

**PROPOSED AGENDA
AIRPORT BOARD
Watertown Regional Airport
2416 Boeing Avenue
Monday March 19th, 2:00 p.m.**

1. Approval of the Agenda
2. Approval of Minutes
3. EAS contract bid reviews
4. Airport update
5. Old Business
6. New Business
7. Executive session
8. Motion to adjourn

Agenda Item 2 - Approval of Minutes

13 February Airport Board Meeting:

Members Present: Bryon Callies, President; Mark Schroeder, Vice President; Mike Cartney, Secretary; Les McElhaney

Others present: Sarah Caron, Mayor; Airport Manager Syhre; Darce Curtis, TSA; Mike Schmidt, Helms & Associates; Mickey Bowman, ADI; and Dan Crisler, The Public Opinion

1. Agenda approved unanimously after motion by Cartney, second my Schroeder
2. **Airline Discussions -- ADI Presentation**

Mickey Bowman, Senior Vice President & COO, ADI, discussed the past year's challenges and successes. With ADI as the carrier, Watertown was able to surpass the 10,000 enplanement mark for 2017. Some issues Mickey highlighted were the emergency battery lights in cold weather, and the need to have a 2nd A/C at the ready in Watertown. Then Mickey discussed how ADI is being acquired by California Pacific, but anticipates that will strengthen not hinder, their support for Watertown.

Some specifics of their proposal, which will be assessed by the Feds, include:

- 1) Maintaining their affiliation with Great Lakes Airline
- 2) Holding the \$99 price point and keeping similar price structures
- 3) Keeping the same routes, times, and schedules; with one marked exception of analyzing a Watertown direct to Denver option.
- 4) This is a two year proposal
- 5) Keeping their no bag fees policy, although they do have to charge other airlines bag fees when applicable.

In response to queries from the board, Mickey indicated:

- 1) They may purchase 170 aircraft, which are capable of carrying 88 passengers, but would likely be configured to carry 66.
- 2) This last year ADI basically broke even financially, but sees the year as a good investment as it established their track record for running operations and established their reputation of reliability. They did adjust their bid to account for the cost of the 2nd A/C being parked in Watertown; lodging pilots at both Watertown and Denver; and transportation of pilots for layovers.
- 3) ADI felt Advertising was adequate and appreciated the city and airports support
- 4) The mayor emphasized the importance to Watertown of having reliable, affordable air service.
- 5) A leg to Minneapolis or Chicago is not currently in the vision, predominately because the availability and cost of gates in Minneapolis, and the flight time operating cost for a Chicago leg. The mayor acknowledged an issue with hired transportation for the crews.
- 6) When asked what Watertown could do to improve the partnership, ADI mentioned potential assistance with a Hangar and also wondered if the Airport would provide for-fee ground services.
- 7) Although acknowledging it is a challenge, ADI feels they will be able to maintain sufficient qualified pilots, as they did this past year.

Todd noted that no action was required from the Board today on this topic.

3. Airport Engineering, Planning, and Construction services contract. This is another contract which the airport periodically must select their firm of choice from those interested. Mike Schmidt from Helms discussed Helms long standing relationship with Watertown Airport as our engineering, planning, and construction consulting firm. They reviewed the project successes, including the rental hangars, runways, tarmac, and other work. No action, information only.

Respectfully submitted,

Mike Cartney

Secretary

Bid Tab for EAS service

Great Lakes Airlines	Boutique Air		ADI
\$2,325,883/Year	Option 1=\$3,414,920 Option 1=\$4,338,356	PC 12 8 seat King air 12 seat	Option 1=\$2,406,155
Brazilla 30 seat	Option 2=\$4,131,997 Option 2=\$5,022,107	PC12 8 seat King air 12 seat	Option 2=\$3,522,614 Option 3=\$5,251,218
	Option 3=\$7,958,602	ERJ-145 50 seat	ERJ-145 50 seat
12 weekly round trips	30 weekly round trips 36 weekly round trips		12 weekly round trips
	ERJ 12 weekly round trips		
	Option 3 contingent on Pierre		Option 1, 2 contingent on Pierre
Option 1, MSP	Option 1,2 MSP Option 3 DEN		Option 1 DEN Option 2 MSP/DEN Option 3 DEN