

SALT LAKE CITY DEPARTMENT OF AIRPORTS
MINUTES OF ADVISORY BOARD MEETING

15 January 2014

Members Present: Wayne Holland – Chair
Natalie Gochnour (Vice-Chair)
Mickey Gallivan
Wayne Holland
J.T. Martin
Russ Pack
Larry Pinnock
Mike Zuhl

City Council: James Rogers

Mayor’s Office: Mayor Ralph Becker

Excused: Igor Best-Devereux
David Ibarra

Department of Airports: Maureen Riley, Executive Director
Randy Berg, Director of Operations
John Buckner, Director Administration & Commercial Services
Ed Cherry, Chief Information Officer
LuJean Christensen, Management Support Coordinator
Janine Christiansen, Director of Finance
Barbara Gann, Director of Public Relations/Marketing
Pete Higgins, Director of Maintenance
Marco Kunz, Attorney, SLCDA
Allen McCandless, Director of Planning
Kevin Robins, Director of Engineering

Chair Wayne Holland called the meeting to order at 8:00 a.m. and welcomed Larry Pinnock to the Airport Advisory Board. Holland recognized Ed Bastian, President Delta Air Lines, and representatives attending the Board meeting.

AGENDA

A. Director’s Report

Maureen Riley, Executive Director, updated the Airport Advisory Board regarding current events.

- Passenger activity has been flat for some time now. For the 12 months that ended in November, SLC had a total of 20,126,000 passengers, which is down by 113 passengers for the prior 12 month period. Both landed weight and aircraft operations (meaning

takeoffs and landings) have increased over the prior year but cargo and mail activity is down.

- The redeveloped concession program has been operating for just over a year now, with great results to report. Looking at FY 2013 compared to FY 2012, gross sales for operators have increased by almost 18%, from about \$65 million annually to \$76.5 million. Airport concession revenue has increased by 26%, from \$10.3 million to \$13 million.
- Special thanks to Delta Air Lines for attending the Board meeting today. The Airport owes so much to Delta and its continuing support for the terminal redevelopment program and for serving airport passengers.

B. Delta Overview – Ed Bastian, President, Delta Air lines, Inc.

Ed Bastian, President of Delta Air Lines, made a presentation to the Board (presentation on file). Highlights from his presentation included:

- Delta is a strong and reliable partner.
- Delta is one of the largest private employers in the State with over 3,500 employees.
- Delta's partnership with SkyWest adds 2,000 employees in the airline's Salt Lake City (SLC) operation.
- Delta provides significant connectivity from SLC with direct service to almost 90 domestic destinations and seven international destinations.
- Delta plans 8% growth in seat capacity in SLC over the next five years. The aircraft departure count will increase 1% to 2%.
- Salt Lake City is the fastest growing local market among Delta hub cities.
- Delta's capacity in the Mountain West region is expected to grow by 20% over the next four years.
- Salt Lake City will continue to be Delta's primary gateway to the MountainWest, which is the fastest growing region in terms of travel.
- The growth will be driven by larger aircraft, increased frequency and new destinations.
- Delta Air Lines is committed to the Airport's Terminal Redevelopment Program.

Larry Pinnock and J.T. Martin both inquired about the expansion of service to international markets. Bastian responded that Delta is launching a flight from Seattle to Heathrow Airport in March and continues to develop international gateways.

Martin expressed interest in expanded service to the Boise market. Bastian responded the load factor is an indicator used to determine location and frequency of flights.

Mayor Ralph Becker acknowledged Delta as a corporate presence and looked forward to continued support for the Airport's Terminal Redevelopment Program.

James Rogers inquired about the phasing out of smaller aircraft by Delta and its affect on SkyWest. Bastian stated that SkyWest has a solid operational and economic performance model and would continue to partner with Delta to provide leading air service.

C. Terminal Redevelopment Program (TRP) Update – Mike Williams, TRP Program Director

Mike Williams, TRP Program Director, made a presentation to the Board regarding the Terminal Redevelopment Program (presentation on file).

The presentation included the following topics:

- TRP goals and expectations
- Project team
- Project timetable
- Design timetable
- Landside facilities
- Sustainability drivers
- Terminal Redevelopment Plan – Phase 1

Mike Zuhl and Russ Pack both inquired about how public information in regards to the bidding process will work. Williams responded that the procurement process for the City would be followed. The Construction Manager for the TRP would identify packages and the time frame for bidding. Outreach sessions will be held to notify the public about the procurement process, method of bidding, and how to prequalify.

Gochnour raised the question regarding language in the TRP contracts that relate to local and minority participation. Riley stated that there is good faith effort in the contract language and the contract language would be shared with the Board.

Russ Pack wondered if forthcoming projects could be posted one to two years in advance. Williams stated that information could be provided in advance. A general summary plan could be provided now and more specific detailed information as the TRP progresses.

Holland commended the Airport on the professional and ethical way they were proceeding on the procurement process in regards to the TRP Program.

D. Election of Advisory Board Chair and Vice-Chair for 2014

Mike Zuhl called for a vote on the nomination of Natalie Gochnour as Airport Advisory Board Chair for 2014. All votes were affirmative.

Mike Zuhl called for a vote on the nomination of Mickey Gallivan as Vice Chair of the Airport Advisory Board for 2014. All votes were affirmative.

The Board Chair for 2014 is Natalie Gochnour and the Vice-Chair is Mickey Gallivan.

E. Minutes

The motion was made by Russ Pack and seconded by Natalie Gochnour to approve the minutes of 20 November 2013 as presented. All votes were affirmative; motion passed.

The next Board meeting will be held 19 February 2014.

The Board Chair closed the meeting at 9:30 a.m.

Natalie Gochnour, Chair

Date

Ralph Becker, Mayor

Date