon answered we have reserved a line to do it pending refining and clarifying this. So it will be in the next...

Alderman DeVries stated I have new business. Kevin actually has asked me if I would introduce that the airport be authorized to utilize the RFP for procurement process, when it's in the best interest of the City. I'll Kevin explain that a little better than I can.

Mr. Dillon stated it is very standard in the airport industry to use RFP's to procure services. For example, cleaning services or the service to operate the parking garage. There's a little bit of a quirk in the City procurement code here that doesn't allow us to use parking fees unless we get specific permission from the Board. Otherwise you're supposed to use just a straight low bid. The reason why we don't use straight low bid at the airport, and most airports don't, is we'll frequently put out, for example a cleaning contract, that would turn around if you want to do a low bid you would have to stipulate that I need ten cleaning stations here, I need X amount of hours there, and what we find is, we'll end up spending more money by stipulating it up front versus allowing companies to come in and propose and say, well you need 12 hours of buffing and you need 12 hours of trash removal, I can combine those two things and use the same person to do it more efficiently and save money. So we frequently will use RFP's as most airports across the country do. There are RFP's for example that we use to allocate ticket positions for rental car companies in the terminal building. If you look under the City procurement code, you can only use RFP's for professional services and in talking to Tom Clark, Tom has said if you go to things like cleaning contracts, parking garages; that's not professional services. So he has encouraged us to come forward and seek this approval to utilize RFP's when the airport determines it is in the best interest of the City to do it. So we'd like to hopefully get a committee report to the full Board recommending that we use RFP's.

Alderman DeVries asked can you tell me what the process is to change to the City procurement code?

Deputy City Clerk Matthew Normand answered an ordinance will have to be drafted up to make an amendment to that, and then it will be sent to the Committee on Bills on Second Reading.

Mr. Dillon stated I'd just like to suggest that based on some advice from Tom Clark, is to authorize the airport director to utilize an RFP process for procuring services when it is in the best interest of the City to do so. Mr. Clark did not indicate that that really needed an ordinance rather than to be by Board vote to grant that authority to do so.

Alderman DeVries stated I believe it has to leave here as a committee report that I make a motion that we're in favor of it, but clean up the language that you need.

Mr. Dillon stated one of the reasons why we're hopefully going to add this on the Board meeting next week is, what brought this to light, what we were trying bring in a wireless network into the terminal building. That's the customer service that we're trying offer customers, it is also a potential revenue stream to the airport and when the RFP went to Tom Clark, Tom Clark said basically you have to get Board approval every time you want to utilize an RFP. So that's what brought the issue to light and that's when he recommended that we look to get this approved to use our procurement method. But we're interested in getting this wireless moving ahead as soon as possible, so if it does show as a committee report I think...

Deputy City Clerk Normand stated what we can do is have the committee report recommend what we're talking about here. In the mean time, you can get it cleared up as far as what exacting if there needs to be an amendment to the procurement code or just... I think it needs to be an amendment but if it...

Alderman DeVries interjected we could also make the recommendation that if it's possible for the full Board to bypass sending it back to Bill on Second Reading, if that is a requirement.

Deputy City Clerk Normand stated you could do that that night, certainly suspend the rules. But if it is currently stated in the procurement code, it seems like there needs to be an amendment there. It says that he specifically can't right now.

On a motion of Alderman DeVries, duly seconded by Alderman Thibault, it was voted to submit a committee report to the Board of Mayor and Aldermen recommending that the airport be authorized to utilize the RFP process as a procurement method when it is determined by the Airport Director to be in the best interest of the City to do so.

Alderman DeVries stated I have one more item. Kevin and I have been speaking more about addressing the City zoning look back, which the change to the 60 DBL is sitting in right now. We had hoped that we would have some language prepared tonight for the Committee but due to a family situation Kevin didn't get that ready for us so why don't we just make a recommendation. Alderman Garrity I know that you remember this well but basically this is enlarging the area that will be eligible for soundproofing. We have had discussions on this several times over the last six months. I am very much looking to move that process along and I would like to send this Committee report to the full Board.

Alderman DeVries moved to recommend that the issue of enlarging the area for soundproofing be addressed when the zoning changes take place on the Planning Board. Alderman Thibault duly seconded the motion. Chairman Pinard called for a vote. There being none opposed, the motion carried.

There being no further business, on motion of Alderman Thibault, duly seconded by Alderman DeVries, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee