



**SCOTTSDALE AIRPORT ADVISORY COMMISSION  
PUBLIC MEETING**

**Scottsdale Airport Aviation Business Center  
Stearman/Thunderbird Meeting Room  
Second floor 15000 N. Airport Drive  
MEETING HELD ELECTRONICALLY  
Scottsdale, Arizona  
Wednesday, September 15, 2021**

**MINUTES**

**PRESENT:** Charles McDermott, Vice Chair  
Larry Bernosky  
Cory Little (Telephonic)  
Rick Milburn

**ABSENT:** John Berry, Chair  
Ken Casey  
Peter Mier

**STAFF:** Gary Mascaro, Aviation Director  
Sarah Ferrara, Aviation Planning & Outreach Coordinator  
Carmen Williams, Aviation Finance & Administration Manager  
Chris Read, Assistant Aviation Director-Operations  
Tiffany Domingo, Staff Coordinator

**GUESTS:** Robert Hayes, Cirrus Aircraft

**CALL TO ORDER**

Vice Chair McDermott called the meeting to order at 5:01 p.m.

**ROLL CALL**

A formal roll call confirmed the presence of Commissioners as noted above.

## **AVIATION DIRECTOR'S REPORT**

Director Mascaro discussed the completion of the Runway Rehabilitation Project within 39 days. He thanked the design team and contractor for all of their hard work and the success of the project.

## **PUBLIC COMMENT**

There were no public comments.

### 1. Regular Meeting: June 16, 2021

COMMISSIONER BERNOSKY MADE A MOTION TO APPROVE THE REGULAR MEETING MINUTES OF JUNE 16, 2021 AS PRESENTED. COMMISSIONER MILBURN SECONDED THE MOTION, WHICH CARRIED 4/0 WITH VICE CHAIR MCDERMOTT, COMMISSIONERS BERNOSKY, LITTLE AND MILBURN VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

## **REGULAR AGENDA ITEMS 1-11**

1. Discussion and Possible Action Regarding Application for Airport Aeronautical Business Permit for Cirrus Design Corporation dba Cirrus Aircraft to conduct Aircraft Maintenance & Repair Services, Aircraft Leasing/Rental, Flight Training, Aircraft Sales and Aircraft Management Services at the Scottsdale Airport

Carmen Williams, Aviation Finance & Administration Manager, stated that the applicant requests the permit to conduct multiple activities, which includes aircraft maintenance and repair services, aircraft leasing and rental, flight training services, aircraft sales and aircraft management. She provided a brief overview of the company's history and details. Cirrus is currently subleasing hangar and office space from Mackin Aviation at Ross Aviation's main building. They have met all the requirements for the aeronautical business permit for all the different categories.

Ms. Williams introduced Robert Hayes (phonetic), Vice President of Flight Training and chief pilot. Mr. Hayes provided an overview of the company. Their intent includes opening a flight training operation at Scottsdale. The training system will include light maintenance. The primary focus will be flight training for customers purchasing craft and who have transportation needs. The intent is to have limited operations, with a goal to have three airplanes in operation by the end of the year.

Commissioner Milburn asked about the size of leased hangar space. Mr. Hayes stated that they are leasing 4,500 square feet of hangar space. Office space is approximately 750 square feet.

Commissioner Milburn asked for the breakdown of personnel and positions. Mr. Hayes listed staff: Director, three flight instructors, administrative person, sales person and two line service technicians.

Commissioner Milburn asked how the company plans to interface with existing Airport companies who are already onsite performing training for Cirrus aircraft. Mr. Hayes stated that the intent of

the company is to be good neighbors to the local community and all existing operators, including those that appear to be in direct competition. One of the company's distinguishing approaches is to use brand-new airplanes for flight instruction, including the SR22.

Vice Chair McDermott inquired as to anticipated operations on a weekly or daily basis. Mr. Hayes stated that the training is different than what is offered through an academy or university. They are well aware of all noise abatement procedures. In a traditional flight training environment, airplanes will launch and recover within a two-hour period. The company's training will launch and recover within a four-hour period. With three airplanes, the intent is to have three launches per airplane per day.

In response to question from Commissioner Milburn, Mr. Hayes confirmed that there will be no night operations.

In response to a question from Commissioner Milburn, Mr. Hayes stated that they do not initially plan to have a simulator onsite.

COMMISSIONER BERNOSKY MADE A MOTION TO APPROVE THE APPLICATION FOR AN AERONAUTICAL BUSINESS PERMIT FOR CIRRUS DESIGN CORPORATION DBA CIRRUS AIRCRAFT. COMMISSIONER MILBURN SECONDED THE MOTION, WHICH CARRIED 4/0 WITH VICE CHAIR MCDERMOTT, COMMISSIONERS BERNOSKY, LITTLE AND MILBURN VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

2. Discussion and Possible Action to Recommend Adoption of Resolution No. 12243, Authorizing Second Amendment to Contract No. 2018-015-COS, a Lease Agreement with Volanti Restaurant and Lounge, LLC for Lease of Space in the Aviation Business Center

Ms. Williams stated that the amendment will approve the lease of the meeting rental space, including the Spearman and Thunderbird rooms as well as the dedicated outdoor patio. Since the building opened in 2018, City Aviation staff have been controlling the two rooms and patio for special events and meetings. A few months ago, the restaurant submitted a proposal to take over the meeting room and add additional square footage to their lease. As part of the negotiations, in addition to the increase in the monthly base rent, Volanti will be required to continue to make the space available for the monthly Commission meetings, other City business as well as the nonprofit aviation organizations that have been using the space. The patio will remain open to the public at the observation area when the rooms are not in use. Tables, chairs and equipment will be conveyed to Volanti at a depreciated market value. The reason Aviation staff agreed to the proposal is because Volanti has connections to all types of event planners in the industry. They hold the liquor license, have additional furniture and dedicated staff to put on special events. The City will receive a percentage of revenues from the rooms. If approved, the lease amendment would be forwarded to the City Council's October 5th meeting.

COMMISSIONER BERNOSKY MADE A MOTION TO RECOMMEND ADOPTION OF RESOLUTION NO. 12243 AUTHORIZING SECOND AMENDMENT TO CONTRACT NO. 2018-015-COS, A LEASE AGREEMENT WITH VOLANTI RESTAURANT AND LOUNGE, LLC. VICE CHAIR MCDERMOTT SECONDED THE MOTION, WHICH CARRIED 4/0 WITH VICE CHAIR MCDERMOTT, COMMISSIONERS BERNOSKY, LITTLE AND MILBURN VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

3. The Airport Advisory Commission considers possible action to recommend to City Council Adoption of Resolution No. 12272 authorizing the award of the base bid and add alternate #1 for contract 21PB021 with Western Fence Co., Inc. in the amount of \$479,073.70 to construct security fencing improvements at Scottsdale Airport; and authorize two budget adjustments to the Airport Security Fencing Improvements (AG06) capital project to fully fund the project: (1) a FY 2021/22 budget appropriation transfer totaling \$104,039 from the Grants funding source to the Aviation Fund funding source; and (2) a FY 2021/22 Aviation Funds Capital Contingency Budget Appropriation transfer in the amount of \$229,600 to be funded by Aviation Funds

Chris Read, Assistant Aviation Director-Operations, discussed the intent to replace two sections of highly visible fencing along Frank Lloyd Wright Boulevard and Redfield. Fencing design was reviewed. It is hoped to commence the project in November, which will take 35 working days for completion. Funding is covered through an ADOT grant of 90 percent and 10 percent City grant. Unfortunately, ADOT will only provide grants for chain link. The Aviation Enterprise Fund will make up the difference in funding.

COMMISSIONER MILBURN MADE A MOTION TO APPROVE RECOMMENDATION TO THE CITY COUNCIL TO ADOPT RESOLUTION NO. 12272 AUTHORIZING THE AWARD OF THE BASE BID AND ADD ALTERNATIVE NO. 1 FOR CONTRACT 21PB021 WITH WESTERN FENCE CO., INC. VICE CHAIR MCDERMOTT SECONDED THE MOTION, WHICH CARRIED 4/0 WITH VICE CHAIR MCDERMOTT, COMMISSIONERS BERNOSKY, LITTLE AND MILBURN VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

4. Discussion and Input Regarding Airport and Airpark Aeronautical Business Permit Additions, Revocations and Cancellations

Ms. Williams noted that the new permit is included on the list. Brunch Café cancelled after ceasing operations in August. In addition, a hangar operator sold its hangar earlier this month and cancelled its permit.

5. Discussion and Input Regarding the Monthly Construction Report

Mr. Read provided the update, which includes the second phase of the box hangars on the north end of the Airport. From a financial perspective, they are approximately 90 percent complete. He reviewed photographs of the Runway Rehabilitation Project progress, which currently stands at 98 percent completion.

In response to a question from Commissioner Bernosky, Mr. Read stated that the runway work was completed on time, with 39 days for the actual runway work, lighting and shoulders. There was additional time for perimeter road work and repaving.

Mr. Mascaro explained that commensurate with federal grants, one of the requirements is maintenance of the infrastructure paid for originally through a federal grant. He complimented the team, including the pavement maintenance team.

## 6. Discussion and Input Regarding the Monthly Operations Report

Mr. Read noted the difference in operations numbers compared to last year as a reflection of the closure. Year-to-date totals remain slightly down. IFR numbers are higher, reflecting the COVID impacts in April and May, 2020. There were three alerts for the period. Enforcement actions were low in quantity. U.S. Customs for the month totaled \$20,575 with 41 total uses and 8 U.S. visit uses. Revenue totals and total uses were comparable to the same period last year. Total uses are down slightly at 62 compared with 73 last year. Total revenues for FY 20/21 were \$852,375, compared with \$539,625 for FY 19/20. Total U.S. Customs visits were 104 for this June versus 36 in June, 2020. Total uses fiscal year to date are 1,523. This calendar year, PPRs total 34. Included in the U.S. Customs operations report is a breakdown by aircraft type.

Mr. Mascaro discussed the significance of the 1,523 figure for total uses. Mr. Mascaro currently sits as the chair of American Association of Airport Executives (AAAE) General Aviation Committee, representing the GA airports (over 250 members). Of all such airports utilizing the user fee service with U.S. Customs, Scottsdale is the busiest in the country by far.

## 7. Discussion and Input Regarding Financial Report for May, June and July

Ms. Williams noted that the fiscal year ended on June 30th, with the Airport currently in the first quarter of fiscal year 21/22. Overall, the Aviation Department did much better than budgeted on revenues for FY 2021. Through the end of June, year-to-date revenues were at \$7.5 million with \$2.7 million in expenses. Overall, they were 31 percent above target for revenue and up 3 percent for expenses. The reason for doing so well on revenues is due to a significant increase in the private charter segment. This resulted in a spike in fuel sales, landing fees, parking fees and customs activity. In terms of expenses, there was an increase, mainly due to the increase in labor rates for the two full-time customs officers. June revenues totaled \$750,000 compared with \$606,000 last June. Monthly expenses of \$320,000 were comparable to last June at \$318,000. The Aviation Fund Cash balance was \$5.3 million as of June 30th, 2021. June fuel revenues were double over last June at 115 percent. Overall for year-end, totals were up 39 percent in fuel gallons pumped. Total gallons pumped were 14.3 million, a 4 million increase over the prior fiscal year. FBO jet fuel sales were up 47 percent over last year. AVGAS was up 12.8 percent and Airpark fuel sales were up 22 percent.

In response to a question from Commissioner Bernosky, Ms. Williams stated that incoming international flights pay a Customs fee depending on the aircraft category and size. The Airport retains these funds, however, it also pays the labor costs for the two U.S. Customs full-time or overtime staff.

Mr. Mascaro addressed the fuel flowage totals for FY20/21 of 14.3 million gallons, noting that this is a massive amount of fuel. All the other general aviation airports in the Valley combined do not even approach this number.

Ms. Williams addressed the July report. Revenues were \$1 million, however this will even out in the August report. Expenses were \$152,000. This amount was reduced in conjunction with the timing of the quarterly customs labor invoice. The Aviation Fund cash balance was \$4.8 million at the end of July. Fuel flowage continues to do very well. FBO jet fuel sales are up 50 percent. AVGAS is down 1.5 percent. Airpark is up 1.2 percent. The totals reflect a 31 percent increase

over last July. The figures are expected to decrease in August and September, due to the runway closure.

#### 8. Discussion and Input Regarding Quarterly Noise Complaint Summary Report

Sarah Ferrara, Aviation Planning & Outreach Coordinator, provided an update for the period from April to June, 2021. There were 28 callbacks and four emails. There were 45 repeat complainants for the quarter with 21 new complainants. There is a total of 9,490 complaints, however one complainant submitted 9,036 complaints for the quarter. If equalizing the total based on unique complainants, the total would actually be closer to 454 for the quarter, which is less than the same time period in 2020. The aircraft noise complaint map was reviewed.

In response to a question from Commissioner Bernosky, Ms. Ferrara confirmed that the prolific complainant continues to submit complaints.

#### 9. Discussion and Input Regarding Public Outreach Programs and Planning Projects

Ms. Ferrara stated that the ATCT held the annual Local Runway Safety Action Team Meeting on July 13th.

Six voluntary curfew letters were issued in June, one in July and three in August.

Staff continues to track property development projects through the Planning Department. There were five projects in June, seven projects in July and four projects in August.

In terms of media and social media, several listservs were sent out for the Runway Rehab Project; highlighting the U.S. Customs inspections record number of uses; fifth busiest airport by departures; box hangars chosen as top project of the year; and Cirrus' new flight training facility. The NBAA convention will be held on October 12th through 14th in Las Vegas. Ms. Ferrara participated as one of the speakers for the virtual conference of AAE of the General Aviation Conference.

Vice Chair McDermott commended Ms. Ferrara for her presentation at the virtual conference. He also commended staff for their social media outreach on the Runway Rehab Project.

#### 10. Administrative report from the Aviation Director or Designee Regarding the Status of Aviation-Related Items

Mr. Mascaro stated that the two items approved at this meeting will move forward to City Council as consent items on October 5th.

Mr. Mascaro addressed projects that may be on Airport, have taxilane access, height implications, or noise sensitive uses. The People's Hangar and Heliport was approved by City Council on August 4th. Group Building, LLC was also approved.

11. Discussion and Possible Action to Modify the Airport Advisory Commission Meeting Schedule and Commission Item Calendar

No changes were made.

**FUTURE AGENDA ITEMS**

No items were added.

**ADJOURNMENT**

With no further business to discuss, being duly moved and seconded, the meeting adjourned at 6:11 p.m.

AYES: Vice Chair McDermott, Commissioners Bernosky, Little and Milburn

NAYS: None

SUBMITTED BY:

eScribers, LLC