

Date October 13, 2008

Receive and File the Annual Report of the Des Moines International Airport for the year ended June 30, 2008

WHEREAS, on September 20, 1993, by Roll Call No. 93-3490, the Des Moines City Council approved Ordinance No. 12,040, assigning certain rights and responsibilities pertaining to the Airport to the Des Moines International Airport Board (hereinafter called the "Airport Board"), including the responsibility to prepare and deliver to the City Council an Annual Report covering program activities and financial status within one hundred and twenty days after the end of the fiscal year; and

WHEREAS, on September 7, 1994, by Resolution No. A94-234, the Airport Board directed that an Annual Report be prepared in simple, easy to read format; and

WHEREAS, on October 7, 2008, by Resolution No. A08-201, the Airport Board approved the FY2008 Annual Report and authorized its submittal to City Council;

WHEREAS, the Annual Report has been prepared and is complete: NOW, THEREFORE,

BE IT RESOLVED, BY THE CITY COUNCIL OF DES MOINES, IOWA:

That (1) the FY 2008 Annual Report be received and filed and (2) the letter from the Airport Board Chairperson be received and filed.

(Council Communication 08-615 is attached.)

Approved as to form: _____ Moved by _____ to adopt.


David A. Ferree, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
MEYER				
VLASSIS				
TOTAL				
MOTION CARRIED			APPROVED	

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

Mayor

City Clerk

October 8, 2008

The Honorable Mayor and Members of
the Des Moines City Council
400 Robert D. Ray Drive
Des Moines, IA 50309

RE: FY2008 Airport Annual Report – Year in Review

Dear Mayor and Members of the City Council:

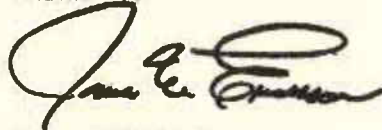
Section 2-362.03(ix) of the City of Des Moines Municipal Code, which establishes the Des Moines International Airport Board, requires the Board to:

"Prepare and deliver to the City Council an annual report covering program activities and financial status"

The operational, physical, and financial status of the Des Moines International Airport, as reflected in Airport records and City financial reports, are set forth on the following pages. The report was approved by the Airport Board on October 7, 2008, by Resolution No. A08-201. Official records regarding the Airport Enterprise Fund are maintained by the City's Financial Department.

We hope you find this report informative. Should you have questions regarding this report, please contact me or Aviation Director Craig S. Smith.

Sincerely,



James W. Erickson
Airport Board Chairperson

JWE:trs

Enclosure

cc: Airport Board Members
Richard A. Clark, City Manager



DES MOINES INTERNATIONAL AIRPORT
DEPARTMENT OF AVIATION
5800 FLEUR DRIVE, ROOM 201
DES MOINES, IOWA 50321-2454
(515) 281-5100

ALL-AMERICA CITY
1949, 1976, 1991
2008



MS

CROSSROADS

DSM

Year in Review

July 1, 2007 - June 30, 2008





Iowa Caucuses 2008 – An Exercise in Preparedness

Aviation Director Craig Smith wanted to prepare for the worst after the media, candidates plus their entourages, and campaign workers left Iowa in a mass exodus after following the Caucuses. The ball started rolling in 2007 with planning among all the entities involved to insure the Airport was equipped and ready for the departures in the 2008 post-Iowa Caucuses. The result was a DSM homerun in peak efficiency, dynamic results, and rave reviews from visitors and media.

Nearly 4,500 passengers boarded planes that day, compared to a normal day of 2,700. TSA reported a high of 581 passengers at the Security Checkpoint during a one-hour period with a wait-time of only around three minutes. During the time period from January 3rd to January 7th, over 16,500 bags were screened, with a one-day high of 4,102 bags on January 4th. The return of rental cars, that proved to be a bottleneck in '04, ran smoothly while doubling weekend numbers of 130 vehicles a day and a one-day total on January 4th of about 1,500 returns.



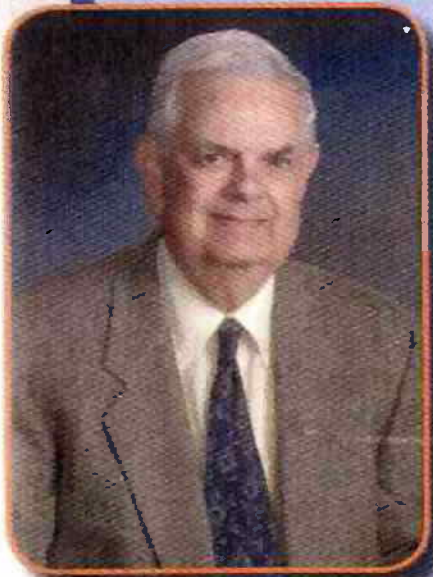
"It took many hours of staff and airport entities to plan, refine, implement, and monitor a flawless undertaking of this year's post-Caucus event here at DSM... all the while maintaining a business-as-usual appearance for travelers. We passed with flying colors and the results contributed to the best January on record for the Des Moines International Airport" – Aviation Director Craig Smith



"After 2004's impasse following the Caucuses, we were expecting the worst and looking for a story. The news is that there is no story and the airport is firing on all cylinders." – FOX News Correspondent



"We had prepared so diligently that when it came to the actual event, it was easy and rather anti-climatic." – Michael Pommier, Security Manager, Transportation Security Administration at DSM



A NEW ERA FOR THE DSM INTERNATIONAL AIRPORT BOARD

It is with mixed emotions that I pen my first address as Chairman of the Des Moines International Airport (DSM) Board. There are so many good and exciting things to cover, and one piece of sadness.

For Calendar Year 2007, the carriers at DSM enplaned 992,000 passengers, making that the second best enplanement year in the history of the Airport. January and February 2008 were the best respective months ever for enplanements. Then oil went over \$100 per barrel, and the entire commercial airline industry changed. By the end of the fiscal year, enplanements were only slightly ahead of last year's pace. I suspect some big changes are coming. While many small commercial airports have seen service completely pulled, so far we have been fortunate that only selective trimming has taken place.

Cargo handling at DSM is holding its own, but is still about 7% off last year's pace. Fuel prices and the weak economy are wreaking havoc with all areas of our industry.

Aviation Director Craig Smith has enacted a management reorganization plan that will lead to positive efficiencies. This Airport, and the functions that the personnel perform, have grown so tremendously over recent years that an adjustment was clearly needed.

The Board itself has a new composition. Besides my change in duties, we welcomed Elizabeth Ward, Roger Brooks and Nolden Gentry as new members. Ms. Ward is an entrepreneur selling children's books. Mr. Brooks is retired from the Insurance industry and Mr. Gentry is a managing partner with a local law firm.

Bad weather (snow, ice, fog, floods, and tornadoes) pounded Iowa the last three months of 2007 and the first half of '08. Airport staff worked many long hours over the winter keeping the airport open. When winter was finally over, we had to deal with floods, tornadoes and high winds. In June, we couldn't avoid a sudden downburst of wind (70mph) that brought down the structural steel that was in place for the Mesaba Regional Jet Maintenance Hangar. It was quite impressive how each entity worked together to get us back on track. The facility should be ready to occupy by mid-November.

Lastly, I am saddened to report that we lost our friend and former Board Chairman John Fitzgibbon. John had served as Chairman for 25 years. He retired last July and passed away in March. He was great man who will be dearly missed.

Regards,

Jim Erickson



CAPITAL IMPROVEMENT, PROJECTS & OPERATIONS ENHANCEMENT

New Terminal Paging System – Right after the first of the year in 2008 DSM officials announced the implementation of a new \$1.1 million paging system. The new system makes the Airport ADA (Americans with Disabilities Act) compliant. Audio announcements can be automatically programmed and the associated text appears simultaneously on the Flight Information Data Screens (FIDS). The system is programmed to monitor different sections of the airport for ambient noise and automatically adjust volume levels for the area.

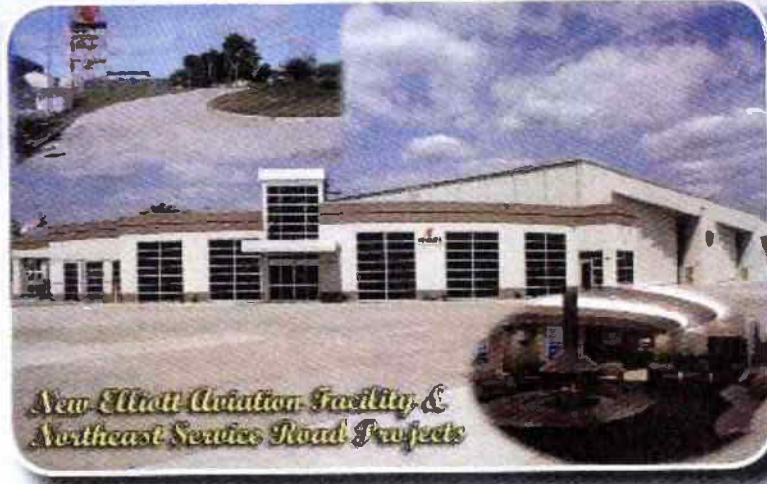
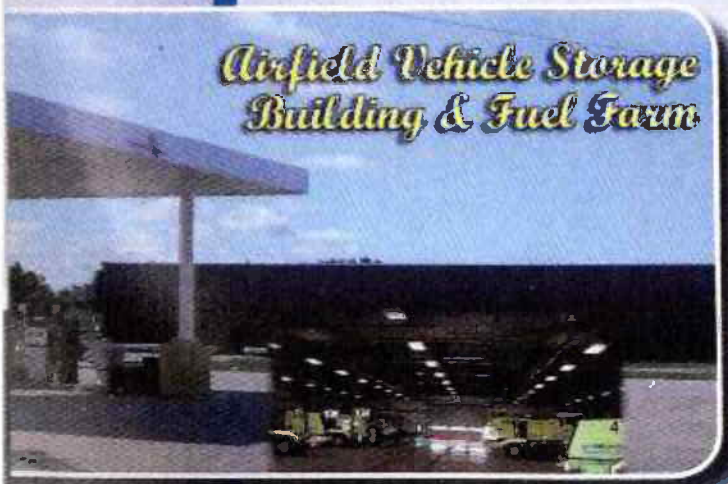
South Access Road – By the end of the calendar year 2007, the paving of the South Service and Access Road was complete. The road is well-lit and will provide easier accessibility coming from and to the south portion of the airport. This is a key area to future development along Army Post Road and is the designated area for a future UPS Facility.

Airfield Vehicle Storage – By the end of the calendar year 2007, the completion of a much needed storage facility and a fuel island canopy for Airport Field vehicles was finished. The building is 46,400 sq. ft. and houses most of the snow removal equipment and vehicles.

Terminal Basement Remodel/New Operations Center – The final piece in moving the Operations Center from the 2nd floor of the Terminal to the basement and a state-of-the-art operation was completed in June 2008. The security nerve cell looks like the helm of a starship and is fully operational now. The remodel also updated many tenant offices, provided a centrally located Scan Room for the Information Technology Department, and an expanded warehouse for the Paradise Gift Shops.

Elliott Aviation's NEW Facility & Northeast Service Road – Since 1958 Elliott Aviation has been a part of the DSM operation as a Fixed Based Operator (FBO). On May 15, 2008, they had an open house for their new 62,476 sq. ft. building which includes three 16,000 sq. ft. hangars. The building is evidence of the commitment that Elliott and DSM are making to have a premier general aviation facility here at DSM. The Northeast service road will provide a vital link and connect the FBO to the infrastructure of roads intertwining the Airport operation.

*Airfield Vehicle Storage
Building & Fuel Farm*



*New Elliott Aviation Facility &
Northeast Service Road Projects*

