



**SCOTTSDALE AIRPORT ADVISORY COMMISSION
PUBLIC MEETING
Scottsdale Airport Terminal Lobby
15000 N. Airport Drive, Scottsdale, AZ
November 11, 2015**

MINUTES

PRESENT: Steve Ziomek, Chairman
Ken Casey, Vice Chairman
Brad Berry
John Celigoy
Michael Goode
Bob Hobbi
William Schuckert

STAFF: Sarah Ferrara, Aviation Planning & Outreach Coordinator
Shannon Johnson, Management Analyst
Gary Mascaro, Aviation Director
Chris Read, Airport Operations Manager

GUESTS: Michael Braun, DWL Architects + Planners
Doug Davies, DMD Real Estate Group
Diane Henry
Teri Starsiak

CALL TO ORDER

Chairman Ziomek called the meeting to order at 6:00 p.m.

ROLL CALL

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

PLEDGE OF ALLEGIANCE

Chairman Ziomek led the meeting in the pledge of allegiance. In recognition of Veterans Day he thanked the veterans on the Commission and in the audience for their service.

AVIATION DIRECTOR'S REPORT

Noting that tonight's agenda is quite full, Aviation Director Mr. Gary Mascaro stated that he was deferring his report.

APPROVAL OF MINUTES

1. Approval of Minutes

Regular Meeting: October 14, 2015

Chairman Ziomek noted that on agenda item 7 on page 5, the minutes should say "Mr. Read told Commissioner Goode that the taxiway B rehabilitation project is expected to be completed around March 20, 2016."

Vice Chair Casey made a motion to approve the minutes of the October 14, 2015 regular meeting with the change described above. Commissioner Goode seconded the motion, which carried by a unanimous vote of seven (7) to zero (0).

PUBLIC COMMENT

Ms. Diane Henry, who lives in Grayhawk and is a realtor and property manager, said she attended the meeting to understand the Airport Advisory Commission and to voice her concern about the noise from aircraft. This has gotten significantly worse over the past year. The quality of life for Grayhawk residents has deteriorated. They cannot leave their windows open or carry on a cell phone conversation outside. There are more and noisier planes, some flying very low.

Ms. Teri Starsiak, also a Grayhawk resident also expressed that airplane noise is a problem and their quality of life is not what it used to be. She monitored Public Vue and on Saturday she counted 140 planes flying over her area from 7:00 a.m. until early evening. On Sunday she counted over 100 planes. She is woken throughout the night.

Chairman Ziomek asked Ms. Starsiak a clarifying question about the type of planes she had counted. She said during the day it seemed on Public Vue there was a mix but 95 percent were flying in and out of Scottsdale. At night it seems they are coming from other airports and flying into Deer Valley.

REGULAR AGENDA ITEMS 1 - 13

1. Annual Update from Arizona Business Aviation Association (AZBAA)

As Chair of the Arizona Business Aviation Association, Vice Chairman Casey presented the annual update. The Association is open to all aviation professionals and usually meets in the Terminal Lobby at 11:30 on the second Tuesday of the month. He encouraged everyone to attend. In October they visited Embry-Riddle University.

Their major fundraiser is a golf tournament on April 1, 2016. The proceeds are for scholarships for students pursuing careers in business aviation. He noted that the National Business Aviation Association annual convention is next week in Las Vegas.

Chairman Ziomek noted that Commissioner Hobbi had requested a presentation on Sky Kids.

Vice Chairman Casey reported that the event took place last Saturday. Physically challenged children are given their first flight. He thanked the volunteers and sponsors who made this possible, including Landmark Aviation, the City of Scottsdale, and the Airport. They were able to fly 117 children plus family members. Pilots donate their time, aircraft and gas to participate. The next event will be in Goodyear in April, and they will be at Scottsdale next November.

Commissioner Hobbi thanked Vice Chairman Casey for his efforts to make Sky Kids a reality. It is amazing to see the contribution they can make to the community. It is a very moving experience.

2. Discussion and Possible Action to Recommend to City Council Adoption of Resolution No. 10253, Authorizing Contract No. 2015-230-COS with DMD Real Estate Group, LLC for Aviation Real Estate Brokerage Consulting Services

Management Analyst Ms. Shannon Johnson stated that staff had issued an RFP to engage the private real estate brokerage community, as they want to implement a systematic process to identify unutilized and underutilized aviation properties and find better ways to keep the space filled. The services to be provided include property analysis, market analysis, leasing services and consulting services as needed. Some key considerations are that this contract will give the Airport the ability to pay a commission for brokerage services.

Commissioner Schuckert asked how RFPs are publicized. Ms. Johnson said it is published on the City purchasing site. Staff also sends the information out on the listserv. Mr. Mascaro added that they follow the City's normal process. In this case they received two bids.

Chairman Ziomek commented that the rate of \$150 per hour for consulting services seems high and not a necessary expense. Additionally, he noted he himself is a real estate broker, as is Commissioner Schuckert. Neither of them was aware of the RFP. The contract calls for a six percent commission, which is high for commercial real estate. In the contract there is no way to show split commissions. Normally in a real estate transaction the listing broker receives a commission and the lessee's broker also receives commission. There is no mention of any ability to do that in the contract. Without the ability of split commissions between a buyer and seller or a lessor and lessee, the ability to obtain contracts is reduced.

Chairman Ziomek invited Mr. Doug Davies of DMD Real Estate Group to introduce himself. This is a local firm and he has been involved in commercial real estate for close to 20 years. He has done some airport consultation work. He is also involved with ACRP, a federally funded group based in Washington DC that is an advisory group on commercial real estate development around airports.

Vice Chairman Casey asked him how many real estate transactions he has been involved with at Scottsdale Airport and Airpark. Mr. Davies said probably four or five. He has done advisement on hangars, some industrial and some office deals.

Commissioner Schuckert asked Mr. Davies if he is doing hangar management and where those are. Mr. Davies replied they are not currently doing hangar management. They have done consulting and some sales of private hangars. They have worked at Phoenix-Mesa Gateway, Chandler and Glendale as well as Scottsdale.

Vice Chairman Casey said some concerns have arisen about the City RFP process. He has been approached by a couple of real estate professionals involved in business at the Airpark who were unaware of the RFP. He is concerned that other companies with experience at Scottsdale Airport did not have an opportunity to bid. He asked Mr. Davies how he had found out about the RFP.

Mr. Davies said he had learned from being involved with business at the City's Airport/Airpark. He clarified that the contract does provide that the six percent commission can be split with an outside broker. Six percent is a standard fee for commercial leases. In some cases brokers are negotiating higher commissions.

Commissioner Hobbi said he is concerned that aviation-related real estate is unlike any other commercial property. He feels knowledge of aviation is a prerequisite, especially for hangar leasing. He asked Mr. Davies how he plans to augment his experience.

Mr. Davies said he has some experience in hangar leasing. He outlined his family background in aviation. He worked for airlines before getting into real estate. He is a pilot, has owned planes and is well connected in the aviation community. He understands their concerns but believes his firm's experience transfers very well to the Airport's needs.

Mr. Mascaro clarified that all City-issued RFPs are evaluated by a panel. The panel voted unanimously for DMD. The other company bidding did not have the level of aviation expertise as DMD or local presence. He pointed out that the Airport will be managing the contract and it will not involve hangar leases. Airport staff needs the real estate expertise. Fees are based on comparisons with Sky Harbor and Phoenix-Mesa Gateway. The focus will be on office space and market analysis. The other company that bid had a much higher hourly rate for consulting work. Mr. Mascaro commented that it can be an advantage to have a new perspective from a firm coming into the Airport. The panel included one member from the City real estate office. Other larger airports have begun using real estate brokers and their experience has been successful.

Chairman Ziomek said his only concern is the perceived transparency. The RFP was not published in the Airpark News, which is the primary publication about properties in the Airport and Airpark. He would like wider publication through Airpark News or using the email lists staff has compiled so that other interested, qualified parties could participate.

Mr. Mascaro said the RFP followed the City process. Staff has advised the aviation community of how to know when RFPs are issued. This is a short-term contract and staff will certainly direct the aviation community going forward.

Vice Chairman Casey said Mr. Mascaro's point about having a fresh perspective is well taken. However, although Mr. Davies is well qualified, he would like to have more bids. He is nervous that only two bids were received. He recalled the difficulties they had when leasing the restaurant space. No candidates came forward. When they tried new ways to attract interest, there was a good response. He questions whether the City process is the best method when several other well qualified local brokers would have applied had they been aware of the RFP. Commissioners must look out for the Airport's best interests and get the word out. The fact that only two companies bid suggests there must be an issue with the contract. He suggested they ensure that all RFPs are well publicized to the aviation community and that they should go through the process again, consider all the qualified candidates and have the panel pick the best qualified bidder.

Commissioner Schuckert said he did not see anything in the contract about splitting brokerage commissions. He would prefer to see that in the language of the contract. He stated that although he is a real estate broker and does aviation, he would not be a candidate for this RFP. In the Scottsdale aviation community four or five people have in-depth knowledge and would be able to share an absorption study or lease rate study with staff without having to charge \$150 per hour to generate it. None of the local brokers he spoke with were aware of the RFP. The process apparently excluded the opportunity to consider some well qualified candidates.

Commissioner Goode asked what reopening the process would do to the fee structure. What specifically is the Commission hoping for? Mr. Mascaro reiterated that the panel felt that DMD Group is qualified to provide the services. Ms. Johnson elaborated that the commission structures were stated in the RFP and the candidates were bidding on the hourly consulting rate and commission rate.

Chairman Ziomek recommended that the contract be reworded to stipulate that the co-broker commission be set at three percent. Ms. Johnson explained they cannot do that because the Airport has to have a direct contract with one company. It would be up to DMD Group to work out contracts with other brokers. Otherwise the City would have to issue an RFP for each individual transaction. Chairman Ziomek countered that the contract would still be with one company, and could contain a clause whereby the company would stipulate to paying any co-broker three percent.

Mr. Mascaro said if the Commission wishes to make that recommendation, staff can evaluate that with the City Attorney's Office. At a minimum, the potential awardee would also have to agree to this material change to the contract.

Chairman Ziomek agreed that this would constitute a material change to the contract because as it is currently written, DMD Group would not have to pay any commission to a co-broker. Chairman Ziomek suggested tabling this discussion for now and have everyone make efforts to involve more brokers and let the public know that this RFP is open, in addition to the formal City process. The Airport is a special case so this would be justified. Mr. Mascaro noted that technically the Airport Advisory Commission cannot make that decision but can recommend to City Council that the RFP be cancelled and reopened for bidding. He would have to consult

with the City Attorney's Office and the Purchasing Department regarding how the process would work.

Commissioner Celigoy said they need a broker, however the important thing is to open up opportunities to the rest of the community. He recommended amending the contract.

Mr. Mascaro noted that since both Chairman Ziomek and Commissioner Schuckert may have a conflict which may not allow them to make a motion or vote. Because their companies would potentially be able to bid on the RFP if it were to be reopened, they may want to consider to recuse themselves.

Vice Chairman Casey chaired the meeting for the remainder of the deliberations on this item. He recommended that they table the discussion and recommend to City Council that a second RFP be issued following the City process, with a further recommendation to City Council that they review the RFP process as a whole.

Mr. Mascaro said the discussion cannot be tabled because the bids closed. They could recommend canceling the potential for the contract with DMD Group and request that the RFP be reissued.

Vice Chairman Casey requested canceling the current contract and reissuing the RFP with a recommendation to City Council to review the RFP process as a whole. Without doing this, the same problem will arise with the next RFP.

Commissioner Celigoy said they still need some clarification on the terms of the contract with respect to the co-brokerage commission split.

Commissioner Goode asked what will they gain by canceling the contract? To him the biggest issue is the three percent co-brokerage commission.

Chairman Ziomek said the gain is that at the next meeting they will not be facing a group of real estate brokers asking why they were not informed of the RFP.

Commissioner Hobbi asked Mr. Davies about the commission split. Mr. Davies said he is very comfortable with the way the contract is written. He is used to negotiating terms when working on deals. However he said he did not want to interfere with the Commissioners' discussion. The point of the RFP and the contract was to draw more business to the Airport and fill the space that will be vacant when construction is completed. His position is that co-brokers need a commission split in order to execute deals, plus his reputation depends on dealing fairly with others.

Commissioner Hobbi asked whether the plan is to go back to City Council to tell them that the RFP process is broken, and has this ever been done before?

Mr. Mascaro said he is not aware of this being done. The Purchasing Director can probably explain more fully, since all City contracts go through his office. He undertook to take these concerns to the City Attorney's Office and the Purchasing Director, but could not say what would happen. He added that more than ten people downloaded the RFP.

Commissioner Goode said it is up to the companies to monitor the website on a daily basis if they are serious about doing business with the Airport.

Chairman Ziomek said he does not want to be embarrassed in front of the Mayor and City Council again, recalling the restaurant lease when the Mayor asked why they had made their particular recommendation. If they recommend approval of this contract he thinks brokers will likely go to City Council to ask why they had not known about the RFP.

Commissioner Goode argued that they have done everything required by law to publish the RFP. The two bidders were evaluated and the panel chose the more qualified bidder.

Chairman Ziomek said that Mr. Davies did not receive the RFP as a result of the City process. Mr. Mascaro said that Mr. Davies had downloaded the RFP from the City website. Chairman Ziomek replied that Mr. Davies initially learned of the RFP through contacts with Mr. Mascaro and others in the Airpark. Mr. Davies agreed that was correct. His firm is making an effort to be more involved in all of the local airports and stay in touch with all the airport managers.

Commissioner Schuckert commented that although he receives all City solicitations and glances at them, that it is not where he would be looking for any kind of business related to his business. It is not appropriate to confine their outreach to the current City process.

Commissioner Hobbi clarified that his only concern was regarding Mr. Davies' experience with aviation. He is satisfied that Mr. Davies has experience in aviation real estate. This is a good discussion and the Commission is doing its job. The Commission trusts Airport staff to execute their fiduciary responsibilities to obtain the best possible proposals for any activity on the Airport. The Commission should ask questions and understand the process. At the end of the day, he feels that they must trust staff to make the best choice. He asked Mr. Mascaro point-blank if staff is recommending this contract.

Mr. Mascaro said based on the process and procedure that they followed, City staff recommends awarding this contract to the DMD Group. In that case, Commissioner Hobbi said, the Commission has done its job. He concurred with Commissioner Goode that reopening the bid would not obtain better rates and would be unfair to Mr. Davies, who put in the effort to create and submit a bid. He could understand tabling the item for further discussion but disagreed with the idea that they would reopen the bid.

Vice Chairman Casey said although Mr. Davies is qualified and does not have a concern about the commission split, the bigger picture is that the process is flawed. The Commission's role is to look at the big picture. The feedback they have heard from constituents in the area is that they did not know about the RFP. This is not free enterprise. He wants to see the greatest possible number of bidders. If Mr. Davies is the best candidate he would support him totally, but he wants to make sure the system is correct. This goes to the whole RFP process at the City.

Commissioner Celigoy pointed out that the RFP was posted on the City website on October 19 so respondents had over three weeks to submit bids. As one involved in federal aviation he opined that if you are not paying attention to your core business's website RFP process, you are missing a lot of business.

Airport Operations Manager Mr. Chris Read told the Commission that he bids out everything that needs to be done at the Airport from landscaping to taxiway projects worth \$5 million. He

regularly sees hundreds of downloads of the solicitations. This is following the same City process as was used for the contract under discussion.

Commissioner Hobbi said that if there is an issue with the process, that needs to be addressed. However they cannot do that in the middle of a game. It is absolutely unfair to punish someone who played by the established rules. He agreed that they need to revisit the process with City Council.

Commissioner Schuckert said if only ten people downloaded the RFP from the entire real estate community in Maricopa County and just two bids resulted, he does not believe the RFP was given the proper exposure. Secondly he stated that he intends to vote on the motion. If that is a conflict of interest he will be glad to resign his position on the Commission. He does not believe that holding a real estate broker's license precludes him from voting. He reiterated that he was unaware of the RFP, did not download it or submit a bid.

Commissioner Hobbi asked whether anyone on the Commission intends to bid on this RFP. Chairman Ziomek said the only two who could bid would be himself and Commissioner Schuckert. He too intends to vote on the motion.

Mr. Mascaro said he will invite the City Purchasing Director to attend the next Commission meeting and explain the RFP process. He elaborated that his comments about recusal were based on comments made during this discussion by Chairman Ziomek and Commissioner Schuckert. If an individual could potentially bid on a contract, that potentially constitutes a conflict of interest. He said they can vote but that he does not know how that will play out, with regards to legal review.

Commissioner Goode made a motion to recommend that City Council adopt Resolution No. 10253, authorizing Contract No. 2015-230-COS with DMD Real Estate Group, LLC for aviation real estate brokerage and consulting services, with the caveat that the language about the brokerage commission fees being split. Commissioner Celigoy seconded the motion. The motion carried by a vote of four (4) to three (3). Chairman Ziomek, Vice Chairman Casey and Commissioner Schuckert dissented.

Chairman Ziomek assured Mr. Davies that none of the discussion was directed at him or his company. Mr. Davies said he absolutely understands.

3. Discussion and Possible Action to Modify the Airport Rules and Regulations, Section 2-17, to Include Unmanned Aircraft Systems (UAS)

Mr. Mascaro said unmanned aircraft systems have become a hot topic nationwide. The FAA now requires any commercial UASs to register and abide by regulations. Section 2-17 of the Airport Rules and Regulations prohibit the flying of "model aircraft, rocket, kite, fireworks, balloon, parachute, etc., within two (2) miles of the Airport if such activity would create a hazard to aircraft operations, or as otherwise determined by the Air Traffic Control Tower or the Aviation Director." Safety is the paramount concern. The City Attorney's Office feels strongly that this covers UASs, but staff feels it would be appropriate to add the words "unmanned aircraft system" to this regulation, which has been in place since the inception of the Airport. The manager of the control tower told Mr. Mascaro that sometimes people request permission, but there have been instances north of the airport where people are flying UASs without permission.

There has been one report of an aircraft noticing a UAS in flight. Most complaints are from residents who do not want UASs flying over their property. However, staff wants to be proactive and clarify the current regulation by adding this language. He anticipates that the FAA will move to regulate all UASs early in 2016. The FAA has told staff they do not see any concerns with this proposed change.

Chairman Ziomek said the language "would create a hazard to aircraft operations" is nebulous to the average person. He lives within two miles of the Airport and sees children in the local park flying kites. He suggested setting a maximum height limit. Mr. Mascaro clarified that the two-mile radius is measured from the edge of each end of the runway. As long as kites and low-flying model aircraft are not creating a hazard for the Airport, as determined by staff and the tower, there is not an issue. Otherwise, the police can and do talk with the operator. Staff feels that adding this to the regulation will make it clearer and more concise.

Vice Chairman Casey made a motion to modify the Airport Rules and Regulations, Section 2-17, to include unmanned aircraft systems (UAS). Commissioner Goode seconded the motion, which carried by a unanimous vote of seven (7) to zero (0).

4. Discussion and an Update Regarding the Terminal Area Redevelopment Project

Mr. Mascaro announced that the concept budget report and broker evaluation process is about 50 percent complete. He presented a conceptual site plan. City Council approved the project in the last budget. It would be financed by an MPC bond, for which voter approval is not necessary. They are looking at two hangar facilities up to around 30,000 square feet. Office space would be included and all the current tenants are enthusiastic. Dodge City Community College has a significant interest in expanding. A parking garage would also be built. Mr. Mascaro emphasized that this is a conceptual plan and subject to change. He noted that Mr. Michael Braun of DWL Architects + Planners was in attendance.

The concept includes restaurant space with a view, a banquet hall, a meeting room for use by aviation non profits and new facilities for the Customs officials. The two hangar facilities will be separated by the office building. Outside tie-downs will be provided.

Mr. Mascaro said the City has issued an RFP with the bid closing on January 6, 2016. Staff is conducting significant marketing and outreach, including at the NBAA convention. The facility will not open before 2018. There is significant demand and the FBO partners are full and have turned away people who wanted to base aircraft at Scottsdale. Mr. Mascaro said the goal is not to make money but to cover the debt service and operating expenses and provide the amenities and services needed for the Airport. The hangar facilities can be used for any aeronautical activity other than an FBO. Each hangar will have a self-service fuel island for the use of tenants. He stated that a section of the RFP protects the interests of the FBO operators. Office space leases will be finalized and rents will be comparable to space in the Scottsdale Quarter. It will have the look and feel of the Scottsdale Quarter. They are focusing on existing tenants and not planning to build any larger than that. It is expensive to build and the Airport does not want to have space that needs to be filled.

Dodge City Community College is looking for a 7,000 square foot pad. The College wants to construct its own building. The RFP would be for a college and office space to provide educational services to the City of Scottsdale. The arrangement under discussion would see

the Airport carrying out site improvements and building the parking garage and the college would put money into escrow to cover those costs.

The most important thing is to receive hangar bids. In order to build the facility, they need the hangars to support the whole development. They do not want to build without having guaranteed tenancies, or be in the business of subleasing hangar space.

Both of the FBOs are very interested in this project and may be interested in bidding on one of the hangars. If all goes according to plan the Commission should see the whole packet again in February 2016 for consideration by City Council in March of 2016. The successful bidder will have a seat at the table from start to finish on the whole design. The design process should be complete by December 2017 with a grand opening in April 2018.

Vice Chairman Casey said this is a wonderful project and a nice way to bring the Airport to the next level. He asked whether the January 6 deadline for bids is long enough given the holidays. Mr. Mascaro said a mandatory pre-bid meeting is the first step in the process. If no one attends that meeting, they may cancel the RFP. If the attendees say they need more time to bid the deadline can be extended. This is common practice in real estate deals. The pre-bid meeting is for potential lessees for the hangar building.

Chairman Ziomek said that although this is water under the bridge, had staff followed this same process of alerting the Commission to the RFP for a real estate broker he believed everyone on the Commission would have been in favor.

5. Discussion and Possible Action to Recommend to City Council Adoption of Ordinance No. 4228, Amending Chapter 5, Aviation of the Scottsdale Revised Code, Article III.I, Section V(f)2 and Section 5-101 - Definitions, adding Definitions for Runway and Structure

Aviation Planning & Outreach Coordinator Ms. Sarah Ferrara explained that this item is related to agenda item 6. This first came before the Commission and was approved and adopted by City Council in 2012. Before that, Appendix A focused on height and obstructions. Chapter 5 incorporated federal law and aligned it better, providing the Airport influence area. Slight revisions were made in 2014. When staff did public outreach with a view to repealing Appendix A, the comments received prompted staff to re-evaluate Chapter 5. One citizen commented that the language regarding pilot glare was stronger in Appendix A so staff will be recommending that Chapter 5 be amended to incorporate that. The definitions for runway and structure from Appendix A are also to be added to Chapter 5.

Vice Chairman Casey made a motion to recommend that City Council adopt Ordinance No. 4228, Amending Chapter 5, Aviation of the Scottsdale Revised Code, Article III.I, Section V(f)2 and Section 5-101 - Definitions, adding definitions for runway and structure. Commissioner Goode seconded the motion, which carried by a unanimous vote of seven (7) to zero (0).

6. Discussion and Possible Action to Recommend to City Council Adoption of Case 4-TA-2015, a Text Amendment to the City of Scottsdale Zoning Ordinance (Ordinance No. 4204) for the Purpose of Repealing Appendix A- Airport Zoning

Ms. Ferrara said Appendix A is outdated and does not align with federal law. It was not repealed when Chapter 5 was introduced. Staff reviewed this with the Commission last spring. At the request of City Council staff prepared a matrix comparing Chapter 5 with Appendix A. This was a joint effort of staff in the Airport, Planning and City Attorney's Office. Staff has been using Chapter 5 to regulate development in the Airport influence area. Chapter 5 affords far more protection to the Airport than Appendix A could. She noted that despite extensive outreach, two public meetings were attended by a total of five people, including a council member with their spouse.

Chairman Ziomek thanked staff for their hard work in creating the comparison matrix. He inquired about some of the redlined comments in the matrix and Ms. Ferrara explained that some of this is input from the City Attorney's Office. Council requested the matrix to be certain that nothing in Appendix A was missed in Chapter 5. Mr. Mascaro acknowledged that really Appendix A should have been repealed at the time Chapter 5 was adopted, as this would have been less confusing.

Ms. Ferrara said staff is always open to investigating the language of Chapter 5 if there is a need to strengthen it. At this time they feel very comfortable with what they have. Chairman Ziomek recommended that when the matrix goes to City Council, the columns labels should be displayed on every single page.

Vice Chairman Casey made a motion to recommend to City Council adoption of Case 4-TA-2015, a text amendment to the City of Scottsdale Zoning Ordinance (Ordinance No. 4204) for the purpose of repealing Appendix A- Airport Zoning. Commissioner Goode seconded the motion, which carried by a unanimous vote of seven (7) to zero (0).

7. Discussion and Input Regarding the Airport and Aeronautical Business Permit Additions, Cancellations or Revocations.

Ms. Johnson had no updates to report. Some contact information has been updated.

8. Discussion and Input Regarding the Monthly Construction Report

Airport Operations Manager Mr. Chris Read reported on the various construction projects and displayed photos of the work.

- The taxiway Bravo project is about 45 percent complete. For November, 12 runway closures are planned.
- Construction continues on the Airport Operations Center Building.
- The parking apron pull box replacement project is expected to start in December.
- The runway 3 safety area wildlife mitigation project is new. At the south end of the Airport the detention basin fills with water every time it rains, causing rutting. Some areas are to be re-graded. Using crushed rock will help prevent wildlife from moving into

the area. Staff plans to complete this project while the taxiway Bravo project is underway to avoid the need for further runway closures.

9. Discussion and Input Regarding Monthly Operations Report for October 2015

Mr. Read presented the monthly operations report for October.

There were 82 uses of the U.S. Customs Service in October.

Commissioner Goode inquired why noise complaints have risen so steeply over the last couple of years when nothing has changed at the Airport. Operations are down and the traffic pattern has not changed. He is baffled. Commissioner Hobbi said it is a shame the residents who spoke earlier were no longer at the meeting, as they could point out that operations have dropped.

Chairman Ziomek said residents cannot tell which flights are to or from the Airport. Many flights to and from Deer Valley fly over the Airport area. He has noticed more Deer Valley traffic over his home than ever before. Mr. Read said VFR overflights would not be counted in Scottsdale statistics. Chairman Ziomek thanked Vice Chairman Casey for mentioning the Sky Kids event on the Saturday which one of the speakers complained of.

Chairman Ziomek asked whether they could compare Deer Valley numbers to see whether this accounts for some of the noise complaints. Mr. Mascaro said probably all of the comments are true. Noise is a very sensitive issue and individuals perceive it differently. Ms. Ferrara always provides feedback to citizens who request it. Providing facts is the best they can do.

Commissioner Goode pointed out that the two speakers tonight had both said that noise levels have become far worse in the last year. He asked for a future agenda item to figure out what, if anything, has changed to cause this influx of noise complaints. Mr. Mascaro said overflight has increased. He added that everyone can access Public Vue. That tool may in fact be triggering some of the noise complaints.

Commissioner Hobbi said this issue always seems to be going downhill. He agreed with Commissioner Goode that they should consider anything that could be helpful in responding to the public. They need to be proactive to ensure that it does not get out of control. He is ready to help in any way possible. In his time on the Commission he has seen a change for the worse with noise complaints.

Commissioner Celigoy said he is convinced the two flight schools at Deer Valley are the source of the problem, by flying through the corridors below the Bravo airspace. He suggested inviting the directors of the flight schools and the Phoenix Airport Commission to understand how to deal with the problem. He reminded everyone that this is how Santa Monica's problems originated. Residents have the resources to get political support for their positions. If it is important to the public it must be important to the Commission.

Chairman Ziomek agreed that Deer Valley is probably the majority of the problem. He recalled that they wrote to the flight schools and received positive responses. Mr. Mascaro said Ms. Ferrara has had multiple conversations with the Deer Valley Director of Operations, who educated Scottsdale staff on Deer Valley's operational routes. Ms. Ferrara said everyone at

Deer Valley was very cooperative. She looks at each complaint individually, using Public Vue to track what is going on.

Mr. Read added that he lives near the hospital on Shea and sees the Deer Valley flight school doing the transition through the airspace near his home. It is clear that the planes flying into Deer Valley are low, possibly below the Bravo airspace, while the aircraft flying out of Deer Valley are much higher.

Chairman Ziomek said he lives off the end of the runway. Planes are flying from Falcon Field and as they arrive at Cactus and the Loop 101 he hears them put power on to climb to 3,000 feet, to then drop back down to land at Deer Valley. Mr. Mascaro recommended that everyone explore Public Vue, which provides plenty of information. It is a good tool for discussing specific events with residents. Mr. Mascaro added that the public can easily figure out if flight schools are causing noise problems and will be complaining directly to the schools once they do.

10. Discussion and Input Regarding Financial Reports for September 2015

Ms. Johnson presented the financial reports for September 2015. Revenues are about 14 percent below projections and expenses are about 32 percent below budget. She has researched why they are below the projections. She assured the Commission that revenues are not down, but it is rather they way the revenues were projected for the year. Some accounts are paid in arrears. In July past due payments received were put on the books for the prior fiscal year. She will take this into account when preparing next year's budget projections.

The Aviation Fund balance is \$10.46 million as of September 30.

The accounts receivable aging report is in good shape.

11. Discussion and Input Regarding Public Outreach Programs and Planning Projects

Ms. Ferrara provided an update as follows:

- Staff obtained media coverage from the last press release they sent out in October about the U.S. Customs Service. Commissioner Goode said he was interviewed by telephone.
- They will report on the Sky Kids event among other things on the listserv newsletter.
- Staff is ready for the NBAA convention.
- The video on the economic benefit of the Airport is ready and will shortly be available through a link on the website.
- The Airport website has relaunched and she would welcome any comments for fine-tuning.
- Seven projects in the Airport influence area came up in October.
- Staff sent three voluntary curfew letters in October.

12. Discussion and Input Regarding Status of Aviation Items to City Council

Mr. Mascaro presented the report in the packet.

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

Chairman Ziomek noted that traditionally the Commission does not meet in December.

Commissioner Goode made a motion to cancel the December Commission meeting. Vice Chairman Casey seconded the motion, which carried by a unanimous vote of seven (7) to zero (0).

PUBLIC COMMENT

No members of the public wished to address the Commission.

FUTURE AGENDA ITEMS

Chairman Ziomek requested an update on the status of the self-service fuel farm. Mr. Mascaro shared that they are waiting for parts and the farm should be in operation within a couple of weeks.

Chairman Ziomek requested an update on the Landmark/Signature purchase. Mr. Mascaro said at this point staff has no information to share.

Mr. Mascaro undertook to have the City Purchasing Director attend the next meeting to discuss the RFP process.

Commissioner Hobbi requested that the Commission consider moving the noise report earlier in the agenda as this would demonstrate to the community that the Commission takes their complaints very seriously and is very actively involved in examining noise. When residents come to a meeting to voice their concerns, they do not see this. During public commentary, the Commissioners are not allowed to engage in discussion. He would like the Commission to at least consider this change.

Commissioner Goode pointed out that the noise report is quarterly and perhaps they should consider making it a monthly item.

Mr. Mascaro noted that the next quarterly noise report will in fact be on the January 2016 agenda. He will let the Chairman and Vice Chairman adjust the agenda for that meeting as they see fit.

Commissioner Goode asked if it would be possible to track a week's worth of overflights. Mr. Mascaro said it depends on the location. He recommended picking an area on Public Vue and watching for 20 minutes. Commissioner Goode asked if they could produce a document that could be presented and kept in the record. Mr. Mascaro said they could do a public records request for flight track data from the FAA. Mr. Mascaro said as a future item staff will obtain sample flight tracks, although he cautioned these are not always typical. Commissioner Goode suggested that they pick any given time period but collect the data for a week so people could see how the pattern varies day by day.

Commissioner Goode made a motion to obtain flight track data for a period of a week and discuss it at the January 2016 meeting. Commissioner Hobbi seconded the motion, which carried by a unanimous vote of seven (7) to zero (0).

ADJOURNMENT

With no further business to discuss, being duly moved and seconded, the meeting adjourned at 8:33 p.m.

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