

DATE: 7/20/2022
TIME: 3:33-5:30 PM
RE: Planning and Development Subcommittee Meeting (PDSC)
ATTENDEES: Tom Fleming, Jason Licon, Diane Jones, Troy Bliss, James Hays, Scott Schorling,

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Agenda Item #1: Meeting Minutes – June 22nd, 2022

- Diane suggested a clarification to the following sentence:
A capital improvement plan for infrastructure needs to be included. Much of this infrastructure will be ineligible or low-priority for *traditional* grant funding.
- **Tom moved to approve the minutes with Diane’s clarification. The motion, seconded by Diane, passed unanimously.**

Agenda Item #2: Strategic Planning Process

- At the previous meeting, we discussed creating a framework/schedule for updating our Strategic Plan and tying it to the budget cycles of the two cities.
 - Process
 - First quarter
 - Update the Strategic Plan every two years (on even-numbered years)
 - Strategic Plan Format:
 - Focus areas
 - Objectives
 - Action items and progress measures
 - The 2022 Strategic Plan has been updated on the website.
 - The plan contains elements of the 2018 Strategic Plan, the Strat-op, and the strategic planning work the PDSC did this spring.
 - The strategic planning process might actually start in the 4th quarter of the previous year.
 - In late 2023, we should start the process for 2024.
- Second quarter
 - Submit budget requests to the Cities (Loveland is on an annual cycle and Fort Collins is on a two-year cycle).
- Third quarter
 - Airport budget is submitted for the Airport Commission for review and recommendation to the City Councils.
- Fourth quarter
 - Budgets adopted by City Councils
 - PDSC prepares action plan focusing on priorities for the upcoming year.

- Our current action plan will extend into 2023, but will need to be expanded and revised.
 - A flowchart or graphic explaining this process may help the Commissioners and others understand the steps and timing.
- The high level of uncertainty regarding the budget, e.g., pending potential grants and unknown contributions from the Cities for the terminal, makes strategic planning difficult.
- When communicating information about the budget, it would be helpful to distinguish one-time revenues/expenditures from ongoing ones.

Agenda Item #3: Customs Update

- The purpose of this item is to provide an update on the U.S. Customs proposal from Discovery Air.
 - Airport staff recently met with Discovery Air to provide an update and discuss the financial considerations of the proposal.
 - Discovery Air believes that they are assuming most of the risk by providing facilities and support services.
 - Discovery Air is asking the Airport/Cities to contribute \$200,000 annually to support the program.
 - This is about 13% of the Airport's annual operating budget.
 - Under Discovery Air's proposal, the Airport/Cities would not be able to recoup any of that cost. Discovery Air would set the rates and fees and collect all revenue from the program.
 - Discovery Air intends for the Customs agent to be available to the public for immigration services, gun and camera registration, etc.
 - Airport staff is investigating whether there are tax revenues that are being generated at/by the Airport, but are not being used to support the Airport, that could potentially be reallocated to support Customs.
 - Legally, the Airport can't make any direct payments to Discovery Air.
 - The Airport/Cities can pay U.S. Customs and Border Patrol (CBP) directly for services provided.
 - FNL had approximately 95 outbound international operations from May 1, 2021-April 30, 2022.
 - Rocky Mountain Metro Airport charges \$400-\$700 per clearance. At comparable rates, FNL would need several times more traffic for the program to break even.
 - Discovery Air is projecting \$200,000 annually in administrative overhead. Airport staff has not been able to obtain details on how this was estimated.
 - The Airport/Cities could provide Customs independently of Discovery Air, but facilities are not readily available.
 - Discovery Air has available office space that can be built out for CBP.
 - The existing terminal could be used for this purpose after the new terminal opens.
 - The Discovery Air proposal is unclear about the length of the requested financial contribution from the Airport/Cities.
 - *NCRA/Cities/County will support Discovery Air with an annual customs support payment of \$200,000 per year paid as a **minimum of 5-year commitment**, so long as customs is open and operating.*

- *The Water Valley Co/Discovery Air is taking ALL the risk on this as we are **limiting the requested support to a maximum of 5 years** and very possibly less as the office balances with increased billable customs events.*
- How much value would a Customs facility provide for the Airport and Cities?
 - As an economic development tool, it could pay dividends if the Cities are able to attract companies with international travel needs. This is speculative and isn't something the City/County economic development entities are observing as a deciding factor in site selection.
 - A foreign trade zone could be beneficial in retaining and attracting companies, but would likely require a full user fee facility, not a reimbursable services program facility.
 - It would benefit the existing Airport users that travel internationally.
 - Nutrien, which is a large primary employer in Loveland, would benefit the most. Corporate travel between their Canada and Loveland offices makes up the bulk of international travel at FNL.
 - Nutrien currently clears Customs in Casper, WY, which does not charge for the service.
 - Given the other priorities we have, this large expense would benefit a relatively small number of Airport users, mainly large companies and wealthy individuals.
 - It's unlikely that the Airport would be able to capture any transient demand for Customs clearances since other Airports offer it for free.
 - Customs is unlikely to generate considerable additional fuel sales unless it is free or competitive with nearby providers.

Agenda Item #4: New Hangar Development – Conceptual Layout Review

- Airport staff has created two conceptual hangar layouts for the area north of Runway 6/24. This is the area that the Airport Commission has directed staff and the PDSC to develop an infrastructure plan for in order to create new shovel-ready sites for new hangar development
 - Layout # 1 uses the current building restriction line (BRL) from the airport layout plan (ALP) as the southern limit for building footprints.
 - In layout #2, the BRL has been moved 180' south to the taxiway object free area of the future parallel taxiway.
 - Based on staff analysis, buildings could still be around 30' tall at the BRL.
 - By shifting the BRL to this new location, an extra 7.7 acres of development area would be opened up, but the crosswind runway could remain in operation.
 - Shifting the BRL to the south would reduce the amount of taxiway that the Airport would need to construct to provide access to the site.
 - If Runway 6/24 is closed and converted to a taxiway, the BRL could be shifted even further to the south.
 - T-hangars are usually nested and the buildings require taxiway access along both sides. Box hangars generally open up in one direction and do not need taxiways on the other side.
 - A single community restroom could serve many hangars in the area, eliminating the need for individual buildings to have their own restrooms. By removing the need to purchase a water/sewer tap, hangars can be built more economically.

- We may want to leave more space along Rockwell Ave and other major roads for businesses landscaping, and other uses.
- Open-air shelters would be feasible in this area.
- Having parallel taxiways to both the north and south of Runway 6/24 might not be necessary depending on how that area of the Airport is developed.
 - Pull-offs/run-ups could be included to allow aircraft traffic to flow in both directions.
- Staff will refine concept layout #2 based on feedback from this meeting and create another layout that considers the conversion of Runway 6/24 to a taxiway.
 - The layouts will be shared with Dibble Engineering so that they can provide cost estimates.

End Meeting Record

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