

AIRPORT COMMISSION MINUTES

January 9, 2024

3:00 P.M.

Danville Regional Airport – Eastern Conference Room

The following were present for the Danville Regional Airport Commission Meeting held on Tuesday, January 9, 2024.

Attendees:

Marc Adelman, Director	Gene Jackson	Alan Spencer, Deputy City Attorney
Sid Allgood	Bob Jiranek	Todd Pinekenstein, Trans. Bld.
Stephen Daniel, Vice-Chairman	Fred Shanks	Grounds Sup.
Michael Duncan	John Earl, FBO Manager	Lisa Bivens, Senior Admin. Asst.
Phil Hall, Chairman		

Guests:

Marcio Couto, Instructor and Program Manager of Aviation Maintenance Technology, Danville Community College

Approval of Agenda

A motion was made by Sid Allgood and seconded by Stephen Daniel to approve the agenda for the January 9, 2024, meeting. All members in attendance were in favor and the motion passed. Phil Hall informed members that Jessie Barksdale recently resigned from the Airport Commission and that there is currently a vacancy to fill.

Approval of Minutes

Gene Jackson moved that the minutes of the December 12, 2023, Airport Commission meeting be accepted as presented and Fred Shanks seconded the motion. All members in attendance were in favor and the motion passed.

New Business

Topic: **Aviation Training Facility Project Update**

Action: Marc Adelman provided an update concerning the Aviation Training Facility project.

Disposition: The airport is currently waiting for approval for funding from the Virginia Department of Aviation to complete site prep engineering services for the planned site.

Marc Adelman updated the Airport Commission concerning the status of the Aviation Training Facility project. Current plans call for the construction of a 13,200 square foot building that will be shared by Danville Community College and Averett Flight School staff. The planned campus view of the facility provided by Dewberry was reviewed. The Airport Commission was also informed that during a recent meeting Averett University suggested that the new 80' x 80' hangar could be used exclusively for aircraft storage for the flight school and Danville Community College (DCC) could solely use Hangar 100 to store aircraft for aviation maintenance training activities. This concept would allow DCC to maintain more space for aircraft storage.

Topic: Aviation Training Facility Project Update (Continued)

Marc Adelman mentioned that Hangar 100 already has an oil/water separator, office, bathroom, and a roll up bay door. However, he indicated that it will be necessary to complete renovations involving the installation of an air compressor, LED high bay lighting and additional ceiling fans. Airport staff will complete additional repair work related to Hangar 100 that will include sealing the floor and painting the interior of the office and bathroom. Also, a roof vent will be installed to minimize condensation inside Hangar 100 and repairs will be completed to address insulation issues.

Marc Adelman updated the Airport Commission regarding the cost estimates for the Aviation Training Facility project that were provided by Dewberry.

CONSTRUCTION COST ESTIMATES			
Building Projected Costs	Square Feet	Cost/Square Foot	Projected Cost
Training Facility	13,200	\$330	\$4,356,000
Site Prep Construction (grading, drainage)			State funding – 80%
Utility Connections			\$160,000
Hangar 100 Modifications (Air compressor, lighting)			\$45,000
New 80' x 80' Hangar	6,400	\$153	Federal funding - 90%
Subtotal Construction Cost for Aviation Training Facility Building			\$4,561,000
Total Construction Cost for building including 10% contingency			\$5,017,100
AV equipment/IT cabling/security			\$210,000

ARCHITECTURAL/ENGINEERING SERVICES COST ESTIMATES	
Design Fees	Projected Cost
Basic Architectural Design Services – Dewberry	\$244,000
Construction Administration Services – Dewberry	\$45,100
Site Prep Engineering Services – TB&E	State funding – 80%
Special Inspections required by the state/ 3 rd Party	\$45,000
Total Architectural Services Fee Cost	\$334,100

Topic: Aviation Training Facility Project Update (Continued)

Items of significance discussed regarding the cost estimates provided are listed below.

- Total estimated costs for construction and architectural services - \$5,561,200.
- An Economic Development Administration Grant (EDA) will not cover architectural service fees after related work begins. EDA grant funding will also not cover utility connections charges.
- Estimated eligible project cost for an EDA grant application is \$5,067,100.
- An EDA grant could provide \$2,533,550 in funding (50% match required).
- Estimated annual debt service fee for the project would be \$425,000 per year for 20 years if an EDA grant is not approved. (Does not include architectural services design fees).

Marc Adelman also indicated that time sensitive issues exist with the completion of the training facility due to DCC's interests to purchase shop equipment and hire instructors so their program can be certificated during the summer of 2025 that requires the Federal Aviation Administration to inspect the building. Dewberry indicated that they need to begin architectural design services for the building by February 1, 2024, to meet the timeline requirements that would allow the project to be bid this summer and construction completed by the summer of 2025. Preliminary architectural and engineering documentation must be submitted as part of the EDA grant application and the review process takes 4 to 6 months, which enhances the need to begin design services as soon as possible. Discussion continued.

After discussion, it was the consensus of the Airport Commission for Phil Hall to send an email to Mr. Larking expressing the Commission's interest for this project to move forward.

Topic: Status of the Fuel Farm Expansion Project

Action: Marc Adelman provided an update concerning the Fuel Farm Expansion Project.

Disposition: Design services will be completed for the project, but the project will not be advertised for bid until confirmation is received by the FBO of their interests to expand the fuel farm.

Marc Adelman stated that during the last Airport Commission meeting Stephen Daniel asked for an update regarding the status of the Fuel Farm Expansion project. Currently, the city is under grant through the Virginia Department of Aviation to complete design services to expand the fuel farm. This work will be completed by Talbert, Bright & Ellington this spring, however the project will not be bid out at this time. Initially, the plan called for a 20,000-gallon tank to be installed in the fuel farm area. Marc Adelman identified that a cost estimate received in October 2022 to install a new 20,000-gallon tank was \$951,000. Related financing arrangements to expand the fuel farm were not supported by Averett University. As a result, in March 2023, an alternative arrangement was considered that involved reducing the tank size to a 12,000-gallon tank and a cost estimate for the smaller tank in the amount of \$664,178 was provided by Danville's airport engineering firm. According to the city's Finance Director the annual debt service fee for a 20-year bond based on the revised estimated cost would be approximately \$40,000 annually. This arrangement factors in the receipt of available state funding for the project.

Recently John Earl, FBO manager, indicated that instead of adding a tank in the fuel farm area, he would prefer to convert the Avgas tank in the fuel farm to a Jet A fuel tank and then install a self-fueling facility for Avgas on the ramp. Marc Adelman mentioned the airport explored installing a self-fueling facility in the past and the estimated cost received was significant.

Topic: Status of the Fuel Farm Expansion Project (Continued)

A significant challenge with financing a self-fueling facility is related to the difficulties associated with recouping the cost to complete the project based on the fuel flow fee and the number of gallons of fuel that will be sold. Discussion continued. John Earl informed the Airport Commission of his plan for providing fuel when significant air traffic occurs, which will involve coordinating multiple fuel deliveries each week as needed.

Topic: FY25 Operating Budget

Action: Marc Adelman updated the Airport Commission on items for consideration for the FY25 budget.

Disposition: The Budget office will be informed of the Airport Commission's interest to postpone the construction of a 60' x 54' box hangar next fiscal year.

Marc Adelman indicated the airport is still waiting on more information regarding the quote to complete fuel farm repairs that is needed for next year's operating budget. During the previous Airport Commission meeting members discussed the possibility of constructing a larger hangar in the t-hangar building area. Cirrus Construction indicated that the largest hangar that can be built in that area is a 70' x 54' due to location of the oil/water separator that was installed for the 60' x 54' hangar that was recently constructed. The company also indicated that the cost to build the 70' x 54' would be \$434,000. *After discussion it was the consensus of the Airport Commission to postpone building the 60' x 54' box hangar in FY2025 using one allocation of the Bipartisan Infrastructure funds but instead to recommend using two allocations to build a 130' x 100' in FY2026.*

Topic: Update from Sub-Committee

Action: Bob Jiranek updated the Airport Commission on his recent visit to the Lewisburg, West Virginia airport.

Disposition: Marc Adelman suggested scheduling a possible conference call during the February Commission meeting with Martha Livesay, Lewisburg, West Virginia Airport Director.

Bob Jiranek updated the Airport Commission on a visit he made to the Lewisburg, West Virginia airport. He mentioned the possibility of establishing direct point to point commercial air service such as what is available in Lewisburg due to the Greenbriar Resort. He also mentioned the potential of developing a relationship between the resort and Averett University due to the university's hospitality program. Marc Adelman mentioned that he recently spoke to Martha Livesay, the Lewisburg, West Virginia Airport Manager. He suggested that the Airport Commission could complete a conference call with Ms. Livesay to gain more information regarding airport projects and funding opportunities that Lewisburg pursued.

Topic: FBO Management Update

Action: John Earl updated the Airport Commission concerning recent tow head purchases.

Disposition: AU Aviation Services will provide additional updates at the next meeting.

John Earl updated the Commission regarding all the aircraft they can now tow due to AU Aviation's recent purchases of different tow heads.

Topic: Aviation Promotion Grant

Action: Marc Adelman updated the Airport Commission regarding the Aviation Promotion grant timeline.

Disposition: Additional information will be evaluated to determine when the new airport promotional video should be produced.

Marc Adelman informed the Airport Commission that the deadline for completing the updated airport promotional video and seeking reimbursement for state funding is coming up in May. He asked for input from the Airport Commission if they would like to move forward with the new airport promotional video and focus on the terminal building improvements and possibly the south ramp rehabilitation project or whether the project should be postponed until the status of the aviation training facility is determined. Sid Allgood suggested that we hold off with initiating production of the video until the south ramp is finished and there is clarification regarding the status of the aviation training facility project. Marc Adelman said he will check with the city's Purchasing Office to see if it is possible to cancel the purchase order with the video production company. After discussion, Michael Duncan said he will complete the script for the video by the February Commission meeting for review. At that time, there should be a better understanding of the timeline for the Aviation Training Facility project.

Public Comment

No public comment.

Communications

Marc Adelman informed the Airport Commission that he will be interviewed by *Airport Improvement Magazine* on January 11, 2024. During the interview he also plans to discuss the Caesar's Casino resort and its impact on airport improvement planning activities.

Sid Allgood said last March he sent a request to the City Manager office regarding reimbursement to Airport Commission members for travel expenses. To date he has not received a response.

Phil Hall said he followed up with an email to Mr. Larking regarding the travel expense reimbursement. He stated the City Manager informed him that there would not be an expense line-item budgeted for travel for members. However, if Airport Commission members wish to travel to a meeting to bring that request to Marc Adelman and at that time it would be considered, and it may be approved for Marc Adelman to cover the travel cost. Discussion continued.

Adjournment

The Airport Commission meeting adjourned at 5:02 pm. The next regular Airport Commission meeting is scheduled for **Tuesday, February 13, 2023, at 3:00 pm in the airport's Eastern Conference Room.**