



**SCOTTSDALE AIRPORT ADVISORY COMMISSION
PUBLIC MEETING
Scottsdale Airport Operations Center
15255 N. Airport Drive, Scottsdale, AZ
Wednesday, February 21, 2018**

MINUTES

PRESENT: John Celigoy, Chair
Cory Little, Vice Chair
Brad Berry
John Berry
Kevin Maxwell
Liz Kaplan
Larry Bernosky

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

GUESTS: Aaron Kern

CALL TO ORDER

Chair Celigoy called the meeting to order at 6:00 p.m. He welcomed new Commissioner, Liz Kaplan.

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

There was no report.

APPROVAL OF MINUTES

1. Regular Meeting: January 17, 2018

Vice Chair Little made a motion to approve the regular meeting minutes of January 17, 2018 as presented. Commissioner John Berry 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 - 18

1. Discussion and Possible Action Regarding Creating a Letter from the Airport Advisory Commission to forward to the City Council Regarding the Crossroads East Project

Chair Celigoy stated that the Commission proposes a letter for submittal to the Mayor and City Council regarding the Crossroads East Project. Everyone has had an opportunity to review the letter. He called for a motion for action.

Commissioner Bernosky made a motion to approve the draft letter as written regarding Crossroads East Project to be sent to the City Council. Vice Chair Little seconded the motion, which carried by a unanimous vote of seven (7) to zero (0).

Chair Celigoy noted that the letter will be signed and turned over to Airport staff for forwarding. Commissioner John Berry asked whether Mr. Mascaro had received any feedback after the last meeting. Mr. Mascaro stated that there were mixed emotions. There has been no movement as yet.

2. Discussion and Possible Action to amend Scottsdale Revised Code, Chapter 5, Aviation Rates and Charges, Effective July 1, 2018 by creating an Airport Meeting Room Rental Fee, Airport Property Special Event Fee and a Temporary Activity Permit Fee

Carmen Williams, Management Analyst, stated that the new proposed fees require Commission action before going to the March 6th City Council meeting. City Council will ultimately approve any rates and fees changes at its May 22nd meeting. The fees were detailed as follows:

- Airport Property Special Event: Charged for the use of Airport property for special events, which would be assessed on a rate of \$0.60 per square foot per day. The fee for dedicated use of Airport property for a special event will help recover Airport staff time in coordinating

the event and offset the potential loss of revenues if that space could be used for aircraft parking.

- Temporary Activity Permit: Temporary activity permits are issued for special events taking place on Airport property or within the Airpark taxilane easements. The current assessment is an hourly staff rate of \$46.96. The proposal is to make this a stand-alone permit fee of a flat \$50.00. It will be used to recover the costs associated with reviewing and approving the application.
- Airport Meeting Room Rental: The new Aviation Business Center under construction is scheduled to open in late summer 2018. The new building will have a total of 4,170 square feet of meeting space available to rent for private events. The recommendation is to charge for the use of rooms on an hourly basis with two tiers: Weekday rates and after-hours/weekends. The revenues generated from the meeting space rentals will be used to recover the debt service of the terminal area redevelopment and utility and operating costs of the facilities.

Commissioner Maxwell asked about inclusion of provisions for nonprofits. Ms. Williams stated that there will be a provision that will delegate the Aviation Director the ability to waive or reduce aviation-related nonprofit organizations. Mr. Mascaro added that it is very specific to aviation-related. The gift clause has been a hot topic in the Council and FAA regulations. There must be a benefit to the Airport for the waiving of fees.

Commissioner Maxwell referenced the Run the Runway event in terms of qualification as a nonprofit or waiver of fees. Mr. Mascaro said that the Airport is actually partners with Playworks for the event, so none of the fees would be applicable. Chair Celigoy asked for clarification that there are no provisions in the recommendation to split the rate with another entity or activity. Mr. Mascaro confirmed this understanding.

Commissioner Maxwell asked whether this is seen as a revenue stream or just something to offset costs. Mr. Mascaro said that the meeting room fee will serve as revenue. During the proposal for the Terminal Area Redevelopment, staff was directed by this Commission and the City Council to look into creating meeting space. They had to charge market value to cover the cost of the debt service. Other fees are to offset existing uses.

Commissioner Maxwell asked whether aviation staff will market the space. Mr. Mascaro said he does not anticipate that staff will do marketing, however it is likely that the new restaurant operator will do so. The restaurant will have catering ability and direct access from their site. They have a large marketing program that will market the venue for all different events. Chair Celigoy asked if there is a requirement to use the restaurant for catering. Mr. Mascaro confirmed that there would be a requirement to utilize the restaurant operator, because there are no other catering facilities. However, they are free to bring in such items as sandwiches or those that do not require catering facilities. They cannot prepare food or serve liquor in the space without service by the restaurant.

Vice Chair Little made a motion to approve the amendment to the Scottsdale Revised Code, Chapter 5, Aviation Rates and Fees effective July 1, 2018. Commissioner Maxwell seconded the motion, which carried by a unanimous vote of seven (7) to zero (0).

3. Discussion and Input Regarding the Monthly Construction Report

Chris Read, Airport Operations Manager, provided the report. The terminal area redevelopment project is approximately 30 percent complete. Photographs of the progress were reviewed. Commissioner Brad Berry stated his understanding that some of the taxiway had to be redone, due to compaction issues. Mr. Read said this is actually the transient ramp project. There has been a delay and it is hoped to be paved out by the end of next week. In response to a question from Commissioner Maxwell, Mr. Read confirmed that construction is on schedule.

4. Discussion and Input Regarding Monthly Operations Report for January

Mr. Read reviewed the report. Based aircraft totals are up from last year. Operational statistics showing the total versus IFR for last year compared to this year show that the Airport is off to a good start for January. There was one Alert 3, two Alert 2's and one Alert 1. For the U.S. Customs update, fiscal year to date revenue is \$325,200. Total uses for the month were 146. Total uses fiscal year-to-date were 563. There were 24 U.S. visit flights. Total revenue comparison to last year is quite close. In January, there were 8 PPRs for aircraft over 75,000 pounds.

Chair Celigoy referred to enforcement actions and asked whether some enforcements are referred to by the police department or all come from Airport staff. Mr. Read said it is typically Airport Operations staff. Particularly serious incidents occur rarely and may have police assistance.

5. Discussion and Input Regarding Financial Report for December

Ms. Williams stated that year-to-date revenues are currently at \$1.6 million, slightly above budget. Expenses are at \$1.4 million, slightly below budget. They are showing a net balance of \$182,000 at the end of December. For the monthly comparison to last year, they are slightly behind on revenues by 5 percent. Expenses were higher than last year, primarily due to insurance premium payment and the U.S. Customs quarterly reimbursement payment. The Aviation Fund cash balance at the end of December is \$8.6 million. As of December 31st, the Airport jet fuel accounted for nearly 70 percent of total fuel flowage. AVGAS was just above 3.2 percent. Airpark fuel flowage was 27.3 percent. Compared to December of last year, fuel flowage is down 1.8 percent, but overall for the year, they are ahead 3.8 percent.

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

Sarah Ferrara, Aviation Planning & Outreach Coordinator, stated that in terms of the NextGen/Phoenix Metroplex deal, the FAA entered into a settlement agreement with Phoenix which requires the FAA do some public outreach workshops. Those were held on February 6-8. A City staff representative was present, along with two Council Members. In response to a question from Commissioner Bernosky, Ms. Ferrara said staff has not receive much feedback from meeting attendees

In terms of media and social media, 12 News did a morning segment at the Airport. Social media outreach continues. To mark a special milestone on the terminal area redevelopment project, the Airport held a topping out ceremony. Listserv notices were sent out on the box hangar project,

construction updates and terminal area redevelopment. There is a new video on time lapse progress of the project. Staff recently attended the NBAA Schedulers and Dispatchers convention in Long Beach. The website is updated as necessary with new content on the Taxiway A project. Staff had a recent meeting with a DC Ranch resident regarding noise outreach. Ms. Ferrara invited everyone to attend the Run the Runway event, which will include a 5K, 10K and fun run for children. There were two projects in the planning and zoning reports for January. Thirteen voluntary curfew letters were sent in January.

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

Mr. Mascaro stated that there are three Commissioner items to City Council. They include three leases and lease amendments brought to the Commission last month. They went to Council on consent and were approved. There were no substantive updates to the Aviation-Related Items to the Planning Commission, Design Review Board of City Council that may impact the Airport.

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

Mr. Mascaro stated staff's request to move the meetings to a 5 p.m. start time, in order to mirror other commissions and board as well as City Council start time of 5 p.m. If approved by the Commission, it would apply just to the next meeting, as staff would have to bring the bylaws back to the Commission to formally make the adjustment.

Chair Celigoy made a motion to recommend a start time of 5:00 p.m. for their next meeting March 21. By-laws will go back to the Airport Advisory Commission at the next meeting with revision to change to 5:00 p.m. as a permanent change. Commissioner Brad Berry seconded the motion, which carried by a unanimous vote of seven (7) to zero (0).

PUBLIC COMMENT

Mr. Aaron Kern stated that he is a long-time user of the Airport and would like to see more family-friendly events. His family currently has to go to Falcon Field or Deer Valley to attend engaging airport activities.

FUTURE AGENDA ITEMS

No action taken.

ADJOURNMENT

With no further business to discuss, being duly moved and seconded, the meeting adjourned at approximately 6:30 p.m.

SUBMITTED BY:

eScribers, LLC