

**AIRPORT ADVISORY COMMITTEE MINUTES
TUESDAY, FEBRUARY 26, 2019
2:00 P.M.**

PRESENT: James M. Kulisek, Chairman
James O'Donnell, John S. Vero, Erik Denega, George Casale

ALSO

PRESENT: Katie Bonelli, Majority Leader
Antoinette Reed, Legislative Counsel
Harold J. Porr, III, Acting County Executive
Stacy Butler, Assistant County Attorney
Joseph Mahoney, Assistant County Attorney
Edward Magryta, Director of Aviation, Orange County Airport

Mr. Kulisek opened the meeting at 2:02 p.m. and requested everyone stand for the Pledge of Allegiance to the Flag. All members were present with the exception of Mr. Denega who arrived at 2:03 p.m., Legislator O'Donnell who arrived at 2:19 p.m. and Messrs. Bloomer and Zock who were absent.

Mr. Mahoney presented Mr. Magryta with the signed Inter-Municipal Agreement (IMA) with the village of Montgomery on sewer and potentially water. The village of Montgomery does not currently have sufficient water capacity to supply it to the airport, so it is for all intents and purposes, a sewer agreement. Under the terms of the agreement the county would be designing, constructing and installing the sewer main from the airport property to Route 211 and Chandler Lane. The ownership of the line would rest with the county from the airport to a new manhole at the intersection of Routes 211 and 416 with the pipe moving forward to the manhole at Chandler Lane being owned by the village of Montgomery.

Mr. Kulisek asked if it would be a pump station. Mr. Denega replied that there is a pump station at one of the locations.

Mr. Mahoney added that once constructed the ownership is controlled by the Inter-Municipal Agreement (IMA) and maintenance, operation and capital improvement responsibilities would fall with the owner. The county's ownership ends at the point of connection from the pipe to the manhole.

Mr. Magryta added that the county owns a small corner at Route 416 and Dunn Road which is probably where it would be located. Once the engineering is reviewed, they could actually run most of the pipe down the access road at the airport and break out when they get to Route 211 with that piping on county property. Therefore, allowing them access to investigate and conduct any repairs.

Mr. Kulisek asked where they would cross at Route 211. Mr. Magryta replied that the pump station would be on the west side; however, he does not recall where it crosses.

Mr. Denega pointed out that it was not yet fully designed with additional engineering still needing to be completed.

Mr. Vero asked about the status on the grant extension now that the IMA has been signed. Mr. Magryta replied that he received the extension request from the New York State Department of Transportation Aviation Bureau. He indicated to them that with the submission of the extension he would include the signed Inter-Municipal Agreement (IMA) and the legislative resolution approving bond financing for the residual amount on the project. In his experience it is a higher probability that they would retain the funding in light of the fact that the New York State Department of Transportation Aviation Bureau gave them \$1.5 million for the water project.

On the agenda was an update on the Town of Montgomery Water Agreement with Orange County.

Mr. Magryta explained that the application submitted to the state for airport projects was accepted and were given the maximum of \$1.5 million in addition to the previously approved \$900,000.00 by the legislature to supplement the grant giving them a total of \$2.4 million to do the water instillation. He has met with the Town of Montgomery Supervisor and town engineer to discuss their piece, what they are looking for and the status of Medline. At this time everything is before the Planning Board and looks promising and their original estimates for the engineering and pipe run could be cut in half if the Medline project was approved. Medline would run half the distance from Neelytown Road to where their pump station would be located as long as Medline is approved.

Mr. Denaga commented that Medline is going through the Draft Environmental Impact Statement (DEIS) which has not been submitted to the Planning Board which could prolong the time frame.

Mr. Vero asked if there were any time constraints on the \$1.5 million grant. Mr. Magryta replied yes, five years.

Mr. Kulisek asked if they could begin work on their property. Mr. Magryta replied that they could do a primary and contingency with the contingency being if the approval for Medline did not happen and they had to run the line as originally intended. In his opinion, during the engineering process there could be an "A" and "B" option with the logistics being vetted before they put shovels to the ground.

Mr. Kulisek asked if there was a reason they could not design on their end. Mr. Magryta replied no.

Mr. Kulisek stated that in the past they have lagged in moving forward because they waited on something else to happen and not acted. He would recommend they get their portion designed to at least the entrance of the airport and inside the fence.

Mr. Magryta explained that once the engineering consultant is picked that would be the next step.

Mr. Kulisek asked if the consultant would have to go out to an RFP. Mr. Denaga replied that typically their highway division assists with engineering so they will be working as a team.

Mr. Mahoney asked if an existing contract could be used for engineering services. Mr. Denaga replied yes.

Mr. Kulisek emphasized the need to keep moving this forward.

Mr. Denega added that at a recent meeting the County Executive indicated that he wanted some of these items designed and put out to bid.

On the agenda was an update on the Village of Montgomery Sewer Agreement with Orange County.

Mr. Kulisek asked if they were prepared to start the design on the sewer project and were the funds in place. Mr. Denega replied that the engineering firm has to be secured but all other resources are in place.

Mr. Kulisek asked if it would be a different firm than the one previously mentioned by Mr. Mahoney. Mr. Denega replied that it would not be done in-house, but they could look into having the same consultant do both designs.

Mr. Magryta added that there have been preliminary discussions with the attorney to try to get this moving forward as they have approximately \$4 million in state grants that they want to execute as soon as possible.

Mr. Kulisek pointed out that they have had many grants that were not used as soon as possible.

Mr. Magryta responded that with the exception of the sewer grant from 2007, the airport has been putting their grants to use.

On the agenda was an update on the Outstanding Grant Status.

Mr. Magryta explained that the FAA is pushing for them to move ahead with the capital improvement program with a different source to fund their projects for this year. They have four projects coming up that are in the application phase for 2019. The design of a snow removal equipment building, design for Apron A, and transit line resurfacing and/or replacements. They anticipate the grants being approved in the fall once the applications are in and reviewed. In addition, they have an approved firm doing the masterplan which is an important segway in the growth of the airport.

Mr. Casale asked about the status of a restaurant at the airport and requested that the subject be added to their monthly agenda. Mr. Magryta replied that they received one inquiry for nutritional takeout food; however, it did not fit with the restaurant's purpose. In addition, when advised of the rent, they decided against it and there has not been any other interest.

Mr. Vero asked for the rental amount. Mr. Magryta replied that it was \$1,850.00. Potable water is a great concern with the last potential tenant asking if the county would be willing to pay for a new water system for the building.

Mr. Kulisek noted that at the last meeting they were advised of a county vendor that deals with water treatment. Mr. Magryta replied water treatment is controlled internally. There is a system in the wellhouse, but they need a steady water flow such as 5000 gallons a day in order to

control the chlorine levels. However, when they have a restaurant that it is closed for a few days the chlorine backs up and becomes over chlorinated.

Mr. Kulisek emphasized that the water issue is not unsolvable.

Mr. Magryta replied yes, but with municipal water around the corner, could they justify that expense.

Mr. Kulisek questioned how close around the corner they actually are and if they can get \$1,500.00 or \$1,800.00 a month in rent it could help to cover that cost.

Mr. Magryta commented that it would be fine if they could get income on a normal reliable basis; however, the airport lost \$10,000.00 apiece from the last two tenants due to their failure to honor their contract. Only one in twenty airports have any type of restaurant and out of that number only one in forty are actually making a profit. It is very difficult with a \$1.5 million budget to take \$10,000.00 hits annually on something that is not a priority for the airport.

Mr. Kulisek asked if the grant funds for water could be used for an existing system. Mr. Magryta replied that the grant proposal was to hook up with another municipality for municipal water.

Mr. Magryta added that if there was a viable restaurant option with the current water situation, he would entertain it; however, he does not know how they would turn a profit under the current circumstances.

Mr. Casale commented that there is downstream revenue that cannot be measured. He has heard from airport tenants and the general aviation community that they are disappointed with not having a restaurant and it does not appear that Orange County is a location to fly to. In addition, at least one commercial tenant has indicated that they are losing airplane sales because they do not have a restaurant at the airport and in his opinion, they have not had the right tenant.

Mr. O'Donnell suggested they look into food trucks while they wait for the water situation to be rectified. They could have them available on weekends and open the restaurant location for people to sit and eat. This would eliminate the lease issues until the water situation has been remedied and an RFP can go out for a restaurant.

Mr. Magryta commented that when the issue of a terminal came up, they discussed either a seasonal snack bar or food truck, but that is a hard sell when the financials for that type of business are not promising. However, if they have a cost analysis they feel would work he would look at it but airports around the region have few viable restaurants. While Oxford Airport is a good example of a survivable airport, they have business infrastructure in close proximity and charter businesses that utilize their catering service.

Mr. Denega asked if that could change once the corporate hangars are built. Mr. Magryta replied yes.

Mr. Kulisek asked if a restaurant would be included in the masterplan. Mr. Magryta replied that it could be included with the potential that it could come to fruition; however, he does not advocate losing \$10,000.00 a year.

Mr. O'Donnell pointed out that Mr. Magryta is not losing \$10,000.00 because that was money that did not come in.

Mr. Porr asked for the timeline on water if Medline goes through. Mr. Magryta replied that because a district needs to be formed, possibly two years.

Mr. Kulisek disagreed because if Medline goes through and they would be part of that district so it would not take that long.

Mr. Denega added that the EIS process could take 10 to 12 months.

Mr. Denega disclosed that one of their engineers, Ryan McGuire, is on the Town of Montgomery Planning Board and he indicated that they have not yet submitted their draft environmental impact statement and the review has not started.

Mr. Porr asked for a timeline from when Medline goes in to when they could connect to the waterline. Mr. Denege replied possibly less than a year, but it would depend on if they have a contractor lined up.

Mr. Magryta added that Medline is a significant development especially from the bonding authority side as they do not want to take on more debt for the airport if they have another entity that could do what they need. In his opinion, it would be in their best interest to coincide with Medline.

Mr. Kulisek emphasized that he would like to see them design it to Neelytown Road and, if it has to go to bid, have a deduct alternate to get part of the section out therefore allowing them to proceed with permitting. This way if Medline comes to fruition, they would have the deduction of three quarters of a mile and everything would continue to move forward. The district would be formed whether it is for them or Medline

Mr. Denega agreed with the first step being to secure the design engineer.

Mr. Magryta asked for clarification that the committee was recommending that they not charge rent for the restaurant and to just have someone try to make a go of it. Mr. Kulisek replied that he was suggesting they charge less rent based on the location of the restaurant.

Mr. Vero agreed with Mr. Kulisek as an empty property is actually worth less rent than more rent.

Mr. Magryta explained that the property was not empty and was being used for meetings, training and events with the intention to open in 2019 as a terminal with vending.

Mr. O'Donnell asked if they have vendors for the golf courses. Mr. Porr replied that Hickory Hill has a vendor, but Stony Ford does not.

Mr. O'Donnell suggested that it be offered as a concession stand to whomever comes into Stony Ford.

Mr. Porr agreed.

Mr. Kulisek commented that at the last meeting they were told that the county had a contracted vendor that would come to the airport and look at the problems.

Mr. Mahoney replied that they do have someone contracted with the county on water management services; however, he does not know the scope of their contract.

Mr. Kulisek recommended they go to the airport and check the water. Mr. Denega replied that they would look into whether they can use that vendor for this issue.

Mr. Kulisek reiterated that if its sulfur, it's fixable.

On the agenda was an update on the Runway Realignment.

Mr. Magryta explained that the airport was reopened for Visual Flight Rules (VFR) in December; however, with the government shut down their flight check appointment was delayed until March 9, 2019. Due to the lighting situation several taxiways were not available, but they did receive approvals from the FAA to do an early flight check and to try and get the night part approved and the PAPI system. They were informed today that because they cannot arrive before 10:30 a.m. they could not check the lighting but that was the point in having a second check. He believes that it will be rescheduled for when they can come at either dusk or dawn to check the lighting. The Instrument Approach System is being installed with certification being conducted on Monday and it will last approximately three days.

Mr. Magryta explained that the contactor has a punch list that will be followed up on in early April.

Mr. Kulisek asked about low spots in the paving. Mr. Magryta replied that two places needed to be repaved and a few areas that were determined to be low spots. In the engineer's opinion, if they were to mull and repave all the seams an additional non-conformity would be worse than if the low spots remained. In the end, the recommendation was made to receive a credit for the ones that were below standard.

On the agenda was a discussion on the Orange County Airport Masterplan.

Mr. Magryta explained that they are in the pre-application process for the grant. A consultant has been identified through the selection process and they have been given the authority to prepare the preapplication which was submitted last week and is being reviewed by the FAA. If there are no contrary opinions and/or changes to the financial circumstances they would file a final application with all supporting documentation by April 15, 2019.

Mr. Kulisek asked for the duration. Mr. Magryta replied that all FAA projects are four-year maximum duration with this being around a year and a half.

Mr. Kulisek asked if the new masterplan would include the locations of the projected hangars. Mr. Magryta replied that it would be an update to the master plan by expanding it, update it to current conditions, and water and sewer considered. There would be a series of public notices with public participation, governmental meetings, environmental reviews, SHPO needs, future potential, county needs in the future. There was a great deal of property in their current masterplan and it will play a large role in the design and how the airport is built out.

Mr. Kulisek asked about the hangars and the size they were seeking. Mr. Magryta replied that they would not be building the hangars but offering the property to private firms to build hangars with their proposals on their fleet mix and needs. The size of the hangars will be impacted by the availability of fire suppression, potential water source, length of runway, towered or un-towered with respect to a potential hangar. Based on the discussions he has had with those on the waiting list, the potential clients would be determined by the aircraft and/or type of business. The grant funds they received would be used for a 21,000 square foot jet hangar in order to meet some of the immediate needs of their current tenants. In addition, they would be doing a pavement management plan with all pavement being identified and reviewed in order to stay on a program so that the pavement is not allowed to get to conditions that are unsuitable.

Mr. Kulisek asked if a tower would be included in the masterplan. Mr. Magryta replied yes, if it was proposed and feasible and the FAA was willing to fund it.

Mr. Vero asked who would be developing the masterplan. Mr. Magryta replied that McFarland-Johnson, Inc. was hired to complete the masterplan via a section board last fall. In addition, they were involved in the masterplan preparation in 2000. The current masterplan has hangars built along the Route 211 corridor with interspersing T-hangars and he predicts that the new masterplan will not have any T-hangars as they are not the future of aviation in counties or private investment.

Mr. O'Donnell asked if it was recent paving and the amount of the credit they received. Mr. Magryta replied that it was recent, and he was unsure of the amount but would get that information to the committee.

Mr. O'Donnell asked about liability to the county if the credit was accepted. Ms. Butler replied that it would depend on the contract.

Mr. Magryta emphasized that they are talking about \$4 million in pavement and while they shoot for everything to be perfectly uniform, realistically, they will have a couple of areas that fall short. The areas in question are where a plane is conducting a run-up.

Mr. O'Donnell clarified that he was talking about the possibility of an aircraft being damaged as a result of this.

Mr. Magryta replied that the engineers determined that the areas that needed to be replaced were in areas of higher liability such as in front of a hangar and were replaced.

Mr. O'Donnell asked that they investigate the liability issue and the amount of credit received and that it be presented at the next meeting.

Mr. Denega explained it was relatively common to receive a credit in the negotiation as long as there is no immediate definitive risk.

Mr. Casale asked what the procedure would be if they accept the credit and the issue was not addressed and it gets worse. Mr. Magryta replied that there is an approximately a 24-inch base under the pavement and the specs for subbases are so stringent that it would not decrease.

Mr. Magryta added that the bigger issue is the base and subbase than the pavement because what is underlining there is more critical than the pavements small deflection. They were very particular on the subbase as it was recycled material and originally some of the recycled material were not spec and returned to the recycling center. The recycling center worked on the process to improve the quality of the subbase material and once improved it was brought back. There were hours upon hours of intensive review of the quality of the subbase and based on the material that was used the base and subbase are above average.

Mr. Vero commented that there seems to be a light at the end of the tunnel with water and sewer. When they toured Oxford Airport, the message they received was that once they got water and sewer everything took off, the restaurant, airport, hangars and construction, so he is very optimistic.

The committee recommended the following for the next meeting.

- I. Have the county vendor look at the water issue at airport restaurant and prepare a report for the next meeting.
- II. If needed, review vendor applications for water, sewer and SEQRA.
- III. Proceed with engineering aspect and preliminary design of water and sewer on county end including procurement process and possible RFP.
- IV. Look at possibility of decreasing rent at airport restaurant.
- V. Food Trucks.

The meeting adjourned at 3:23 p.m.