



**SCOTTSDALE AIRPORT ADVISORY COMMISSION
PUBLIC MEETING
Scottsdale Airport Operations Center
15255 N. Airport Drive, Scottsdale, AZ
Wednesday, September 20, 2017**

MINUTES

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

ABSENT: Cory Little

STAFF: Gary Mascaro, Aviation Director
Sarah Ferrara, Aviation Planning & Outreach Coordinator
Carmen Williams, Management Analyst

GUEST: Erik Forrest, Orange Olive Catering
Jeffrey Burrows, JB's Executive Detailing
Jim Harris, Coffman Associates
Matt Quick, Coffman Associates

CALL TO ORDER

Chair Celigoy called the meeting to order at 6:01 p.m. He welcomed Cub Scouts Troop 869.

ROLL CALL

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

PLEDGE OF ALLEGIANCE

Chair Celigoy led the meeting in the pledge of allegiance.

AVIATION DIRECTOR'S REPORT

Gary Mascaro, Aviation Director, provided a brief update on the Terminal Area Redevelopment Project. The buildings are gone and the pad is set for the new Business Center. The hangar pad is nearly set. Underground utilities are being constructed. In two weeks, work will begin on a storm drain gutter on Butherus Road with travel impacts Butherus as travel lanes going in and out will be reduced to one lane each way. The project is still on schedule for hangars opening in May 2018 and Aviation Business Center in July, 2018. He thanked Commissioner Ziomek for his six years of service on the Commission, as this is Commissioner Ziomek's last meeting.

APPROVAL OF MINUTES

1. Regular Meeting: June 19, 2017
2. Special Meeting: August 14, 2017

Vice Chair Hobbi made a motion to approve the regular meeting minutes of June 19, 2017 and the special meeting minutes of August 14, 2017 as presented. Commissioner Maxwell seconded the motion, which carried by a vote of six (6) to zero (0). Commissioner Little was absent.

PUBLIC COMMENTS

There were no public comments.

REGULAR AGENDA ITEMS 1 - 13

1. Ratification of Airport Aeronautical Business Permit for Orange Olive Catering to Conduct Off-Airport Catering Services at Scottsdale Airport

Carmen Williams, Management Analyst stated that Orange Olive Catering has met the requirements of the Aeronautical Business Permit and submitted all the proper documentation. She introduced Erik Forrest, owner of Orange Olive Catering. Commissioner Ziomek asked Mr. Forrest about his background. Mr. Forrest said his background is in food and beverage with luxury resorts for 15 years. Orange Olive Catering offers various types of catering events with a varied cuisine.

Vice Chair Hobbi made a motion to approve the Airport Aeronautical Business Permit for Orange Olive Catering to conduct off-Airport catering services at Scottsdale Airport. Commissioner Ziomek seconded the motion, which carried by a vote of six (6) to zero (0). Commissioner Little was absent.

2. Ratification of Airport Aeronautical Business Permit for JB's Executive Detailing to Conduct Mobile Aircraft Washing Services at Scottsdale Airport

Ms. Williams stated that JB's Executive Detailing is located in the City of Scottsdale. Owner Jeffrey Burrows was present to answer questions. All proper documentation has been submitted. JB's Executive Detailing is branching out from high end vehicles to airplanes. Leading Edge Flight Institute will train their staff in the specialized techniques for airplane detailing.

Vice Chair Hobbi made a motion to approve the Airport Aeronautical Business Permit for JB's Executive Detailing to conduct mobile aircraft washing services at Scottsdale airport. Commissioner John Berry seconded the motion, which carried by a vote of six (6) to zero (0). Commissioner Little was absent.

3. Discussion and Possible Action to Consider Recommending that City Council Adopt Resolution 10865 Authorizing Contract 17PB033 in the Amount of \$3,841,496.50 to J. Banicki Construction, Inc., for the Taxiway "A" Reconstruction Project

Mr. Mascaro stated the project involves reconstruction of two-thirds of the pavement area, overlays between Alpha 8 and Alpha 11 and the remaining north area of the Taxiway will be seal coated. The engineering team completed a preliminary concept to identify the needs. Approximately 96 percent of the cost will be covered by the FAA and the State of Arizona. The Aviation Fund account will contribute four percent. The project will begin in November and take 210 days with most work being done in the evening hours after the Airport closes.

Commissioner Brad Berry made a motion to recommend that City Council Adopt Resolution 10865 Authorizing Contract 17PB033 in the Amount of \$3,841,496.50 to J. Banicki Construction, Inc., for the Taxiway "A" Reconstruction Project. Vice Chair Hobbi seconded the motion, which carried by a vote of six (6) to zero (0). Commissioner Little was absent.

4. Discussion and Possible Action Regarding Proposed Addition to the Airpark Minimum Standards Section 6-7, Aircraft Engine Overhaul Services

Ms. Williams said long-term tenant Copper State Turbine Engine Company operated at the Airport for over 15 years. It sold off the avionics portion of its business and now is solely operating out of the Airpark, doing aircraft engine overhauls. Their operation did not fall under the City's I-1 zoning categories, except for aeronautical business, however there was not a minimum standard that meets the work being performed. The addition of the minimum standard will keep the company in compliance with Chapter 5 of the Scottsdale Revised Code. Under the new minimum standard, the operator would work on aircraft engines that arrived disassembled from the aircraft. No aircraft are taxiing to the facility.

Chair Celigoy asked whether the company changed its business model, necessitating the amendment. Ms. Williams confirmed this, noting that the company is solely performing engine overhauls now and no longer doing avionics, aircraft maintenance and repair. Chair Celigoy asked whether the aircraft services operator would be allowed to purchase or sell whole aircraft engines. Ms. Williams said the company does not purchase or sell complete engines. They are a Honeywell dealer and would sell the parts as necessary.

In response to a question from Commissioner Maxwell, Ms. Williams clarified that all the Company's operations have been consolidated out of the Airpark facility. Commissioner Ziomek asked about the hangar vacated at the Airport. Ms. Williams said the location is Signature West EAM large hangar. They have since moved. The avionics portion has been sold to RCA operating as EAM. Signature continues to own the hangar.

In response to a question from Chair Celigoy, Ms. Williams confirmed that engine testing would take place. The Airpark location is off of Beck Lane. The company has a test stand and testing will take place on turbine engines. Ms. Williams said the company has been performing engine tests since they have been operating out of the facility. Mr. Mascaro added that no complaints

have been received regarding engine testing. The company can also use the blast fence at the north part of the Airport for engine testing. Staff has vetted the operations with other maintenance providers to determine whether others were doing similar activities. No concerns were expressed by other providers.

Vice Chair Hobbi commented that he finds it hard to believe the company would have the ability and the permits to conduct tests at the Airpark. Ms. Williams said the company has operated out of the facility since 2013 and the minimum standard is being added to put them in compliance.

Chair Celigoy recommended tabling approval while there is clarification on specifically what operations are being conducted with respect to the test running scope. This is a loud process and he was uncertain that it is in the Airport's best interests to recommend this change. Commissioner Ziomek asked about any special noise regulations. Mr. Mascaro said that the only noise ordinance that applies is the standard City noise ordinance for certain times.

Vice Chair Hobbi made a motion to defer discussion and action until the next Commission meeting. Commissioner Brad Berry seconded the motion, which carried by a vote of six (6) to zero (0). Commissioner Little was absent.

5. Discussion and Possible Action to Consider Recommending to City Council Adoption of Resolution No. 10897 and Authorization of Contract No. 2017-140-City of Scottsdale with Coffman Associates, Inc., to Provide Planning Services at Scottsdale Airport

Sarah Ferrara, Aviation Planning & Outreach Coordinator said a request for qualification was issued with 53 persons/firms downloading the solicitation. Three people submitted. There was a panel interview with Coffman Associates ultimately being chosen. Jim Harris and Matt Quick were present from Coffman Associates. The contract is a three-year term with the option to extend for two one year terms. The contract covers on-call Airport planning and environmental analysis and range of other services.

Chair Celigoy asked whether this contract is intended to augment City staff for planning that the City cannot necessarily cover. Mr. Mascaro agreed, stating that Coffman Associates are subject matter experts. Vice Chair Hobbi asked whether Coffman Associates had the lowest bid. Ms. Ferrara said that the bids are not analyzed for the lowest bid but based on the contract, as this is not a project based bid. Mr. Mascaro added that it is qualifications based. Chair Celigoy asked whether the contract is based on a maximum bill rate per year. Ms. Ferrara said it is two part. On-call services are budgeted for \$15,000 per fiscal year. Airport capital improvement projects have a separate AOS. A number of control measures are in place. Upcoming projects include the north hangar development and two projects next fiscal year.

Commissioner Ziomek asked whether projects would come through the Commission first. Mr. Mascaro said that the Commission is approving the contract as an on-call basis, based on the list of projects. Any projects above and beyond this, not including normal general services, come back to the Commission for review. Federally funded projects require 4 percent payment from Airport funds. All projects must include scope and independent fee estimate. In response to a question from Commissioner Maxwell, Ms. Ferrara confirmed that there is an annual cap of \$600,000 per year.

Commissioner John Berry asked whether the company was comprised primarily of civil engineers. Mr. Harris said the company is somewhat unique. They are a specialized firm with a focus on airport planning, master planning, environment and land use compatibility. Their work is focused in the planning arena.

Commissioner Ziomek asked whether the contract is standard for airports. Mr. Mascaro confirmed that it is. The FAA best practices guide recommends doing these types of contracts for smaller airports. It provides the airport with a mechanism for moving things quickly through the process.

Vice Chair Hobbi made a motion to recommend to City Council adoption of Resolution No. 10897 and authorization of Contract No. 2017-140-City of Scottsdale with Coffman Associates, Inc., to provide planning services at Scottsdale Airport. Commissioner Ziomek seconded the motion, which carried by a vote of six (6) to zero (0). Commissioner Little was absent.

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

Ms. Williams reported that the only two changes are the addition of Orange Olive Catering and JB's Executive Detailing.

7. Discussion and Input Regarding Quarterly Noise Complaint Summary Report

Ms. Ferrara said the report covers from April 1st through June 30th of 2017. The total complaints were as follows: April: 787, May: 551 and June: 309. There was a decrease from last quarter by nearly half, however compared to the same period last year, it is slightly higher. The breakdown for regional complaints outside the normal Airport Influence Area were: April: 6, May: 8 and June: 6, which is less than last year. Local complaints inside the Airport Influence Area and are broken down as follows: April: 781, May: 543 and June: 303 for a total of 1,627. The 58 complaints received from the area of Grid E-11 (Gainey Ranch area) are new. The complaints appear to apply to commercial aircraft coming from Sky Harbor. This was verified through the PublicVue flight tracking system. The grid area with 510 complaints were predominantly from one complainant. Staff has gone above and beyond by meeting with the resident at the residence address.

Vice Chair Hobbi asked whether the complaint level at Section J-2 (405 complaints) has been consistent. Ms. Ferrara confirmed that the complaint level has been fairly consistent for the last two years. Commissioner Ziomek said this is the practice area near Bartlett Lake. Ms. Ferrara said some complaints originate from increased flights at Sky Harbor.

Vice Chair Hobbi commented about a news segment a few months ago focused on noise complaints. He noted many inaccuracies in the segment and said there should be a way that the Airport or Commission can respond in order to correct the record. Ms. Ferrara said that on several occasions, staff has spoken to the individuals involved in order to clarify and provide accurate information.

8. Discussion and Input Regarding Monthly Construction Report

Mr. Mascaro said that the \$22 million dollar Terminal Area Redevelopment Project is well under way. Demolition and grading are complete. Work proceeds on underground utilities and

building foundations. The U.S. Customs have been located to a trailer, which is working well. Two additional trailers house JE Dunn staff and the design team. Full time construction administrative services are at the site. Next is a planned project, the Transient Apron Reconstruction adjacent to the new hangar facilities. Council just yesterday adopted and approved the contract award. Construction will commence in October. Taxiway "A" Reconstruction Project will go before Council next month with an estimated start time of November 2017, wrapping up in June 2018.

9. Discussion and Input Regarding Monthly Operations Reports for June, July and August

Mr. Mascaro stated that for based aircraft, numbers are up over last year. Total operations are on track from last year. IFR operations are up ten percent. There have been several alerts, however no major alerts. The list of incidents for the three-month period was relatively light. However, on June 29th, a hangar door failed at the Air Commerce Center as a King Air was being towed. There was significant damage to the aircraft. On June 26th, an unauthorized person jumped over the perimeter fence, through the barbed wire. Operations staff responded, with the police force handling the situation. Commissioner John Berry asked whether police officers are based at the Airport. Mr. Mascaro said they are not physically based, however, the Airport houses a beat office. When officers are patrolling in the Airpark area, they do their paperwork there. Police have access cards and their visual presence is important to security efforts. Mr. Mascaro stated that the enforcement actions were predominantly verbal.

For U.S. Customs, the total uses for August were 38 with total uses FYTD of 66. The U.S. Customs office continues to operate seven days a week during construction.

For revenue year over year, the budget is on par from last year.

Total PPRs for 75,000 pounds or greater total 26 so far for the calendar year, representing a slight increase.

10. Discussion and Input Regarding Financial Reports for June and July, 2017

Ms. Williams stated that fiscal year revenues are \$4.5 million, exceeding the budget forecast by approximately 17 percent. There were higher revenues for U.S. Customs this past year in addition to fixed tenant rents. Transient landing and parking fees were also higher than budgeted. Expenses totaled approximately \$2 million, which is well below the budget of \$3.1 million. However, this relates to the ARFF fire truck, which was budgeted to be purchased last year at \$900,000. It was pushed into the new fiscal year. The invoice was paid in July at a cost of approximately \$500,000.

For the June monthly comparison to last year, there was \$473,000 in revenue. When compared to last June, this reflects a 32 percent decrease. However, this is due to a new method of accounting accruals, which does skew the numbers. Expenses were slightly higher this year compared to 2016, which is attributed to keeping the ABC building open a little longer as well as having the new operations building come online.

In terms of the Aviation Fund cash balance broken into operating and capital improvement fund, as of June, the balance stands at approximately \$10.9 million.

For June fuel flowage, Airport jet fuel accounted for 60 percent of the total fuel flowage. Avgas accounted for 3.2 percent and Airpark fuel flowage was 36.2 percent. When compared to June of 2016, fuel flowage appears to be much higher for the Avgas. The reason for the lower June, 2016 number is because the May fuel report did not make the June deadline and was pushed to July. Year-to-date compared to last fiscal year shows an increase of 18 percent. However, factoring in the discrepancy, the amount is more like 12.5 percent increase.

For U.S. Customs operations, overall for the fiscal year, revenues were \$572,000 and expenses were \$334,000. Net revenues totaled \$237,000.

Commissioner Maxwell asked how far past the anticipated close date the ABC building was open. Ms. Williams said originally it was scheduled to close at the end of January and was kept open through June 30th.

Mr. Mascaro noted that for FY 2016/2017, total fuel flowage was 10.7 million gallons, more than all other GA airports in the Valley combined.

Ms. Williams said that July is the first month of Fiscal Year 2017/2018. Year-to-date revenues are \$261,000, 12 percent more than the budget forecast. Year-to-date expenses are \$617,000, related to the ARFF Fire truck. The Aviation Fund cash balance as of July 31, is \$10.5 million. For fuel flowage in July, Airport jet was approximately 56 percent of total fuel flowage, Avgas 4.6 percent and Airpark 39 percent. Overall year-to-date comparison shows an increase of 3.2 percent.

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

Ms. Ferrara reported that the U.S. Court of Appeals has ruled in favor of the City of Phoenix in its lawsuit against the FAA over flight path changes.

Listserv notices continue to be issued, including updates regarding the Terminal Area Redevelopment Project and the U.S. Customs parking. Staff has also created a new construction update. The Airport will host an exhibit at the NBAA convention in Las Vegas October 10-12. They will be partnering with Barrett-Jackson with a 1969 Camaro onsite.

With demolition of the Airport terminal, a time lapse camera was set up with excellent footage captured. Video recording will continue as construction unfolds. Staff continues to use social media, website and other marketing outlets to provide updates. Airport Improvement Magazine recently featured an article about the Scottsdale Operations Center opening. The visit by the Scottsdale Area Association of Realtors has been rescheduled. Airport staff participated in the second annual Children's Learning and Play event at WestWorld. Commissioners were presented with the Airport anniversary label pins.

Ms. Ferrara reported on the number of planning projects in the Airport Influence area. For June, there was one, July zero and August three. The number of voluntary curfew letters was as follows: June: 9, July: 15, August: 13.

12. Administrative Report from the Aviation Director or Designee Regarding the Status of Pending Aviation-Related Items

Mr. Mascaro addressed items the Commission recommends to City Council. The adoption of the transient apron was approved on consent on May 17th. Other recent items relate to the Coffman contract and the Banicki Construction contract.

In terms of aviation-related items to the Planning Commission, Design Review Board or City Council, it is anticipated that a couple new items will come forward.

Commissioner Ziomek referred to the Acoma Court PUD project and asked whether it is located in Scottsdale or Phoenix. Mr. Mascaro confirmed that it is Phoenix project. This was an item in which the Airport shared significant concerns in writing. A community meeting was held with many individuals opposing the project. Since that time, no new news has been reported.

Commissioner Ziomek asked about CrackerJax. Mr. Mascaro said there has not been much news at this point. Commissioner Ziomek asked whether there is a time limit involved, if the development does not move forward. Mr. Mascaro said it depends on what the project involves. Their general plan amendment and zoning change remain in perpetuity. However, any request to change zoning would require them to go through the process again.

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

There were no requested modifications.

PUBLIC COMMENT

There were no public comments.

FUTURE AGENDA ITEMS

Vice Chair Hobbi suggested that the Boy Scouts present for the meeting each be presented with a lapel pin.

Chair Celigoy recognized Commissioner Ziomek for his six years of service. Commissioner Ziomek spoke a few words about his experience serving on the Commission.

ADJOURNMENT

With no further business to discuss, being duly moved and seconded, the meeting adjourned at approximately 7:19 p.m.

SUBMITTED BY:

eScribers, LLC