

# WICOMICO COUNTY AIRPORT COMMISSION

August 12, 2019

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

Staff: Tony Rudy

Others: Nick Olmsted of Kilroy Aviation

## **MINUTES**

The July 8, 2019, minutes were approved.

### **Airport Manager's Report**

Assistant Manager Tony Ruby presented the Airport Manager's Report, as follows:

**1. Senator Cardin's Planned Visit.** Airport Manager Dawn Veatch talked with U.S. Senator Ben Cardin's office a couple of weeks ago to update his staff on our projects. The senator plans to visit the airport on or around Aug. 21 to discuss these items:

- FEMA / MEMA (Federal/Maryland Emergency Management Administration) Distribution Center
- Airport Master Plan and development
- UAS (Unmanned Aircraft Systems) facility and partners
- Piedmont Airlines

The senator's office told Mrs. Veatch to advise if she felt that the FAA was moving too slowly on any of our projects. In such case, the senator's office would do what it could to speed things along.

Comments:

Mr. Brooke questioned who would attend the meeting with the senator. Chairman Peacock said that the members of the Airport Commission would be invited.

Council President John Cannon noted that we should subtly remind the senator that former Senator Barbara Mikulski did a lot for the airport.

**2. UAS / Drone Update.** On behalf of the airport, the County Council accepted a \$100,000 grant from the Md. Dept. of Commerce. The airport will use the money to outfit portions of the drone

building's interior. Mr. Rudy noted that to receive the money, the county must first spend \$700,000 on the project.

Mr. Rudy expects that construction will begin in late September. Fortunately, the FAA has qualified the project for a "categorical exclusion" (Cat. X), meaning that the environmental sign-off process will be shorter than normal. Delta Engineering last week submitted environmental data for the FAA to review.

Mr. Rudy and Mrs. Veatch met with Fisher Architects, who will design the interior of the drone building. Airport management received a new floor-plan design and passed same to SRS and Kilroy, two companies which will occupy the building, for their comments. (Mr. Rudy clarified that Fisher is handling only the interior of the building; GMB will design the exterior.)

**For cost reasons, the building will be only one story, not two as originally planned.**

Comments:

Mrs. Arnold and Messrs. Peacock, Brooke, Rudy, Cannon, DiCairano, and Olmsted posed questions. The discussion yielded the following information:

- a. The building will not be constructed so as to support a second floor in the future.
- b. The building will be just under 10,000 sq. ft. in area. The planned footprint will not change.
- c. Mr. Brooke lamented that the airport needs meeting space and that the Civil Air Patrol, for example, could have benefited from second-floor space.
- d. Mr. Olmsted wondered if it would be cheaper to place offices and meeting areas in a separate building, given that hangar construction is expensive.

Harris Corporation has signed an agreement with the airport to study the feasibility of installing ADS-B (Automatic Dependent Surveillance—Broadcast) and drone-detection equipment at the airport. Airport management and Harris will meet in late August. Installation of the equipment would, Mr. Rudy hopes, give us radar coverage down to the ground, which would facilitate instrument departures and arrivals and would prevent the occasional delays which we currently experience.

**3. Correcting Painting Problems.** A week or two ago, the owner of the co. which painted our hangars met with Mr. Rudy at the airport and reviewed Mr. Rudy's punch list. The owner understood that his team will need to correct many problems, including damage to pavement. A painting crew has indeed returned to the airport and is currently applying paint to both corporate hangars and T-hangars. Since the crew is using rollers and brushes, it's doubtful that any tenants will need to move their aircraft.

**4. Master Plan and Airport Layout Plan.** The FAA's assessment of Part 163 regs (new rules which address management of non-aeronautical areas of an airport) has slowed the agency's review and approval of our Master Plan and Airport Layout Plan. The FAA is struggling internally to decide what its new role will be, and we are caught in the middle of that debate.

**5. Runway Project.** Unless we receive a large award of discretionary money from the FAA (money which the FAA chooses to disburse to airports who can't afford to otherwise fund projects), it's likely that we will complete the runway-extension project in three phases. In phase one, we would acquire land, remove trees, and extend the runway itself. The entire length of the runway would then be available for takeoffs, but not landings. This would suit Piedmont well. The next phase would be to lengthen the parallel taxiway so that it matched the length of the extended runway. The third phase would be to relocate navigational aids and runway markings. After phase three, the entire runway would be available for landing.

Mr. Peacock added that Piedmont will never lose its ability to conduct instrument approaches to Runway 32. By the time runway construction begins, their pilots will be trained to conduct GPS approaches, which are satellite-based and will not depend on our ground-based equipment.

Mr. Rudy added that construction should begin in 2021.

**6. Revised Minimum Standards and Fees.** Airport management revised our minimum standards and published them on June 10 on our website. They went into effect on August 9th. To Mr. Rudy's knowledge, the airport has received no related comments from tenants.

Two new fees have been added. The first is a Customer's Facility Charge, which will apply to our car-rental companies. The charge will be \$2 per car per day. When Dawn talked to the rental-car companies about the fee, they were enthused because they believe that the airport will use the resulting funds to add or improve infrastructure which would benefit the companies. As examples, the airport might expand the rental-car parking lot or build car-washing and quick-lube facilities.

The second fee is a new \$4-per-square-foot charge to be paid by SRS and Kilroy for the use of their office space within the forthcoming drone building. The County Council will need to approve both of these fees. Meanwhile, Mr. Olmsted signaled that he will discuss the proposed \$4 charge with his associates.

## **7. New Budget**

Mr. Rudy advised that the new fiscal budget is in place and that projects are being bid.

**a. Airline Apron and Taxiway Alpha.** Only one company bid on the project to rehabilitate the air-carrier apron and Taxiway Alpha. Since the bid was higher than what engineers had estimated, the engineers worked with the company to scale back the project. In addition, the airport extended the rehabilitation period, thus allowing the contractor to use one crew rather than two. The project will repair or replace expansion joints and fix any concrete that is spalling.

Comments:

Mr. Brooke asked if any newly laid joints and cement would be monitored and tested to meet standards, and Mr. Rudy assured him that they would be.

The airport had intended to replace all of Taxiway Alpha; however, now the plan is to replace only the portion extending from the threshold of Runway 14 to Taxiway Charlie. Scaling back the project will preserve money for the runway-extension project. Looking ahead a few years, the airport will complete the rehabilitation of Taxiway Alpha during phase two of the runway project. Phase two of that project will extend Taxiway Alpha so that it will reach the new threshold of Runway 32.

**b. Restrooms.** Today, the airport began renovating the restrooms in the terminal building. The project should take six weeks. Terminal users will soon see new flooring, new wall surfaces, new stalls, new sinks, and new changing tables.

**c. Hangar Relocation.** Delta is doing design work to prepare the site to which hangars 5 and 6 will eventually move. The relocation should take place next year. The airport crew will use the hangars as maintenance buildings. The airport funded the project out of its budget.

**d. Parking Lots.** The airport is seeking quotes for repaving the employee and rental-car parking lots. The airport may use the same company that repaved areas near some of the hangars, including an area near Dr. Rosenthal's hangar. This company also paves roads for the County.

**8. FAA Discretionary Funding.** The agency recently announced some new awards of discretionary funding. SBY was not on the list, but we can always hope for the future.

Comments:

Mr. Brooke said that he remembered reading that Easton Airport had gotten some FAA money. Chairman Peacock confirmed that Easton had received money for a runway extension, but that ESN had requested that money a long time ago. Mr. Peacock noted that in cases such as these, you must typically wait two or three years to receive requested funding.

Messrs. Brooke and Peacock also discussed the practice of forward-funding a project, by which the County fronts money in hopes of being reimbursed by the FAA. Mr. Peacock noted that in such cases, the County must be sure that the FAA is "on board" with the project. Otherwise, the agency might not reimburse the money spent by the County. Vice Chairman Creamer said that such a thing had never happened to our airport, but that it could.

**9. Delayed Projects / County Attorney.** As Mr. Rudy began to list a series of projects that would be delayed due to the absence of a County attorney, Mr. Cannon, president of the County Council, mentioned that the attorney whom the Council had recently fired had in fact been rehired as the "Acting County Attorney" after missing only six days of work. Mr. Cannon noted that the attorney, Mr. Paul Wilber, nevertheless has full authority to support all of the airport projects that were thought to be subject to delay, namely:

a. new FBO

- b. new fuel farm
- c. Taxiway Alpha and airline ramp
- d. new website contract
- e. corporate lease increase
- f. customer facility charges for rental cars
- g. Volaire Agreement—leakage study / “speed dating” contract
- h. Rosenfeld’s new concession agreement
- i. water main

Mr. Cannon mentioned that the executive branch had been slow in putting out an RFP (request for proposals) for a new attorney and that after two law firms had expressed interest in serving, the executive branch had been slow again in making a recommendation to the Council. Ultimately, the executive branch recommended rehiring Mr. Wilber as the “acting attorney.” Mr. Cannon also noted that the County Charter, not foreseeing such a situation, says nothing to prevent the rehiring.

Mr. Rudy clarified that, even though Mr. Wilber was absent for only six days, some of the airport’s listed items did suffer minor delays.

### **The Drone Hangar**

Mr. Olmsted spoke about the proposed design of the drone hangar’s offices. He said that four of the offices which are presently drawn as single rooms would better serve his company if partitions were removed so as to form two double rooms. Also, Mr. Olmsted said that he expected that the height of the offices would be approximately half the height of the hangar. He passed along a simplified drawing of the proposed interior design. Mr. Brooke sought details about the construction of the building—the nature of the roof and exterior walls, for example. Mr. Rudy said that he assumed that it would be a steel building typical of a hangar, but that construction details would be settled by GMB, which has been selected to design the exterior. Fisher Architecture of Salisbury, meanwhile, will design the interior.

### **Chairman’s Report**

Chairman Peacock reminded the Commissioners that he had emailed them documents, one of which explained the purpose of the Airport Commission and how it operates under the County Charter. He also thanked each Commissioner for meeting with him to offer suggestions as to how the Commission should move forward to support the airport. Mr. Peacock promised to mail out a compilation of the opinions gathered during the separate meetings and to soon hold a planning session for Commissioners only. Prior to the meeting, he asked that each Commissioner review the list of suggestions and to select one or two as most important. Mr. Peacock also mentioned that one of the documents which he previously sent listed and defined common aviation acronyms which might confuse those who were not directly involved in aviation.

### **Commissioners’ Comments**

**a. VORTAC Navigational Aid.** Mrs. Arnold asked who was responsible for removing the building housing the VORTAC (VOR-TACAN) navigational aid, one component of which is permanently out of service. Mr. Rudy responded that the TACAN (military tactical air navigation) portion, the distance measuring equipment, and some voice-communication equipment within the building are still functioning. Therefore, the building will remain.

Mrs. Arnold was concerned that student pilots, seeing the building, might assume that the VOR portion (civilian navigational aid) was operational. Mr. Peacock averred that it was the flight instructor's job to direct the student to the published Notice to Airmen which notes that the VOR portion is out of service.

Mr. Rudy clarified that, since some of the operating equipment serves civilian pilots, the airport could not move ahead with its previous plan to charge the FAA rent for locating the building on airport grounds.

**b. Rosenfeld's Liquor License / New Building for Restaurant.** Mr. DiCairano asked if Rosenfeld's had ever received its long-sought liquor license. Mr. Rudy stated that the license could not be awarded until the restaurant had executed its new lease agreement. Finalization of the agreement, he added, would take place after Manager Dawn Veatch returned from vacation.

Mr. DiCairano then asked Mr. Cannon if the Council was looking at the possibility of constructing a new restaurant building which would offer patrons views of the runways. This led to a discussion of the previous idea to build a restaurant atop a new fire station. (Regulations, we later learned, would prohibit such a structure.) Mr. Rudy mentioned one plan which would connect a new restaurant to one end of the terminal building. Mr. DiCairano then offered his opinion that building a new restaurant would surely benefit the airport by increasing air traffic and by encouraging non-flying members of the community to come to the airport. Mrs. Arnold mentioned that she wishes that we could clone the structure that houses Kay's restaurant at Cambridge Airport (Now called Katie's, this restaurant has a glass wall which offers sweeping views of airport operations.) Mr. DiCairano also endorsed an idea that has been discussed before: placing a video camera atop the control tower and running a feed to a screen within the existing restaurant so that patrons could view operating aircraft. He mentioned that it might be possible for patrons to control the movement of the camera from their cell phones. Mr. Brooke added that since numbers are very important to a restaurateur, the County should consider constructing a Board of Education building at the airport. The employees there would constitute a large pool of potential restaurant customers.

### **Airport Car-Rental Fee / Office-Space Rental Fee / Scope of the Commission's Authority**

At this point in the meeting, Mr. Cannon received a message from County offices advising that the Airport Commission should vote to approve or disapprove two new fees: the first, a new fee of two dollars to be charged per day on any car rented at the airport; the second, a proposed fee of four dollars per square foot to be charged as rent for office space within the forthcoming drone hangar.

Chairman Peacock commented that the Airport Commission was not empowered to approve such fees, but that it could vote to merely *recommend* the fees, or that it could otherwise comment on the fees.

This led to a discussion between Mr. Peacock and Mr. Brooke which centered on the role of the Commission and how soon the Commissioners should be involved in advising on such matters as changes to minimum standards (including fee changes) and changes to tenant leases. Mr. Brooke averred that some of the problems encountered when the new leases were first sent to tenants (roughly a year ago) could have been avoided if the Commissioners had been part of the discussion when the new leases were being prepared. Mr. Peacock responded that Mrs. Veatch was following FAA guidelines by publicizing documents and allowing for a 30-day comment period. However, Mr. Brooke countered that the Commissioners should have had a voice in designing those documents in the first place before they were released. Mr. Peacock added that Mrs. Veatch is free to manage such matters as she sees fit, and that our input as Commissioners is welcome within the 30-day comment period.

Next, commissioners discussed the following related to the four-dollar office fee: a. What would users of the drone building pay per square foot for the space which they would use to store their aircraft? b. Did the proposed fee represent a good return on the County's investment in the hangar? We were unable to answer either of these questions. Mr. Brooke then said that this kind of information should be shared with the Commission.

Next, Mr. Cannon read the note he received asking us to approve the new fees. At this point, Vice Chairman Matt Creamer stated that, in the past, the Commission was empowered to make such decisions. However, he noted, under the new Charter rules covering the Commission, the Commission could no longer approve fees. He stated that the Airport Commission is an advisory board to the Executive branch, primarily, and secondarily (when it comes to legislative matters) to the County Council. Mr. Cannon replied that Mr. Creamer should contact the office of Acting County Attorney Wilber and tell him those things. Next, Mr. Creamer advised that the new structure of the Airport Commission does not coincide with the County Code. "The County Code is an entirely different body of authority than is the County Charter," he said. ". . . I don't know if the County Code has been amended yet to make it coincide with the structure that we're [The Airport Commission] are operating under." Jokingly, some members then suggested that such a circumstance might have left open a loophole through which the Airport Commission could exert the authority to approve or disapprove of the proposed new fees.

Ultimately, Mr. Cannon said that he would pull the Council's resolution to approve the two fees discussed here. He then stated that, even if the Commissioners don't have right to set fees such as these, it would be very nice for them to know these fees and be involved in that process [of setting them], even in an advisory capacity. "I think it's important that we take a stronger advisory capacity," he stated. Several Commissioners then voiced their agreement.

Mrs. Arnold then made a motion, seconded by Mr. Cannon, to recommend acceptance by the County Council of the two fees under discussion. At this point, Mr. Brooke said that it would be nice to know what kind of income the two-dollar rental-car fee would generate. Further, he said that it would be nice to know what kind of offset the four-dollar rental would be to the County's

expenses related to the drone hangar. Mr. Brooke, reiterating his earlier comments, stated that the Commissioners need to be involved when matters such as these are first examined.

At this point, Mr. Olmsted stated that he would like to discuss the proposed square-footage fee with his colleagues.

Mr. Cannon then suggested that we table Mrs. Arnold's motion, so Mrs. Arnold withdrew her motion, and Mr. Cannon withdrew his second.

Mr. Olmsted further stressed that the Commissioners need to consider also the full potential of the airport's drone program, which, he said, could become not just a regional resource but a national one. SBY, he said, would potentially be the first facility in the country that would put all the pieces together: type design, manufacturing, research-and-development testing, certification testing, air operations, 135 operations, and civilian and military.

As the discussion neared its conclusion, Mr. Peacock said that he would ask Mrs. Veatch to gather pertinent information that would enable the Commissioners to wisely consider the two proposed fees and then make an informed recommendation to the Council.

Mr. Creamer summarized the Commissioners request by saying that we would like to ask Mrs. Veatch, "How did you get there?"

### **Interior Design of Drone Hangar**

Looking at a preliminary floor plan of the new hangar, Vice Chairman Creamer questioned if placing offices within the interior of the hangar might not negate the primary purpose of the hangar by taking up space that might otherwise be used to store aircraft. "Wouldn't it make more sense to put the offices on the outside if they're only going to be one story high?" he asked. Mr. DiCairano commented that Purdue's hangar has offices which are attached outside the aircraft-storage area. Mr. Creamer added that Piedmont's hangar also employs attached offices (which do not consume hangar space). Chairman Peacock commented that the office's configuration would really be a question best answered by SRS (the primary tenant) and Dawn Veatch. The final configuration, he suggested, would also reflect SRS's equipment needs.

Mr. Peacock then stated that we need to determine what the cost for two stories would have been versus the cost for the single story. We also need to understand, he added, why there is "such a massive difference between what was proposed and what it is. How did that number get missed?"

Mr. Olmsted suggested that we might consider the cost of building a separate office building rather than building offices within the hangar. However, Mr. Rudy noted that such a change in plans might affect environmental plans. Mrs. Arnold then stated that placing offices within a building in which aircraft were stored might increase insurance costs for those offices. However, Mr. Peacock noted that many hangars include interior offices. He cited as examples two new hangars at Georgetown Airport.

Mr. Brooke wondered whether the offices would be used somewhat casually by mechanics (for example), or whether the offices would be occupied eight hours per day by office staff. Mr. Peacock said, "That's an SRS question and a Kilroy question." Next, Mrs. Arnold wondered how having interior offices would affect security requirements. Others felt that, in one manner or another, security requirements would be dealt with.

Mr. Peacock closed the discussion by saying that we have many questions that will be reflected in the minutes.

### **ADJOURNMENT**

Calvin Peacock called for a motion to adjourn. The meeting was adjourned.

### **NEXT MEETING**

The next meeting will be held on Monday, September 9, 2019.

---

Calvin Peacock, Chairman