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2 **Resolution Relating to**
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RESOLUTION
Sponsor(s): Councilors Blais,
Adrian
Introduced: 06/20/11
Referred to: _____
Action: _____
Date: _____
Signed by Mayor: _____

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7 AIRPORT ISSUES
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12 **CITY OF BURLINGTON**
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14 In the year Two Thousand Eleven.....
15 Resolved by the City Council of the City of Burlington, as follows:

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17 That WHEREAS, the Burlington City Charter Title VI, Article 84, Section 276 states that “the
18 city council shall have the exclusive general management and control of all lands owned or
19 leased and used by the city for the purpose of a municipal airport, and of all buildings, property
20 and equipment of the city thereon, and shall see that the same are kept in good condition and
21 repair. The city council may by resolution delegate any of its powers relating to the airport to the
22 board of airport commissioners”; and

23 WHEREAS, at the March, 2009 Annual City Meeting the voters of Burlington rejected a
24 general obligation bond to construct an addition to the parking garage at the Burlington
25 International Airport; and

26 WHEREAS, based on financial data showing a positive cash balance for the Airport over
27 the next 10 years, overestimated parking needs at the Airport and in anticipation of approval of a
28 revenue bond to be placed before the voters at the March, 2010 Annual City Meeting, the City
29 began work on the design and engineering of an addition to the parking garage at the Burlington
30 International Airport; and

31 WHEREAS, at the March, 2010 Annual City Meeting the voters of the City of Burlington
32 authorized a revenue bond to construct an addition to the parking garage at the Burlington
33 International Airport; and

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38 **Resolution Relating to** AIRPORT ISSUES

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40 WHEREAS, the addition to the parking garage was completed in 2010 at a cost of \$13.5
41 million using borrowed funds from the City's pooled cash account; and

42 WHEREAS, the credit ratings for the City of Burlington and Burlington International
43 Airport were downgraded in 2010 raising the cost of borrowing; and

44 WHEREAS, the Airport owes the City approximately \$12 million; and

45 WHEREAS, an 18 month, short-term bond anticipation note (BAN) of \$12 million is
46 being sold to enable the Airport to retire its debt to the City, the BAN to be paid when a revenue
47 bond is issued; and

48 WHEREAS, actual Airport revenues in FY 2011, primarily Airport fees, are below
49 budgeted revenues; and

50 WHEREAS, Airport management and the Airport Commission are actively engaged in
51 efforts to increase Airport revenues and reduce Airport costs; and

52 WHEREAS, members of the Airport Commission are committed to insuring the fiscal
53 health and the long-term viability and expansion of Burlington International Airport; and

54 WHEREAS, members of the Airport Commission have expressed concerns over "long
55 standing information flow" and a "paternal viewpoint" by Airport and City management and
56 expressed these concerns to the Board of Finance on May 23, 2011;

57 NOW, THEREFORE, BE IT RESOLVED that the City Council invite the members of
58 the Airport Commission to the June, 27 2011 Council meeting to update the Council on Airport
59 issues; and

60 BE IT FURTHER RESOLVED that the Chief Administrative Officer report to the
61 Council at its June 27, 2011 meeting on how the \$12 million received from the sale of the
62 Airport Bond Anticipation Note (BAN) will be allocated.