

WICOMICO COUNTY AIRPORT COMMISSION

October 14, 2019

Present: Matthew E. Creamer, Vice Chairman; John Cannon; Nola Arnold; Gerard DiCairano

Not Present: Calvin Peacock, Chairman; April Jackson; Bud Church

Staff: Dawn Veatch, Airport Manager; Tony Rudy, Assistant Airport Manager

Others: John Hall, former Chairman of the Airport Commission; Dave Ryan, Salisbury-Wicomico Economic Development; Nicolas Olmsted, Kilroy Aviation

Minutes

The September 9, 2019, minutes were approved.

Visitors from the County Tourism Office

Kristin Goller from the County Tourism Office, and Nicki Wheatley, Director of Marketing, attended the meeting to discuss how they currently promote the airport. Ms. Goller began by noting that she publicizes the airport . . .

- on the county's tourism website
- on a secondary website, which is dedicated to sports marketing
- in the *Visitor's Guide*
- when pitching to event organizers
- in PR pieces
- in the state's business guide
- in Ocean City's *Vacation Guide*

Airport Manager Dawn Veatch then shared a full-page ad that she is currently running on behalf of the airport. She mentioned that she has placed the ad with the Chamber of Commerce and in tourist guides. She also spoke of a second ad, currently in development, which will compare the ease of using SBY Airport to the hassle of driving across the crowded Bay Bridge to Baltimore Airport. Next, she spoke of another future ad that will question the wisdom of flying on Southwest Airlines, which flies from BWI and which attracts many passengers who might otherwise fly on Piedmont/American from SBY. Finally, she noted that she is considering buying space on Clear Channel's billboards.

Commissioner Nola Arnold asked the two guests what questions they hear most from outsiders who are curious about SBY. The response: Most often, event organizers ask how close the airport is to the city center. Next, they ask how often flights arrive. Mrs. Arnold wondered if the organizers ask why we do not offer direct connections to and from Baltimore or Washington. The response: No. Since the organizers are typically not familiar with the area, they are comfortable hearing about our connections through Philadelphia and Charlotte.

Mrs. Veatch asked if there are any events coming next year at which the airport could set up a booth. Ms. Goller suggested the County Fair, the Beer and Wine Festivals, and the Folk Festival.

Vice Chairman Matt Creamer noted that the time required to travel by ground transportation to Ocean City from SBY is no longer than what he and many travelers experience when they fly to distant airports and then use ground transportation to get to their final destinations.

Manager's Report

1. **Rest Rooms.** Mrs. Veatch noted happily that the renovation of the terminal's rest rooms was now complete. Assistant Manager Rudy related that the pipes and drain traps beneath the floors were found to be in very poor shape, and that the workers replaced much of this sub-floor infrastructure. Both Mrs. Veatch and Mr. Rudy praised the main contractor for its excellent work and its willingness to adjust its schedule to meet our needs.

2. **Wings and Wheels / New FBO** (fixed base operator). Mrs. Veatch confirmed that we will schedule Wings and Wheels for 2021, skipping 2020 as discussed at our last meeting. She will draft a letter to former sponsors to advise them of her decision. She is hoping to have an FBO announcement, and she would like that company to play "a huge role" in Wings and Wheels, taking a burden from herself and Mr. Rudy. Since Mrs. Veatch expects that the 2021 event will attract even more people than the 2019 show, she believes that we are going to need more sponsors and more money. Mrs. Arnold suggested that we should announce the 2021 show this spring so that the public will know that the show will indeed return. Mrs. Veatch liked the idea and said that we will have a new FBO on the field by next year which can be the "focal point for rallying the Wings and Wheels event." (She has issued an RFP [request for proposals] for an FBO, and met recently with qualified FBO candidates.) Mrs. Arnold asked, "Do you think that you will have two FBOs at that point?" Mrs. Veatch responded, "I have no idea."

Mrs. Veatch added that the airport will still have fly-in events in 2020, smaller ones that will not include the military but might include members of various aircraft-type clubs (example: the Cessna 210 club).

3. **Meeting with Md. Senator Carozza and Paul Ellington.** Mrs. Veatch met last week with the senator and Mr. Ellington. (Mr. Ellington is a lobbyist who works with the state legislature. He has been hired by the county.) The meeting focused on the Maryland aviation community's efforts to pass a bill which would exempt aircraft parts from state sales tax. All agreed that they should invite Delegate Jay Walker of Prince George's County (who has stymied passage in the past) to meet with Mrs. Veatch and UMES President Heidi Anderson. The goal would be to persuade Mr. Walker that the proposed bill would aid local aviation businesses, which, in turn, would provide internships and jobs for engineering and aviation students who attend UMES.

4. **Hangar-Painting Project.** The painting contractor has been unable to remove the paint which its employees over-sprayed onto our pavement. The airport is therefore withholding final payment to the contractor (\$18,000). Mrs. Veatch hopes that another contractor, which will remove rubber buildup from the runways next year, might find a way to remove the paint.

5. **Airport Master Plan.** The airport submitted its master plan on September 19th. The FAA is required to respond within 30 days. Speaking of new drone facilities included in the plan, Mrs. Veatch noted that Boeing is interested in test-flying an autonomous ground-air vehicle here and might very well build production models here, creating many engineering and high-tech jobs.

6. **Harris Corporation.** Harris is at the airport, conducting a feasibility study to determine if SBY would be a good location at which to test its new ADS-B equipment. (Automatic Dependent Surveillance-Broadcast equipment uses satellite technology to capture an aircraft's precise location.) Harris Corporation requires a flight environment which hosts military, drone, general aviation, and instructional traffic—exactly the environment present at SBY. Mrs. Veatch is trying to persuade Harris to set up its test site here.

The airport could purchase any necessary equipment using money originally intended for an air-traffic-control project which the FAA later cancelled.

As a side note, Mrs. Veatch noted that she would inform the Worcester County Council that she could help them acquire ADS-B service to the ground at Ocean City Airport (by tying into our equipment) if Worcester would institute a hotel/motel bed tax which would benefit SBY. She also mentioned that the hotel and condo associations in Ocean City have told her that they would welcome such a bed tax if it helped SBY provide better service.

Mrs. Veatch also provided graphic documents which showed ADS-B and radar coverage over our area. At lower altitudes, there are coverage holes in places; however, coverage improves as altitudes increase.

7. Airport Minimum Standards Documents. Having received no comments on her proposed revisions, Mrs. Veatch hopes to finalize the documents in a few days.

8. Cell-Phone Tower. Having received proposals from a company called Calvert Crossland, Mrs. Veatch favors allowing construction of a cell-phone tower on the airport. Since Easton Airport already has such a tower, she believes that FAA approval will not be a problem. Over the lifetime of a proposed agreement (including renewal options extending to 40 years), SBY would earn more than \$724 thousand in income from the tower, not including revenue derived from advertising which would appear on a triangle of panels erected on the tower to hide phone-company equipment. Mrs. Veatch, Mr. Cannon, Mrs. Arnold, and Mr. Hall said they would view the tower as a welcome revenue stream for the airport.

9. Capital Improvement Projects for 2021. Mrs. Veatch reported that a lot of upcoming CIP projects will involve high-cost maintenance. One such project will replace roofs that extend between Piedmont's hangars; another will replace the roof on the old terminal building. These items are considered capital in nature (not maintenance) because the airport will need to *design* new roofs. She added that, as a result of these projects, the airport's budget will climb next year.

10. New FBO (fixed base operator). Mrs. Veatch met recently with an FBO operator from Hagerstown. She is looking for a company that would be interested in coming to Salisbury. Meanwhile, she reported that the Bay Land court hearing had been postponed until March. Mrs. Arnold asked why the hearing was postponed, but Mrs. Veatch did not know. She responded, "It's just the way lawyers do things, I guess."

11. Water Main to supply SBY. Mrs. Veatch reported that the project is on track and that a contract for construction had been awarded a few days earlier. She noted, however, that the existing sewer line does not extend to the location of the forthcoming drone hangar. She said she is "arm wrestling" with Public Works to determine whether that department or the airport will pay for the necessary extension of the sewer. Meanwhile, she expects sewer and water to reach the drone building's location and other building-ready sites within the airport's industrial area by next fall.

12. Status of Various Projects. Plans to build a temporary fuel farm are progressing well. Mrs. Veatch is waiting for the county's legal and executive offices to finish reviewing a lease. Meanwhile, the Maryland Department of the Environment has everything it needs except for a site plan which will be ready the following week. We have asked for an exemption from an MDE regulation which requires a containment wall around the tanks. Our tanks will be double-walled and will report any leak electronically. Thus, they should qualify for an exemption. The temporary tanks, Mrs. Veatch reported, will be up and running by the end of November.

Mr. Cannon asked if the new tanks will compete with Bay Land's tanks, and Mrs. Veatch responded that they will. He asked if Bay Land might file an injunction against the new tanks. She responded that Bay Land could file whatever they liked, but that it would be up to a judge to hear it. She added that "we have

every right to put a fuel farm in.” Mrs. Veatch noted that Bay Land’s tanks are 33 years old and single-walled. She said, “If those tanks rupture, they’re going to vacuum every bit of fuel out of those tanks, and now Piedmont doesn’t have fuel to operate.” Mr. Cannon then said, “I just wasn’t sure how this came into play as far as Bay Land is concerned.” Mrs. Veatch responded, “Anybody can sue anybody for anything.” She added that, now that the court hearing has been moved to spring, she has to move forward with her plan B (the plan to install temporary tanks). Vice Chairman Creamer said, “If Piedmont doesn’t have fuel, we might as well not have an airport.”

13. Repaving of Taxiway Alpha and the Airline Apron. Mrs. Veatch said that we have an MAA (Maryland Aviation Administration) grant pending to help pay for this project. We are awaiting paperwork from them, however, and due to this delay, we are coming close to a point where we will have to move the paving project to next spring.

14. Rosenfeld’s Restaurant. Rosenfeld’s signed a new concession agreement; however, the restaurant still does not have a liquor license. Mrs. Veatch has scheduled a meeting with Rosenfeld’s to discuss the delays. Beginning in mid November, the restaurant will need to keep its doors open (even when it is not operating) in order to satisfy requirements which are attached to the money which helped remodel the restaurant’s space. When the restaurant is not operating, it may need to store some of its counter items in the adjacent conference room, although the restaurant’s galley has lockable storage cabinets. If the restaurant chooses to store items in the conference room, the practice will not interfere with our rental of the space for business meetings.

15. Drone Hangar. Mrs. Veatch reported that construction of the outer structure would begin soon, probably by the end of the month. The builder is Vincent Harper. Fisher Architects has designed the interior, and the airport is nearly ready to release an RFP (request for proposals) that would seek a contractor who would build the interior. She added that the interior will be “free-standing,” meaning that it could be removed, if necessary, without affecting the outer structure.

Mr. Ryan commented that he has been speaking with a company that is involved with offshore wind generation. Mr. Ryan informed the company of our airport’s capabilities, and he found that the company’s representatives were particularly interested in our forthcoming drone operations. The company could use drones to inspect their windmills and, perhaps, to deliver parts to their offshore sites.

Mrs. Veatch expects that our drone facilities and related infrastructure will attract a lot of business to the airport, particularly after operations begin and build momentum. She noted that she already has two contracts related to drone operations.

16. Removal of Northwest T-hangar Pads / ARFF Building / CAP Trailer. The airport is accepting quotes to remove the cement and door rails left from the dismantled northwest T-hangars. The intention is to make the site ready for future buildings to be used for FBO operations. Site preparation will take place this winter.

Plans are to construct a new ARFF (Airport rescue and fire fighting) building next spring once funding is secured. Thereafter, two box hangars along taxiway Charlie will move to the other side of the airport and serve the airport’s maintenance crew.

Workers are dismantling the Civil Air Patrol’s old trailer this week. The tower adjacent to the trailer will move to a location near the site of the forthcoming drone building so that the drone operators can use it for communication and other purposes. Once the CAP trailer disappears, the fence that currently surrounds it will move inward toward the airport operations area.

17. Marketing the Airport. Mrs. Veatch shared cost information related to three marketing plans that her

marketing consultant (Ms. Reddish) selected for consideration after reviewing dozens of plans submitted by local media companies. Costs of the three plans are roughly \$50,000, \$100,000, and “mega millions.” Mrs. Veatch thinks it would be wise to execute a small plan in 2021 and to later “step it up a notch” after our drone operations begin, a new FBO has arrived, and we know more about Boeing’s intentions (whether the company will manufacture here).

18. BWI and Martin State Airports vs. SBY: State Funding. The state of Maryland owns BWI and Martin State Airport and funds the operating budgets and capital improvement budgets for those airfields. SBY receives its funding from its owner, Wicomico County. Not surprisingly, infrastructure at BWI and Martin State is far superior to what our county is able to support at SBY. Mrs. Veatch believes that the state should share more of its airport dollars with SBY.

19. Rental-Car Concession Facility Charge (CFC). Mrs. Veatch explained that SBY’s rental-car companies have been operating at SBY under leases signed in 2005. She mentioned that she had met with the car companies to hear their concerns and to discuss potential lease changes. During those meetings, the companies said that they would support a surcharge of \$2 per car per day to be paid by rental customers for the purpose of funding new airport infrastructure which would benefit the car companies (three items on their wish list: a car-washing facility, an oil-changing facility, and close-in parking spots for “ready cars,” vehicles that renters can drive away quickly). Mrs. Veatch thought that a charge of \$1 was more appropriate. While Mr. Cannon expected that the Airport Commissioners would vote to recommend that the County Council approve the imposition of a \$2 CFC rental-car fee, he and Mrs. Veatch discovered during our meeting that a draft resolution which Mr. Cannon intended to present to the Council for a vote was not precisely what the Council needed to consider. Mrs. Veatch explained that the Council needed only to approve a resolution *permitting* imposition of customer facility charges (such as the one that would apply to the rental companies), not a resolution specifying dollar amounts. Mr. Cannon then decided that he would withdraw his resolution and submit a revised one to the Council in the near future. Mr. Cannon and Mrs. Veatch seemed to agree that a revised resolution should authorize the imposition of fees which would be determined from time to time by the airport manager.

The commissioners took no vote on the matter; nevertheless, the commissioners expressed no objection to the rental-car CFC. Mr. Creamer said that the charge “seems to be consistent with just about everything else that we do. And that is, the user pays. That’s hard to argue against.”

20. STEM Programs (Science, Technology, Engineering, and Math) for Schools. Mrs. Veatch praised a STEM program implemented by Mr. Mike Bortz in the Seattle schools. Mr. Bortz, who worked for Boeing at the time and is now working with Kilroy Aviation at SBY, is interested in helping to implement a similar program here. Mrs. Veatch noted that the drone building, once completed, would provide meeting space for STEM participants and other community groups. She also commented that she thinks the commissioners have identified two good programs with which to become involved: 1) helping the Civil Air Patrol raise funds for a new airport home; and 2) helping to implement a STEM program in partnership with Kilroy Aviation.

Chairman’s Report

Vice Chairman Creamer thanked Mr. Ryan for coming and said that he always appreciated his comments.

Commissioners’ Comments

The commissioners offered no further comments.

Adjournment

6.

Vice Chairman Creamer adjourned the meeting.

Next Meeting

The next meeting will be held on Tuesday, November 12, 2019.

Calvin Peacock, Chairman