



**SCOTTSDALE AIRPORT ADVISORY COMMISSION
PUBLIC MEETING
Scottsdale Airport Operations Center
15255 N. Airport Drive, Scottsdale, Arizona
Wednesday, November 15, 2017**

MINUTES

PRESENT: John Celigoy, Chair
Bob Hobbi, Vice Chair
Brad Berry
John Berry
Cory Little
Kevin Maxwell
Larry Bernosky

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

GUESTS: Ken Casey, Vice President AZBAA

CALL TO ORDER

Chair Celigoy called the meeting to order at 6:00 p.m.

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

Chris Read, Airport Operations Manager, noted that there was no report today.

APPROVAL OF MINUTES

1. Regular Meeting: October 18, 2017

Commissioner Maxwell made a motion to approve the regular meeting minutes of October 18, 2017 as presented. Commissioner Bernosky seconded the motion, which carried by a unanimous vote of seven (7) to zero (0).

PUBLIC COMMENTS

There were no public comments.

REGULAR AGENDA ITEMS 1 - 9

1. Annual Update from Arizona Business Aviation Association

Ken Casey, Vice President AZBAA, thanked the Scottsdale Airport and Ross Aviation for their support of the recent Sky Kids event.

AZBAA's mission is to address issues pertaining to business aviation. Meetings include topics for pilots, flight attendants, maintenance, FBO personnel, sales and other subjects relevant to business aviation. Meetings include guest speakers and are typically held at the Scottsdale Airport. However, with the current construction, they have moved the meetings to Deer Valley. Meetings are held the third Tuesday of every month. One of the main functions of AZBAA is to assist with scholarships for those who wish to enter an area of business aviation. The next deadline for scholarships is November 17. Funds are raised through the annual golf tournament, which will next take place on March 16, 2018.

At the end of the month, Ed Bolen, President of the National Business Aircraft Association is coming to Scottsdale. He will speak at the Phoenix Aero Club luncheon on November 29th. On November 28th from 6 p.m. to 7 p.m., AZBAA will host Mr. Bolen at Ross Aviation for a question and answer session and speech.

2. Discussion and Possible Action to Approve the Five-Year Airport Capital Improvement Program for Fiscal Years 18/19 through FY 22/23

Carmen Williams, Management Analyst, referred to the Airport Capital Improvement Program (ACIP), noting that the City uses the term CIP for capital improvement program, encompassing all departments throughout the City. ACIP is comprehensive plan that projects capital needs over the next five years. Although the Airport develops a five-year plan, only the first year is adopted as part of the City's budget. The remaining four years are stated for planning purposes. Capital projects can be funded within one or more sources, including aviation funds, bonds (funding the terminal project), federal and state grants.

Due to the variety of funding sources, the Airport undergoes two separate capital planning processes each year. In the spring, the Airport meets with the FAA and ADOT for a five-year look ahead at projects eligible for grant funding. Grant funding is very beneficial, as federal funded grant projects pay 91.06 percent of the total cost. The City's match is 4.47 percent and the State's match is 4.47 percent. The State also offers funding on projects at a 90 percent total, with the City's share being 10 percent. The second planning process is currently under way through the City. The City begins this process each fall. Each department submits its projects, including scope, schedule and budget. In putting together the five-year ACIP, a variety of sources is looked at. The Airport Master Plan is the primary source. Other sources are the City's General Plan, goals and missions from the Council, Airport Advisory Commission goals and input. Following tonight's action by the Commission, there are a series of vetting meetings over the next couple of months to narrow down the proposed list. By the spring of 2018, the final ACIP will be available for public comment and review. It is generally adopted by June.

The terminal area redevelopment project is currently under construction with the two hangars anticipated to open next spring. The Aviation Business Center will open in the summer. The transient apron and taxiway A projects will be under way in November. For the proposed list of capital projects for the next five years, several are already in process and must carry forward into the next fiscal year. The majority of projects are grant eligible. Projects not eligible for grant funding such as seal coating and crack sealing of paved areas are done in-house. Contingency funds are available in case of cost overruns. Not all projects in the ACIP receive funding. FY 2018/2019 will include the conclusion of the construction of the terminal area redevelopment project. The taxiway A reconstruction will conclude in summer of 2018. The Delta apron reconstruction project has an estimated cost of \$3.8 million. It is hoped that the Airport receives an FAA grant for the project.

A new project proposed for next year is the north general aviation box hangars. Depending on the number of letters of interest received, the project may start as early as next fiscal year. Vice Chair Hobbi asked about the impetus for the project. Ms. Williams said it was identified in the Airport's Master Plan as a need to serve more general aviation customers. The total project cost is \$5.3 million. It will be managed by the City, including individual leases with the City. There was discussion that the Commission would not be voting to approve this project this evening. It is a line item potential capital project moving forward. It would still have to come back to the Commission for lease and construction contract approval at a later date.

For FY 2019/2020, rehabilitation of the runway is an included project at a cost of \$7.3 million. Another project is an environmental assessment for a parcel located north of the Greenway hangar. The environmental assessment is eligible for grant funding at approximately \$200,000. In order to purchase the parcel in a future year, the environmental due diligence study must be performed. The purchase price is estimated at \$9.5 million. Vice Chair Hobbi inquired as to the purpose of purchasing the property. Ms. Williams stated that the four acres will provide separate access along the Greenway Loop. Mr. Read added that the Greenway hangars and shades lease ends in 2022, which will result in reworking when it comes back to the City in 2022. Currently, the property has no street access.

In response to a question from Commissioner Brad Berry, Mr. Read stated that the runway was last rehabbed in 2010, which consisted of an overlay. The new project will be more in-depth, but not a full reconstruction, as full reconstruction would require a 30-day shutdown. Engineers are beginning the exploratory process to develop a design. The extent of the required work will

not be known until this preliminary work is performed. Completion of the project will be scheduled for the hottest part of the season at the end of June/July.

Commissioner John Berry asked about the wildlife hazard management plan. Ms. Williams said this will consist of everything on the ground and in the air. The wildlife hazard management plan study may take a year. Biologists come on the field and perform observations. This portion of the project is federally funded.

Commissioner Bernosky asked if the Airport gathers data on an ongoing basis with regard to birds and other animals. Mr. Read said ADOT did a preliminary study over a year period, setting up game cameras and observing wildlife. The collected data will feed into the management plan.

The design and rehabilitate Taxiway C project has a budget of \$175,000. A new project added to the ACIP at the recommendation of the Airport planner is to construct three new exit taxiways, including B2, 9 and 15. It will provide high speed exits to the east side of the runways. It will improve ground efficiencies. The project cost is \$1 million.

Over the next five years, the total ACIP cost is \$71 million. This includes the Terminal Redevelopment Project at \$27 million, funded with bonds. Of the \$71 million, 16 percent are Aviation funds, 44 percent are federal grants and 39 percent are bonds.

In response to a question from Vice Chair Hobbi, Ms. Williams confirmed that the projects have not received, "100 percent approval." In order to go to City Council, this is the first step in the capital planning processes.

Commissioner Bernosky asked about the Municipal Property Corporation and whether an excise tax feeds the funding. Ms. Williams said the bonds are sold and the payback occurs over a 20-year period. The bonds are primarily for the terminal redevelopment project. Commissioner Bernosky inquired about the Tourism Development Fund and Ms. Williams confirmed these are bed tax funds to fund the design and construction of the Veterans Memorial.

In response to a question from Commissioner Maxwell, Ms. Williams confirmed that the Delta apron reconstruction would be grant funded.

Vice Chair Hobbi made a motion to approve the Five-Year Airport Capital Improvement Program for Fiscal Years 2018/2019 through 2022/2023. Commissioner Little seconded the motion, which carried by a unanimous vote of seven (7) to zero (0).

3. Update on the 2017 National Business Aviation Association Convention

Sarah Ferrara, Aviation Planning & Outreach Coordinator played a brief video of the showroom and booth setup. Attendees include CEOs, presidents, owners and chairmen. There were representatives from all 50 states and dozens of countries. The event marked the 70th anniversary of NBAA and is ranked as the sixth largest trade show. Promotion messages include highlighting amenities, noting no airport delays, close proximity to top resorts, entertainment, restaurants and events. Barrett-Jackson was the Airport's partner for the event. Both FBOs extended a fuel discount card offer at \$2 off the retail price per gallon of fuel for new visitors. Gemini Air Group joined to promote executive hangars and spaces available. As

promotions, attendees were offered VIP packages, including from Barrett-Jackson and to the Waste Management Phoenix Open. A total of 145 leads were collected and seven people were added to the interest list for the box hangars.

4. Discussion and Input Regarding the Monthly Construction Report

Chris Read, Airport Operations Manager reviewed the progress of the Terminal Area Redevelopment Project. In December, additional underground utility installation will be completed. Building foundations are nearly complete. Next steps include steel installation in the hangars. The transient apron reconstruction project was begun a couple weeks ago. December work will include subgrade preparation.

There have been no changes in the taxiway A reconstruction project, except that contracts have been signed. The project is in the procurement submittal phase. Estimated start date is late January, 2018. In response to a question from Commissioner Brad Berry, Mr. Read stated that Banicki Construction is the contractor for the project.

5. Discussion and Input Regarding Monthly Operations Report for October

Mr. Read noted that in October, there were three Alert 2's and one Alert 1. Itinerant refers to an operation which is arriving from outside the traffic pattern or departs the Airport traffic pattern. Local operations stay within the traffic pattern airspace. Total operations compared to last year were up 10.3 percent. Year-to-date totals are up 1.7 percent. IFR totals are up 5.6 percent over last year. Year-to-date IFR totals are up at 9.7 percent.

Vice Chair Hobbi said it would be interesting to note any correlation between increased noise complaints and increased operations. Ms. Ferrara said there is a correlation between the two. Also, there is an increase in complaints when the weather is nicer and people are able to open their windows.

Mr. Read reported seven incidents during the month of October. There were ten enforcement actions, all first-time violations.

Fiscal year-to-date revenue for U.S. Customs was \$111,300. Total uses for October were 78. Total uses fiscal year-to-date was 189. U.S. visits for the month totaled 19. PPRs totaled 37 for the calendar year.

Chair Celigoy asked about the reference to 2007 and asked whether this referred to a ten-year lookback. Mr. Read said 2007 was selected for comparison, as it was the period before the economy took a downturn.

Vice Chair Hobbi referred to the fuel leak report and asked whether it has been adequately addressed. Mr. Read said a program was solidified with the FBOs. Since the program was initiated, spill occurrences have decreased substantially.

6. Discussion and Input Regarding Financial Report for September

Ms. Williams stated that year-to-date revenues are at \$592,000. Expenses total \$881,000. Both revenues and expenditures are slightly lower than the same period last year, however net revenues are almost equal at \$87,000. Some areas are increasing in activity, such as fueling and customs. The Aviation Fund cash balance as of September is \$10.5 million. In September, Airport jet fuel was 58 percent of total flowage. Avgas accounted for 4.3 percent. Airpark fuel flowage was 38 percent. Compared to last year, fuel flowage is up 7.7 percent for September.

In response to a question from Commissioner Bernosky, Ms. Williams confirmed that prices fluctuate throughout the year.

Chair Celigoy asked where funding for staff costs comes from. Ms. Williams said this is considered an indirect expense funded by the City of Scottsdale. Mr. Read clarified that the Aviation Fund pays the Airport staff salaries. The operating budget is paid by the Airport Enterprise Fund. Over the past year, one position was added, however, generally the staffing level remains the same each year. This position added a needed customer service position.

In response to a question from Chair Celigoy, Mr. Read said there are currently 15 staff members. This does not include crash, fire and rescue, which is handled by the Fire Department. The Airport shifts some funds to the Fire Department, which pays for a specified number of full time equivalents, including one person on the foam truck 24/7. The Airport also provides maintenance and operating funding for fire trucks. The Airport does not employ contract employees. They occasionally employ an intern.

Chair Celigoy asked whether the new facility will impact staffing requirements. Ms. Williams said it is not anticipated to affect staffing levels for next year.

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

Ms. Ferrara addressed the NexGen/Phoenix Metroplex and the ongoing lawsuit. The hearing deadline is November 16, after which time updates should be available.

In terms of media and social media, staff responded to information requests on several ongoing issues and projects from the Arizona Republic. The Scottsdale Independent published an article on new aviation staff and contracts. Several outlets covered the Veterans Day Swing Time event and Stearman flights.

Listserv notices continue on a bimonthly basis or as needed. These are by subscription, however the updates are also available on the website. The NBAA listserv was sent out to notify prizewinners. The next show is the NBAA Schedulers and Dispatchers Convention in February, 2018 in Long Beach.

For community outreach, postcards were created to promote the box hangars on the Kilo Ramp. Meet and greets continue throughout the Airport, including distributing anniversary pins. Staff gave a presentation at a recent Chamber of Commerce meeting. Just today, staff welcomed three Chinese nationals, who were interested in how business is conducted at the Airport.

Property developments are monitored through the Planning Department. In October, there were four projects.

In October, 14 voluntary curfew letters were issued.

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

Mr. Read reviewed that status of projects sent to the City Council for calendar year 2017. All were approved on consent.

Ms. Ferrara reviewed planning projects, which includes an expansion of St. Patrick's Catholic Church. A height analysis will be completed. Commissioner John Berry questioned why the project is under the Airport's purview, as it is located at 84th and Shea. Ms. Ferrara noted that it is located on the southernmost border of the Airport Influence Area.

Crossroads East Planned Community is currently State land and is currently a zoning case. The area is south of the 101 extending from Hayden to Scottsdale Road.

The La Via project has already stipulated to come before the Commission eventually. The project involves a residential development in the current CrackerJax site.

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

Vice Chair Hobbi made a motion to cancel the December 20th Commission meeting. Commissioner John Berry seconded the motion, which carried by a unanimous vote of seven (7) to zero (0).

PUBLIC COMMENT

There were no public comments.

FUTURE AGENDA ITEMS

There were no items discussed.

ADJOURNMENT

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

SUBMITTED BY:

eScribers, LLC