

City of Keene
New Hampshire

AIRPORT DEVELOPMENT AND MARKETING COMMITTEE
MEETING MINUTES

Tuesday, July 25, 2023

9:00 AM

**Terminal Building,
Dillant Hopkins Airport**

Members Present:

George S. Hansel, Mayor
Elizabeth Dragon, City Manager
Nathan Jacobs
Richard Blood
Bill Hutwelker
Peter Temple
Kristopher Radder

Staff Present:

David Hickling, Airport Manager/Chair
Rebecca Landry, Assistant City
Manager/Marketing and Communications
Director

Members Not Present:

Elizabeth Bendel, Vice Chair
Councilor Mitch Greenwald
Brian Johnson
Alona Florenz
Luca Paris

1) Call to Order

Chair Hickling called the meeting to order at 9:00 AM.

2) Adopt May Meeting Minutes

Mayor Hansel made a motion to adopt the minutes of the May 23, 2023 meeting. Mr. Blood seconded the motion. The motion passed unanimously.

3) Airport Solar Development

Chair Hickling reported that they received a letter of intent from Revision Energy for solar development on parcels 12 and 14 at the Airport, after the company made a site visit. They are large parcels that cannot accommodate many uses, so the development is very promising. The company is interested in creating a sizable system. Revision Energy is the same company that developed a solar array for the wastewater treatment plant. The City plans to begin negotiations with the company soon.

In response to Mayor Hansel's question, City Manager Dragon said she thought the company sought to develop up to five acres.

City Manager Dragon talked about recent changes in the law related to solar developments in Keene. She noted there is a one megawatt solar array at the wastewater treatment plant. She explained that Revision Energy's development would likely provide power for the Airport, as well as other purchasers. For the wastewater treatment plant project, the City entered into a power purchase agreement with the developer in which the City agreed to purchase power in exchange for the developer covering all up-front costs. The Airport got lease revenue from the project because the solar array is on the Airport's property. The Airport would likely get revenue from leasing parcels for solar development, but it's unclear how much. The capacity limit for a solar development outside the City is now five megawatts, which is more cost effective than the one megawatt capacity limit in place when solar panels were installed at the wastewater treatment plant. The City might be able to finance the project outright because the recently-enacted Inflation Reduction Act provides for a 30% credit to municipalities; previously, only private developers were eligible for the credit. Decisions about financing will depend a lot on the ultimate size of the project.

Chair Hickling expressed that this would be a great project for the Airport and the community. If the Airport simply leases the parcels to Revision Energy, it can charge fair market value. If the company's solar array provides power to the Airport, it can charge a lower rate. In response to Mr. Jacobs' question, he confirmed that the Airport received fair market value for leasing land for the wastewater treatment plant solar array. It's also possible to combine a lease with power purchase agreements.

Mr. Jacobs asked Chair Hickling to identify parcels 12 and 14 on a map of the Airport. Chair Hickling did so. He further noted that the FAA no longer requires glare studies for solar panels that are outside a designated "safety area."

In response to Mr. Temple's question, City Manager Dragon said that it is unclear how large a system Revision Energy wants to develop. The parcels cover 43 acres total, but solar panels will not take up all of the acreage. Because the Airport is in Swanzey, five megawatts is the capacity limit. Mayor Hansel briefly discussed the rationale and work involved in getting the State to increase the cap from one megawatt to five megawatts in recent legislation.

Chair Hickling reported that a couple consultants recently asked him about installing electric vehicle charging stations in Keene. He then looked into the possibility of having electric aircraft charging stations installed at the Airport, as well. Revision Energy is also looking into the possibility. Having the ability to charge electric aircraft would put the Airport on the forefront. He noted that a Beta Technologies electric aircraft stopped at the Airport a month earlier. The company is based in Burlington, Vermont, and has a client in Nashua, New Hampshire. A flight between the two cities stopped at the Airport to wait out bad weather. The company expressed some concern about not being able to charge the aircraft at the Airport. Chair Hickling thinks

having the ability to charge electric aircraft at the Airport would alleviate such concerns. He expressed excitement about accommodating the advanced air mobility sector at the Airport, noting that his summer intern, Tom, did some research on how the Airport can position itself to get business from the sector.

4) Private Hangar Development

Chair Hickling reported that he received a couple new letters of interest about private hangar development at the Airport. The City Council authorized the City Manager to enter into negotiations with the interested developers. He plans to send them the City's lease policy and a draft lease to commence negotiations. In response to Mr. Jacobs' question, Chair Hickling said it is uncertain how long negotiations might take, but he plans to send the lease information by the following week. After that, there will likely be a meeting involving City Manager Dragon. Mr. Temple asked if the developers identified specific parcels of interest. Chair Hickling responded that both are interested in one particular parcel because it is already paved, but the parcel likely would not work for one of them.

City Manager Dragon noted that, in the past, developers have sometimes withdrawn from the process after the City Council authorized both the negotiation and execution of an agreement. This time, if a lease is negotiated, the City Council would have to consider and approve it. The developer's name would not be attached to the project until then.

5) Airport Brand Strategy and Marketing Plan

Chair Hickling reported that the City has asked Guide Studio, the consultant that recently created a new brand strategy for the City, to put together a proposal for creating a new brand strategy for the Airport as part of a marketing and communications plan. A steering committee will need to be formed to help with the effort. Guide Studio will develop an online survey for a broad constituency and will likely need input from the steering committee. The purpose of the branding and marketing plan is to increase awareness of the Airport and its value to and role in the city and the region's economic development, as well as to attract activity to the Airport. The plan is in its initial planning stages now.

City Manager Dragon said that those on social media have likely seen the City's new brand coming out, along with videos about various departmental activities. Ms. Landry started the efforts more than a year ago. She noted that Chair Hickling discussed differentiating the Airport from the City with Ms. Landry. Funds from Ms. Landry's budget will pay for the branding and marketing plan. Given what the City learned from working with the Guide Studio, such as what does and does not work on social media and how important it is to have a consistent logo and voice, City Manager Dragon believes the Airport will benefit from a branding and marketing plan. It will help clarify how the Airport fits into the overall City brand and its economic development plans.

Ms. Landry echoed that the City's brand strategy laid the groundwork for the Airport's brand strategy, although the Airport's brand should be unique. Guide Studio will conduct stakeholder "discovery" sessions to help determine what businesses and others in the aviation community need or want from the Airport and what they see as the future of the Airport. The information from the sessions will inform the planning and development of the Airport. The aim is to complete the plan by the end of September.

Chair Hickling expressed excitement about the Airport getting a logo that meshes with the City's logo but has an aviation feel to it, and about the Airport having a way to get information out to its customers and the broader community. He said the kickoff meeting with Guide Studio was held just the day before, and he would reach out to individual Committee members soon. He also noted that the Committee as a whole would participate in the process of developing the plan.

Mayor Hansel asked about the process. City Manager Dragon said the process would be similar to the City's overall branding process but on a smaller scale. Ms. Landry said that if any committee work is needed, it would be this committee that is involved. Mayor Hansel also asked about City Council involvement. Ms. Landry responded that having a Councilor on the steering committee and keeping the Council informed was discussed at the kickoff meeting. City Manager Dragon asked if Councilor Greenwald is still on this committee. Mayor Hansel said he is, although he does not often attend meetings. She indicated her hope that Councilor Greenwald would participate, as he has pushed hard for a communications plan.

6) Airport Development Broker

Chair Hickling reminded the Committee about the Aviation Property Network's proposal to conduct a market study and provide brokerage services for the Airport. He recommended having the consultant conduct the market study but indicated that having the consultant provide brokerage services would not be cost effective. The Airport's primary source of revenue would be from leasing, and the consultant would take a percentage through the full term of any lease it brokers.

The City asked the Town of Swanzey to partner with it and pay for the brokerage services. Swanzey gave the City a counterproposal a week earlier, which he will discuss with City Manager Dragon. They will then probably meet with Swanzey's town supervisor and the consultant to discuss cost sharing, as both municipalities have a vested interest in development at the Airport. Mr. Hutwelker reminded Chair Hickling about including in the counterproposal that the consultant caps its commissions.

Chair Hickling concluded that things are moving in a good direction, albeit slowly.

City Manager Dragon expressed excitement about getting a communications plan in place and developing parcels at the Airport, as the City has struggled to get both initiatives off the ground in the past. She noted that communicating the Airport's story and value is very different from

getting a developer to develop a parcel, but moving both initiatives forward at the same time makes sense.

7) **Other Business**

Chair Hickling reported that, following up on Vice Chair Bendel's suggestion, he had posters showing the Airport development efforts and opportunities printed. He plans to have three posters framed and hung on the wall in the terminal for anyone passing through, including corporate aircraft folks who may know someone interested in development at the Airport, to see. He said the posters should be up before the Committee's next meeting.

Mr. Jacobs asked if leasing parcels for solar development would require FAA approval, and if so, how long the approval process would take. Chair Hickling confirmed that FAA approval would be required but indicated it should be fairly straightforward because the Airport would either get revenue or solar power, and the solar arrays would easily meet height restrictions for the parcels, which other types of development likely would not. He noted that the FAA may limit the term of a lease, but the limit is probably longer than the life span of a solar array, so he does not think it is an issue. He thinks the limit might be 30 or 40 years, while the lifespan of a solar array might be 20 or 25 years.

Mr. Jacobs asked for an update on construction activity at the Airport. Chair Hickling advised the Committee that construction work on the Airport's taxiway, part of the extension project, was supposed to begin the following year, but due to delays in getting a grant approved, the contractor could no longer honor its original bid due to increasing costs. The project had to go back out to bid last fall. The City submitted a grant application in February, but it likely will not be considered by the Governor's Council until September. By the time the money is in hand to allow the City to issue a contractor a notice to proceed with work, the contractor will probably be unable to complete the project for the bid amount due to increasing costs. Typically, bid amounts are only guaranteed for 90 days. Grant applications must be based on a specific bid.

Chair Hickling said installing a wildlife fence is the next project in the works. He said Ben Albert and his staff have been chasing deer away at lot. Recent flooding has pushed deer closer to the runway. The City submitted a grant application to the FAA to install the fence, but it won't be considered until September. Chair Hickling is working with the Department of Transportation to get approval to pay for and complete the work and then get reimbursed from the grant. An environmental survey must also be completed this year. He expressed concern about everything getting done in time to apply for grant funding for construction of the fence next year.

Mr. Jacobs asked whether there are ways to track the deer. Chair Hickling said staff do a good job documenting their efforts to alleviate wildlife hazards. Airport Operations and Maintenance Manager Ben Albert said that staff log sightings, as well as efforts to chase deer or turkeys or other wildlife off. Mr. Jacobs wondered if it would be helpful to ask citizens to report wildlife sightings. He also asked about mitigation tactics other than installing a fence, such as using

coyote decoys or calls. Chair Hickling said staff perform mitigation activities all the time. Mr. Albert echoed that staff have used coyote decoys and taken action against deer and turkeys and geese. Chair Hickling said citizen reporting might help. He further noted that the FAA does not see installing a perimeter fence for wildlife control as a priority. The FAA would prefer to fund the project over several years rather than all at once, which would be not work well for the City. In general, security for a general aviation airport does not rank very high. Chair Hickling therefore plans to submit letters from frequent users like C&S and the FBO to federal elected officials to try to get an earmark to fund the project 100%.

Mr. Temple said the wildlife situation is much better than it was a few years ago, now that staff are mowing more frequently. Chair Hickling said staff, including Mr. Albert, have been doing a great job. In particular, mowing more frequently has really helped control wildlife by reducing the mice population, which reduces the raptor population, and so forth. With respect to deer, Mr. Albert noted that deer do not like standing water, and there is standing water in the woods by the Airport from heavy rainfall, increasing the deer on Airport grounds. The mouse activity is mostly on the west side of the Airport between 14 and 22 and the woods. The most active area for deer is between the river and the wastewater treatment plant. Staff drive the deer into the woods, but they don't stay in the woods. The woods are flooded now, but when the water recedes, they may return to the woods.

Mr. Temple asked if the increase in hangar demand has subsided and if the wait list has gone down. Chair Hickling said he expects the demand to subside, although the wait list has not yet gone down. Mr. Temple noted that they discussed developing parcels for commercial or industrial uses but wondered about developing parcels for T-hangars. The master plan designated several parcels as suitable for T-hangar development. Chair Hickling said that while some parcels are available, the cost to the City of building a hangar would exceed any potential revenue, particularly because there would be borrowing costs. It may be that a private developer could build a hangar more cost effectively, but the cost of paving is still an issue.

The City could put out an RFP for a developer to construct a T-hangar on a parcel that it leases. Maybe the City could offer an incentive. No one has reached out to him about constructing a T-hangar, though. Mr. Temple noted that there is also an issue about what would happen with the hangar building at the end of the lease, which would be around 40 years long at most. Would the developer have to tear it down? Would the City want an old building? Chair Hickling noted this type of issue would be negotiated into the lease. Mr. Temple wondered why someone would want to construct a hangar on leased land rather than owned land. Chair Hickling said that the FAA frowns on this kind of "through the fence operation," where a private party owns rather than leases airport property – at least for airports the FAA subsidizes.

Finally, Chair Hickling reported that he has asked McFarland Johnson, engineering consultant, to help create a document setting forth building design standards for the Airport. At minimum, the document would require that federal, state, and local requirements be met, but it may also specify various standards. It will likely follow zoning requirements, but it is helpful to have everything

written out in one place for potential developers to reference. Likely, there will be some collaboration with the Swanzey. His goal is to complete the document in the next six months.

8) Adjourn

There being no further business, Chair Hickling adjourned the meeting at 9:42 AM.

Respectfully submitted by,
Wendy Chen, Minute Taker

Reviewed and edited by,
David Hickling, Airport Director