



University of Illinois Board of Trustees Willard Airport Update

November 13, 2008



**Report on Activities at Willard Airport
July 1, 2008 through October 31, 2008**

Overview:

At the September 11, 2008 Board of Trustees meeting, the Trustees requested, that from time to time, beginning with the November 13, 2008 Board meeting that they be provided an update on activities at Willard Airport (CMI). This report highlights activity undertaken during the period between July 1, 2008 and October 31, 2008 in the following areas of concentration:

Airport Land Planning: *Short term horizon*

1. August: Received approval from FAA to expend AIP monies on airport planning.
2. September: Awarded contract to Crawford Murphy Tilley engineers and Camiros land planners to develop a land planning document for the airport to include expansion areas for Flightstar, land acquisition priorities and airport protection measures. The goal is to complete this work and file an Airport Layout Plan with the FAA in January of 2009.
3. October: Hosted meetings with Village Savoy, City of Champaign, the Institute of Aviation, Flightstar and DIA in regard to future land uses. DIA has an interest in expanding their golf facilities. Flightstar has an interest in locating additional hanger space. The cities are interested in promoting economic development and airport related industry in the area.
4. October: Champaign County, City of Champaign and Village of Savoy agree to form working group to development of airport overlay zoning. The purpose of this effort is to provide runway protection to airport from incompatible uses and thus reduce future need for property acquisitions.

Marketing: *Short term horizon*

1. September: Met with University Travel Management Office (TMO) to discuss roles and areas of collaboration. The airport leadership and TMO agreed to work jointly on marketing Willard internally to UIUC campus. TMO established process to monthly compare ticket prices with competing airports for discussions with airlines in effort to bring competitive rates to CMI.
2. October: Review of CMI website undertaken

Governance review effort with Community: *Long term horizon*

1. July: Regular meetings established with business community as hosted by the Champaign County Economic Development Corporation (EDC).
2. October: Initial work item is to engage consultant to quantify economic impact of Willard to community and University.
3. July: EDC adopted as top Goal to assist in maintaining viability of Airport
4. July: Set regular meetings with Champaign City manager office on governance issues
5. August: Sent airport update letter under Chancellor's signature to 1200 local businesses
6. September: Met with News Gazette Editorial Board on airport issues

Airport Infrastructure Improvement efforts: *Long term horizon*

1. August: Met with FAA on capital projects for FY 09 and required 5 year plan submission
2. September: Awarded contracts for \$1,000,000 concrete replacement (now 50% complete)
3. July: Awarded contract to build 10 new general aviation t-hangers (now 80% complete)
4. October: Preparing required cost benefit analysis for new instrument landing approach

Airline Relations and Recruitment efforts: *Ongoing Activity*

1. September: Met with American Airlines and American Eagle in Dallas
2. October: Continued dialog on flight reduction issues with American Eagle.
3. October: Met with discount air carrier in regard to potential for direct flights to Florida
4. October: Discussed with UPS manager in Atlanta CMI opportunities
5. October: Joined "Heartland Consortium" to monitor and influence air service changes related to Northwest acquisition by Delta.

Conclusions:

While there has been progress made in regard to infrastructure, community involvement, airline relationship building and land planning, the economic downturn has negatively impacted airport finances. Three of 8 round trip American Eagle flights to O'Hare have been canceled in 2008. For the quarter ending September 30, enplanements are down 17% from 28,378 to 23,429. For the same period revenues are down 12% from \$554,780 to \$488,206. We are continuing to monitor the impact of these cuts on airport operations.

On a bright note, Flightstar has recently gained business with American Eagle (does not impact enplanements) and the new t-hanger project is near completion. The strategy, as outlined in September is to ride out the downturn, position the airport for future opportunities and communicate progress regularly to the Board.

Respectfully,

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