



**SCOTTSDALE AIRPORT ADVISORY COMMISSION
PUBLIC MEETING
Scottsdale Airport Terminal Lobby
15000 N. Airport Drive, Scottsdale, AZ
October 19, 2016**

MINUTES

PRESENT: Brad Berry, Chairman
John Celigoy, Vice Chair
John Berry
Bob Hobbi
Cory Little
Kevin Maxwell
Steve Ziomek

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

Guests: Jill Cole, American Flyers, Inc.
Reg Cooper, Sky Harbor Leasing, LLC
Clark McCormick, American Flyers, Inc.
Rachel Pearson, Experience Scottsdale
Bruce Weber

CALL TO ORDER

Chair Berry called the meeting to order at 5:57 p.m.

ROLL CALL

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

PLEDGE OF ALLEGIANCE

Chair Berry led the meeting in the pledge of allegiance.

AVIATION DIRECTOR'S REPORT

There was no report.

APPROVAL OF MINUTES

1. Regular Meeting: September 21, 2016

Vice Chair Celigoy made a motion to approve the minutes of the September 21, 2016 regular meeting as presented. Commissioner Ziomek seconded the motion, which carried by a vote of seven (7) to zero (0).

PUBLIC COMMENT

Bruce Weber provided an update on the Thunderbird II Veteran's Memorial Project. The design will be featured on the website shortly with a Boeing Stearman as the focal point. The plan is to bring the plane in pieces. The project is moving ahead with the support of the public as inexpensively as possible. An educational component will be in the form of a display and a touch screen kiosk, which will provide historical information as well as information about careers in aviation.

Donations are being solicited.

REGULAR AGENDA ITEMS 1 - 12

1. Discussion and Possible Action Regarding Application for Airport Aeronautical Business Permit for American Flyers, Inc., to conduct Flight Training Services

Carmen Williams, Management Analyst, stated the company will be located at the Ross Aviation North Building, has met the requirements of the aeronautical business permit and has submitted all the proper documentation. She introduced Jill Cole, President of American Flyers and Board Member Clark McCormick. Ms. Cole stated that American Flyers, Inc., has been in business since 1939. The company caters to businesspeople with a passion for aviation and also conducts career training.

In response to a question from Chair Berry, Ms. Cole stated that the company location is at the old Landmark North. They use Cessna 172s. For commercial and CFI training, they use the RG. They conduct multiengine training in their facilities in Dallas and Pompano Beach. Scottsdale is their seventh location. The facility will have two simulators.

In response to a question from Commissioner Ziomek, Ms. Cole stated that the first aircraft will be arriving the following week, at the same time that staff will arrive. The second aircraft will arrive two weeks later. Two students are interested at this time and a direct mail piece was delivered the previous week, which has also generated interest.

Commissioner Maxwell asked about employee levels in the future. Ms. Cole replied that there will be three staff members to start with. Moving forward, they will have part time instructors on staff as well. Employees will be local residents.

Vice Chair Celigoy made a motion to approve the Airport aeronautical business permit for American Flyers, Inc., to conduct flight training services. Commissioner Ziomek seconded the motion, which carried by a vote of seven (7) to zero (0).

2. Discussion and Possible Action Regarding Application for Airpark Aeronautical Business Permit for Sky Harbor Leasing, LLC, to Conduct Hangar/Shade Leasing Services

Ms. Williams stated that Sky Harbor Leasing, LLC, has met all the requirements of the aeronautical business permit and has submitted the requirement documentation. She introduced Sky Harbor Leasing, LLC Manager, Reg Cooper. Mr. Cooper stated that this was Sky Harbor Leasing, LLC's second request for a hangar shade leasing permit. The first time was ten years ago, when they built a hangar office project from the ground up. The new property is located at 7418 East Butherus. The property includes three hangars. One hangar currently has a Cessna 210.

In response to a question from Chair Berry, Mr. Cooper stated that two of the hangars have a 46-foot wing span and are not capable of storing turbine aircraft. The property does not have a fuel farm. He estimates a total of four aircraft could be accommodated overall. There is a 2008 DRV approval for another 4,000 square foot hangar/office onto the remaining vacant land on the property. The other facility is located at 15881 N. 80th Street.

Vice Chair Celigoy made a motion to approve Airpark Aeronautical Business Permit for Sky Harbor Leasing, LLC, to conduct hangar/shade leasing services. Commissioner Ziomek seconded the motion, which carried by a vote of seven (7) to zero (0).

3. Annual update from the Scottsdale Convention and Visitors Bureau

Rachel Pearson noted that the Scottsdale Convention and Visitors Bureau has changed its name to Experience Scottsdale. The new name is part of a larger process to rebrand the destination as well as to create a new ad campaign and website, which was accomplished over an 18 month period concluding in September, 2016. Travel trends have changed. Travelers to Scottsdale tend to be affluent, with the ability to travel throughout the world. In order to meet those needs, staff identified present traveler needs. Staff created a new brand, Effortless Revitalization, which sets the tone for messaging. She elaborated on the theme by reading its accompanying quote. "Scottsdale's desert setting and stirring beauty offer our visitors a getaway that promises relaxation, excitement and discovery. A trip to Scottsdale leaves visitors feeling effortlessly revitalized." Research indicates that visitors seek the unexpected, desiring an experience that removes them from the stress of their everyday life. Consumers have responded favorably to the new advertising concepts. Ms. Pearson played a television commercial currently airing in key markets, including New York, Chicago and Canada as well as a longer form video used at trade shows and the website.

Commissioner Little asked whether the messaging will be incorporated into trade magazines relevant to the Airport. Ms. Pearson stated that she would have to look at the media plan. However, they have included materials in these publications in the past. The major focus at the current time is television and out of home reach, such as tunnel wraps, station dominations and wrapping subways.

4. Discussion and Possible Action to Adopt Resolution No. 10607 Authorizing Contract No. 2016-167-COS with Thunderbird Field II Veterans Memorial, Inc., to Donate a Pre-World War II Stearman Aircraft to the City to be Located at Scottsdale Airport

Gary Mascaro, Aviation Director deferred the presentation to Commissioner Ziomek. Commissioner Ziomek provided Mr. Mascaro with the City's conflict of interest form, noting that he would be recusing himself from the vote.

Commissioner Ziomek stated that the Airport was built in 1942 for the purpose of training Army Corps pilots for war. Over 5,500 Army Air Corps pilots were graduated. The Airport was deactivated in October of 1944. It was subsequently sold to the Arizona State Teachers College, followed by Arizona State University and the Seventh Day Adventists. In 1966, the City of Scottsdale purchased the field. The plane flown during Army training was the Stearman PT 17 Kaydet.

The memorial project began two and a half years ago. The original location was Thunderbird and Scottsdale Road. There were significant challenges in regard to City and FAA requirements, as the location was too close to the runway protection zone. Other issues related to water line locations and the inability to park school buses for the education component of the development. The project basically died at that time. In the past six months, in working with Aviation Director Mascaro and his team, possible alternate locations were identified. The City had already approved a \$25 million budget to build new hangars as well as to raise the office and business center, including a restaurant.

The ideal location for the Stearman display is indoors. The space is approximately 80 feet square, a couple stories high, covered in three sides with UV protection via glass panels on top. Commissioner Ziomek will be traveling to San Diego on October 20th to meet with Flyboys Aeroworks, an airplane restoration firm which has provided a pricing estimate for reconstruction of the airplane to be hung in the memorial. The San Diego trip also includes a visit to Willis Airways, a company what has a Stearman available for purchase. The approximate cost of the airplane is \$40,000 to \$50,000. The maximum refurbishing cost is approximately \$75,000 for museum quality. However, museum quality is not necessary, since the interior will not be on display. The maximum price for the nonprofit is \$120,000.

The contract before the Commission today stipulates that the nonprofit will supply the airplane. The City will build an exterior wing onto the building. The nonprofit's website is www.tbird2.org, which includes its mission, history of the airport, names of special advisors and a link to another New York website, the Thunderbirds, which provides information on the 6,500 pilots who trained at the Airport. The nonprofit seeks to raise \$200,000 overall, as it will be supplying the history materials, plaques, veterans tribute and POW/MIA. The nonprofit seeks Commission approval of the contract between the nonprofit and the City. Based on this approval, they will make the same presentation to City Council on November 14th.

Ms. Mascaro followed up by clarifying that the Commission is being asked to recommend to the City Council adoption of the contract between the City of Scottsdale and Thunderbird II Veterans Memorial, including donation of the Stearman aircraft. The City's responsibility would be for all costs associated with the design, permitting, construction and installation of the aircraft. The key request is not for funding from the Aviation Enterprise Fund. The request is for funding from General Fund dollars. By federal law, Aviation funds cannot be utilized to construct this particular component of the project, as there is no direct benefit to Scottsdale

Airport. The cost budgeted for the City portion is \$412,000. A more solid dollar figure will be provided as the process proceeds, at which time the full contract for whole development will be brought back for review.

In addition, the City required the Foundation to abide by certain milestones to meet requirements in the design process. By December 1st, they are required to have at least \$50,000 either in cash on hand or via commitments or pledges. By April 1st, the \$120,000 must be in escrow or on deposit as construction of the plan begins. Commissioner Ziomek added that the milestones for the City basically mirror the milestones with the restorer.

Mr. Mascaro stated that the donor will be required to pay for maintenance and upkeep of the aircraft. This requirement will be included in the contract. The City shall pay costs associated with anything surrounding the airplane, such as landscaping, utilities for lighting, et cetera.

Commissioner Ziomek clarified that Thunderbird Field II Veterans Memorial, Inc. is a nonprofit 501(c)(3) entity, which is different than a foundation.

Commissioner Hobbi congratulated the team for its work as a celebration of aviation and contribution to the community.

Vice Chair Celigoy made a motion to recommend to City Council the adoption of Resolution No. 10607 authorizing Contract No. 2016-167-COS with Thunderbird Field II Veterans Memorial, Inc., to donate a pre-World War II Stearman Aircraft to the City to be located at Scottsdale Airport. Commissioner Hobby seconded the motion, which carried by a vote of six (6) to zero (0). Commissioner Ziomek was recused.

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

Ms. Williams stated that the two additions are American Flyers, Inc. and Sky Harbor Leasing, LLC. There were no cancellations.

6. Discussion and Input Regarding the Monthly Construction Report

Chris Read, Airport Operations Manager reported that there have been few changes since the previous month. The power vault & rotating beacon relocations project has moved from the contract award phase to the preconstruction phase. The erosion protection project has moved beyond the final design phase and has been sent to the purchase department for bid package development. There has been no change with the Taxiway A reconstruction project.

7. Discussion and Input Regarding Monthly Operations Reports for September

Mr. Read reviewed based aircraft, IFR and total operations for September. Operations are up 8.8 percent over last year, year-to-date. The increase in IFR is 17 percent or 3.4 percent year over year. There were four Alert 2s during September and four enforcement actions. Revenue fiscal year to date for U.S. Customs is \$67,175. Total uses per month were 54. Total uses fiscal year-to-date were 118. U.S. Visit uses totaled 18. PPRs for 75,000+ pound totaled 33 for the calendar year thus far. Commissioner Ziomek commended staff on the excellent management of over 15,000 operations.

8. Discussion and Input Regarding Financial Reports for August

Ms. Williams stated that year-to-day revenues through the end of August are at 33 percent below projections and expenses are 21 percent below budget. There was a change this year in timing of when Finance handles the fiscal year-end accruals. The August report reflects year-end closing and reversing revenues accrued in FY 2017, but charged to 2016. The September report reflects an evening out.

The aviation fund cash balance is broken down between operating funds and funds for capital improvement projects. As of August, 2016, the balance stands at \$9.1 million. The accounts receivable aging report reflects the Airport's very good job at managing accounts. There are a couple negative number in outlying days, which is positive, as it reflects that a customer is paying in advance.

For fuel flowage, Airport jet fuel and Airport AVGAS comes primarily from two fixed base operators, Signature and Ross Aviation. There are several jet fuel facilities in the Airpark. They pay a flowage fee, which is reported each month. In August 2016, the Airport jet fuel accounted for 53 percent of the total fuel flowage. AVGAS accounted for five percent. The Airpark fuel flowage was 41.5 percent. Compared to August of last year, the fuel flowage has increased by nearly five percent. The year-to-date comparison to last fiscal year shows an increase of nearly 30 percent.

9. Discussion and Input Regarding Quarterly Noise Complaint Summary Report

Sarah Ferrara, Aviation Planning & Outreach Coordinator discussed the report covering the period of July 1st through September 30th. Total complaints were 1,418 with a spike in August of 790 complaints. There were nine complaints in the regional category, comprised of four complainants. Local complaints were 1,409 (Total complaints less regional complaints). In response to a question from Vice Chair Celigoy, Ms. Ferrara confirmed that 76 complainants are making a total of 1,400 complaints. Five or six complainants are responsible for over 80 percent of the total number of complaints.

In response to a question from Commissioner Hobbi, Ms. Ferrara stated that the spike in complaints for August came from two individuals with approximately 400 complaints between the two. Commissioner Hobbi stated that he would appreciate having access to a description of the complaint. Ms. Ferrara stated that repeat complaints are simple in nature, including loud aircraft noise and low-flying aircraft. Complainants have a choice of whether they wish to simply file a complaint or to request follow up contact. In response to a question from Commissioner Berry, Ms. Ferrara said that most follow-up interactions are over the phone.

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

Ms. Ferrara stated that on September 28th, the Aviation Director sent a letter to the FAA regarding path changes and officially requesting that Scottsdale be included in future meetings and planning.

For marketing, staff sent a press release to Airport Improvement Magazine in hopes of being featured in the publication for the Operations Center opening. There were also outreach efforts via social media.

A historical presentation on the Airport and Airpark by Joan Fudala will take place at Mustang Library on October 26th. The department will assist with promotion of the event through its listserv.

Staff is preparing for its exhibit at the National Business Aviation Association Trade Show taking place November 1st and 3rd, 2016. There are partnerships with the Phoenix Waste Management Open. Barrett-Jackson has provided a VIP package and other prizes include hotel accommodations.

The grand opening event for the Airport Operations Center was held on September 22 with 75 people in attendance, despite the inclement weather. Those in attendance included the Mayor, Council Members and commissioners. KJZZ ran a taped radio story as well as an article on its website.

There were three projects within the Airport Influence Area listed in the Planning and Zoning reports for September. Eighteen voluntary curfew letters were issued in September.

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

Mr. Mascaro referred to the latest item on the list, the Thunderbird Field II Veteran's Memorial, Inc., contract which was approved this evening. It will go to City Council on the 14th of November.

He addressed the list of aviation-related items to the Planning Commission, Design Review Board or City Council. Per request of Commissioner Ziomek, staff has added information regarding anything unusual or different that the Airport Advisory Commission may have recommended on top of the standard stipulations as required by the code.

12. Discussion and Possible Action to modify the Airport Advisory Commission Meeting Schedule and Commission Item Calendar

Mr. Mascaro stated the report includes the meeting calendar for the remainder of the year.

Chair Berry acknowledged new Commissioner, John Berry and welcomes him to the Commission. Commissioner John Berry introduced himself and provided an overview of his experience.

PUBLIC COMMENT

No members of the public wished to address the Commission

FUTURE AGENDA ITEMS

Commissioner Hobbi requested to add an item for consideration by the Commission to write a letter to the Mayor and City Council regarding the current status of the encroachment issue on the Airport as well as the fact that the Airport is continuing to grow. The letter would provide notice of the Commission's concerns.

ADJOURNMENT

With no further business to discuss, being duly moved and seconded, the meeting adjourned at 7:20 p.m.

SUBMITTED BY:

eScribers, LLC