

WICOMICO COUNTY AIRPORT COMMISSION

July 8, 2019

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

Staff: Dawn Veatch; Tony Rudy

Others: None

MINUTES

The June 10, 2019 minutes were approved.

AIRPORT MANAGER'S REPORT

UAS/Drone Update and FAA UAS Conference-Baltimore

In June, Manager Dawn Veatch attended a UAS/Drone conference in Baltimore during which she discussed the subject of drone detection with Harris Corporation. Harris Corp. operates and maintains ADS-B (Automatic Dependent Surveillance—Broadcast) systems within the national airspace system, and has successfully tested a prototype drone-detection system intended for the military. Moreover, the company has been searching for a partner with which it could test its drone-detection equipment in a civilian environment.

As a result of these discussions in Baltimore—and earlier ones initiated last year by Mrs. Veatch—Salisbury Airport and Harris Corp. have agreed to study the feasibility of installing Harris Corp.'s drone-detection equipment at SBY. (Drone detection at SBY will be essential when the airport's drone partners begin operations.) It appears that the cost of installing Harris's equipment would be less than the amount previously allocated to the airport for installation of a STARS program (Standard Terminal Arrival Route). The FAA stopped approving new STARS locations prior to installing one at SBY. Mrs. Veatch also noted that the state will provide partial funding for the project. She also noted that successful integration of Harris's equipment would allow improved IFR operations (operations under instrument flight rules) at our airport, eliminating the need for delayed take-offs and landings that are sometimes required here during bad weather.

The airport received \$100,000 from the Maryland State Dept. of Commerce for the UAS (unmanned aircraft system) Center for Innovation. This has been sent to the Executive Office to be placed on the County Council Agenda. Councilman, John Cannon confirmed this will be presented on the July 16th session.

Although design and construction of the Drone Center has been fully funded and contracts have been awarded, progress is temporarily stalled while the FAA evaluates new regulations (under Part 163) which govern activities conducted in non-aeronautical-use areas of airports. Our drone center is to be built in such an area. In late June, Mrs. Veatch visited FAA headquarters in Washington to discuss how the new regulations might affect our project. She hopes that a new environmental-approval study will not be necessary.

UAS/Drone Conference

While Mrs. Dawn Veatch attended the UAS/drone conference, she met with three drone manufacturers, one of which was Aurora Urban, a prototype manufacturer that is based in Manassas, Virginia. Aurora was recently purchased by Boeing and is planning to manufacture a vertical-lift airplane which will compete with a similar aircraft being developed by Airbus. Due to limited manufacturing space at their Manassas location, representatives came to SBY today, July 8th, to discuss the possibility of manufacturing here. Two representatives from Maryland State Commerce were also present to discuss state-sponsored incentives. Also present at the meeting were representatives from SRS and Kilroy, two key players in our future drone operations. In part because of our airport's proximity to the Wallops Test Flight Center, the visitors from Aurora were extremely impressed with what we at SBY can do for them. They are eager to begin flight testing of a recently completed prototype. Mrs. Veatch advised them that the airport could be ready to fully support their operations within 90 days. She, SRS, and Kilroy will create several menu items describing the specific services that the airport can provide.

Airport Hangar Painting

Unfortunately, we have run into a difficult contractual issue with the painting company, Jones Masonry Restoration Corporation of Pennsylvania. The company has done a poor job, and they may need to repaint some of the hangars. One problem is that they painted some corrugated areas from only one angle, leaving one side of the raised steel unpainted. Additionally, their workers spilled and sprayed paint on asphalt and allowed the wind to deposit paint spray on many parked vehicles. All incidents have been documented, and the airport is currently working with the County Procurement Office to ensure that all damage is corrected and that the painting company is held responsible. The County, meanwhile, has withheld its final scheduled payment to the company, and Mr. Rudy has created an extensive punch list which he will present to the company. Mrs. Veatch promised to provide updates.

Mrs. Veatch also mentioned that weather stripping (brush strips) has been installed on all T-hangar doors.

During a follow-up discussion:

- Mrs. Veatch said that she had considered firing the company while painting was in progress, but doing so would have delayed completion of the project by many months, an outcome which she judged to be unacceptable.
- Mr. Brooke commented that the company should have laid tarps or taken other precautionary measures to prevent overspray, and Mrs. Veatch noted that the contracts required the company to spread tarps.
- Mr. DiCairano asked if it would be possible to specify in a work proposal that contractors be from our local area. Mrs. Veatch said that this would not be possible, although she wished it were.

Master Plan and ALP (Airport Layout Plan)

Manager Dawn Veatch and Assistant Manager Tony Rudy met with the FAA on June 19th to clarify several items pertaining to our industrial park and, most importantly, how and when the agency will provide funding to SBY. Unfortunately, unless the airport can coax Congress to provide discretionary funding, SBY will receive monies for its projects in phases, even though phased distribution would necessitate construction delays and therefore increase costs. As for the runway extension, if the FAA

were to give us, say, just five million dollars a year, we would extend runway 32 but delay the extension of its parallel taxiway. Then, after later completing the taxiway project, we would the airport move the glide slope. Built in phases, the project would take three years to complete.

Mrs. Veatch also explained a problem related to Walston Switch Road and Airport Road. These streets penetrate Runway 14's RPZ (Runway Protection Zone) and some other restricted areas. Consequently, the FAA has stated that it will not allow the airport to extend Runway 14/32 until the airport has corrected the RPZ problem. Mrs. Veatch believes that the easiest fix would be to displace Runway 14's threshold by 200 feet, which would move the trapezoid-shaped RPZ out of the area where interference now occurs. However, the FAA does not want to accept this plan because it would require FAA funding. Rather, the FAA wants the County to relocate the offending roads, a project which would cost about 6 million dollars.

One compromise would be for the airport to extend the runway to a desired length of 8,000 feet but to classify the first 200 feet as an "overrun." The runway would then meet the take-off needs of Piedmont, Allegiant, and long-range corporate aircraft; however, the RPZ problem would vanish as the RPZ restrictions would theoretically not apply to the overrun.

Meanwhile, Mrs. Veatch will continue to work on funding options. Once funding is approved, the environmental assessment will begin and that will take about a year to a year and a half to complete. During this time, engineering, drawings, and design will be developed so that when the assessment is complete, the airport will be ready to dig.

Mrs. Veatch also mentioned that she will look for continued support from U.S. Senators Cardin Van Hollen of Maryland, both of whom support our airport.

Finally, Mrs. Veatch advised that, for now, we will rebuild only a portion of Taxiway Alpha so that we may redirect some of our entitlement money toward the runway project. However, we will not delay our planned renovation of the airline ramp.

Revised Minimum Standards

Mrs. Veatch stated that Appendix C of our Minimum Standards Document (Appendix C includes hangar prices) is still being reviewed by the Executive Office and is not yet final. Mrs. Veatch explained that rental rates were increased for the T-Hangars in 2017 and for corporate hangars in 2019. Corporate rates reflect values determined by an independent assessment of fair market value, less a 20 percent discount, plus some allowance for recent repairs, including our repaving of the corporate apron.

Mrs. Arnold asked if any T-hangar tenants were lost due to last year's T-hangar rent increase (\$58 per month). Mrs. Veatch responded that the increase may have been the impetus that caused some tenants to leave, but that these tenants were getting ready to leave anyway. She noted that she still has a list of persons who are waiting to rent a T-hangar. She also stated, in a discussion with Chairman Peacock, that the T-hangar tenants enjoyed a long period of low rent—too low to allow for repairs.

Mrs. Veatch also stated that tenants will receive new gate cards, free of charge. Fees for extra cards are listed in the draft of Appendix C, which appears on our website. In the future, the gate cards will not open every airport gate, but only those gates that are in close proximity to the card holder's location on the field. Furthermore, each tenant will receive a new combination padlock which the airport will be

able to open with a master key.

Fuel Farm

The FAA issued the required EA (Environmental Assessment) for the removal of the existing fuel farm tanks and installation of a temporary above-ground fuel farm.

Secretary Shultz's Visit

Mrs. Veatch met at the airport with Maryland Secretary of Commerce Kelly Shultz and her staff to discuss ways in which we can incentivize investors to invest in the airport, despite the fact that the airport does not lie within a designated "Opportunity Zone." The secretary is very interested in what's happening at our airport.

Commemorative Wall

A 55-inch television screen provided by UMES will replace the items of the "commemorative wall." We will preserve these items as we continue a search for the organization that was responsible for originally displaying them.

UMES will also provide a \$2,500 software package that will allow the university and the airport to display advertising on the screen. The airport will collect fees for its allowance of advertising screen time. UMES will also provide a free charging station for the convenience of our airline passengers.

Mrs. Veatch noted that she is responsible for selling airport advertising. She added that she used her marketing budget this year to hire Robbie Raffish to create a marketing campaign for the airport. Specifically, Robbie will review and rank all of the marketing proposals submitted by local media following Mrs. Veatch's previous request for such proposals. Mrs. Veatch requested proposals at a meeting which she held to explain the airport's marketing needs. Representatives from some 40 broadcast and print media companies attended.

In next year's budget, Mrs. Veatch will request whatever funding is necessary to execute the marketing plans recommended by Robbie Raffish. If a new airline comes to the airport, we will want to heavily advertise that airline and American.

The marketing person for the Hyatt Hotel in Cambridge wants to have an advertising presence here. In addition, she has displayed airport flyers in the hotel.

New Budget

The new budget is in place and all contracts are out. Construction projects will begin soon if they have not already started.

SCASDP (Small Community Air Service Development) Grant

Our previous grant request made the first cut, but we did not receive funding. United Airlines in January was going to provide us with a letter of support, but Mrs. Veatch did not have the funds to

pay consultants to complete the proposal, so we informed United that we weren't moving forward. Then the grant slipped into the current fiscal year. Mrs. Veatch and others hurried to put the contract back together to meet a July, 2019, deadline, but then United stated that they were not going to give us a letter of support until 2020. Therefore, it was pointless for the airport to spend the money to prepare a 2019 grant request. Instead, we will submit a proposal in 2020.

Meanwhile, Mrs. Veatch is entering into an agreement with **Volaire** to have a passenger-leakage study conducted this year. In its analysis, the company will forecast future Bay Bridge traffic delays—information which should prove helpful to the airport in convincing airline passengers from our region to use SBY rather than Baltimore Airport as a point of departure.

Mrs. Veatch met with **Katherine Waters** of Ocean City to discuss a bed tax. Ms. Waters mentioned that there was a tax increase approaching in August and that August might present a good opportunity to plead for some of that funding to support the airport. Ms Waters wants to set up a discussion with both Mrs. Veatch and Mr. Bud Church to review taxing options and to discuss how the airport can encourage the casino in Worcester County to create point-to-point packaged junkets which would benefit the airport. Mr. Church stated, however, that the 2019 Worcester County budget had been set. Mrs. Veatch responded that her request for funds would need to wait until the following year, although 2019 would be a good time to lay the ground work.

Also, Mr. Church volunteered to help Mrs. Veatch connect with the Worcester County Chamber of Commerce to discuss creating vacation packages that would attract visitors to our region. Such packages would fly visitors through Salisbury Airport.

Chairman's Report

Mr. Peacock mentioned that Secretary Schulz was impressed with the airport's efforts to bring students from Wicomico and Worcester Counties here during the Air Power History Tour. She mentioned that grant money exists to fund such efforts. Mr. Peacock has already asked the Commemorative Air Force to bring the Air Tour back to Salisbury next year.

Mr. Brooke asked if this year's tour was monetarily successful for the CAF. Mr. Peacock stated that it was not. However, the CAF liked our concept of bringing buses of school children to see the aircraft—a program that had not been tried elsewhere.

Mr. Peacock noted that he has a back-up plan if CAF does not wish to return. That plan would involve bringing other warbirds to SBY for an event that he would organize.

Mr. Peacock stated that he is preparing a glossary of aviation acronyms. The list, he believes, will enable people to better understand our often technical discussions.

He also stated that the airport commissioners will become involved in reviewing airport rules and minimum standards. Mrs. Veatch responded that she is revising the said documents and will welcome feedback. Mr. Peacock added that he has been studying similar documents published by airports in our region.

Mr. Peacock mentioned that he had been reviewing the Wicomico County Charter to determine exactly what the duties of the Airport Commission are. The Charter, he noted, places in the Commission in an “advisory capacity.”

COMMISSIONERS’ COMMENTS

Mrs. Arnold asked about the inoperative VORTAC (civil and military navigation radio station) at SBY. Mrs. Veatch declared that the civilian equipment was “dead,” and would remain permanently out of service. Since the military component still operates, however, she also stated that she would attempt to charge the military rent for the land on which the facility rests.

Mr. Brooke asked about the planned installation of above-ground fuel tanks. Mrs. Veatch said that they won’t be installed until after the litigation involving the present tanks is resolved. She speculated that installation of the new tanks could begin around August 23rd.

Mr. DiCairano asked Mrs. Veatch if she thought that drone operations here would require the FAA to restrict the airspace over the airport. Restricted airspace, he felt, might discourage transient pilots from using the airport. Mrs. Veatch assured him that our airspace would not change. Drone operations, she said, would be announced by Notam (notices to airmen) when they were to occur, and corridors containing drone flights would be and marked on special Jeppesen charts, but not on sectional charts, the charts used by pilots flying under visual flight rules.

ADJOURNMENT

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

NEXT MEETING

The next meeting will be held Monday, August 12, 2019.

Calvin Peacock, Chairman