SCOTTSDALE AIRPORT ADVISORY COMMISSION
PUBLIC MEETING
Scottsdale Airport Aviation Business Center
Stearman/Thunderbird Meeting Room
Second floor 15000 N. Airport Drive
Scottsdale, AZ
Wednesday, September 18, 2019

MINUTES

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

ABSENT: Liz Kaplan

STAFF: Gary Mascaro, Aviation Director
Sarah Ferrara, Aviation Planning & Outreach Coordinator
Carmen Williams, Aviation Finance & Administration Manager
Christian Eveleigh, Aviation Intern
Chris Read, Assistant Aviation Director - Operations

GUESTS: Katie Callaway, Risk Management Director
Roxanne Newland
Susan McGarry
John Knight, Palio Holdings, LLC
Vanessa Clifton, Aerial Solutions II, LLC, dba Western Sky Helicopters
Robert Wright, Wright Aviation, LLC
Jessica Wright, Wright Aviation, LLC

CALL TO ORDER

With Chair Little appearing telephonically, Vice Chair Maxwell chaired the meeting. He called the meeting to order at 5:00 p.m.
ROLL CALL

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

PLEDGE OF ALLEGIANCE

Vice Chair Maxwell led the meeting in the pledge of allegiance.

AVIATION DIRECTOR'S REPORT

Gary Mascaro, Aviation Director, discussed that the Aviation Department will be bringing forth an update to the Airport's rates and fees in a future open house and follow up to the Airport Advisory Commission. In addition, Director Mascaro provided a brief update on the Scottsdale Jet Center. They anticipate pulling permits in November and starting construction with the opening in November of 2020.

APPROVAL OF MINUTES

1. Regular Meeting: August 21, 2019

Vice Chair Maxwell called for approval of the minutes.

COMMISSIONER BERNOSKY MOVED TO APPROVE THE REGULAR MEETING MINUTES OF AUGUST 21, 2019 AS PRESENTED. COMMISSIONER JOHN BERRY SECONDED THE MOTION, WHICH CARRIED 6-0 WITH CHAIR LITTLE, VICE CHAIR MAXWELL, COMMISSIONERS BRAD BERRY, JOHN BERRY, BERNOSKY AND CELIGOY VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

PUBLIC COMMENTS

Susan McGarry, a Scottsdale resident, spoke about concerns regarding noise from flight schools. Roxanne Newland, resident of Grayhawk, spoke about concerns regarding the new ABP for Western Sky Helicopter.

Vice-Chair Maxwell thanked Ms. McGarry and Ms. Newland for taking the time to provide their comments.

REGULAR AGENDA ITEMS 1 - 13

1. Discussion and Possible Action Regarding Application for Airpark Aeronautical Business Permit for Palio Holdings, LLC to Conduct Hangar/Shade leasing services in the Scottsdale Airpark.

Carmen Williams, Aviation Finance & Administration Manager, stated that the hangar and office facility is located off of 80th Street on the west side of the Airport with access through Gate 5. They have met the requirements of the aeronautical business permit and have submitted the proper documentation. John Knight, owner and applicant, was present to answer questions. Mr. Knight
stated that Palio owns his airplane. He has been looking for hangars, storage for his airplane and capacity for office expansion with his current business. The desired hangar size is 6,500 square feet.

COMMISSIONER BRAD BERRY MOVED TO APPROVE PALIO HOLDINGS, LLC TO CONDUCT HANGAR/SHADE LEASING SERVICES IN THE SCOTTSDALE AIRPARK. COMMISSIONER BERNOSKY SECONDED THE MOTION, WHICH CARRIED 6-0 WITH CHAIR LITTLE, VICE CHAIR MAXWELL AND COMMISSIONERS BRAD BERRY, JOHN BERRY, CELIGOY AND BERNOSKY VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

2. Discussion and Possible Action Regarding Application for Airpark Aeronautical Business Permit for Aerial Solutions II, LLC dba Western Sky Helicopters to Conduct Helicopter Commercial Flying Services at the Scottsdale Airpark.

Ms. Williams stated that the company uses a Robinson 44 helicopter for sightseeing tours and charters out of its Airpark location off of 73rd Street and Greenway. They have met the requirements of the aeronautical business permit and have submitted the proper documentation. Vanessa Clifton, Vice President and COO, was present to answer questions.

In response to a question from Commissioner Celigoy, Ms. Clifton confirmed that they will be offering sightseeing tours out of Scottsdale Airpark and are currently operating. The helicopter is orange, and operating under Part 91 LOA with a plan to go Part 135. They hope to add aircraft to the fleet. They do not plan to conduct flight training.

In response to a question from Commissioner Celigoy, Ms. Clifton confirmed that they are limited to 25 nautical miles from the base, flights are unscheduled and aircraft maintenance is performed by a contract or staff mechanic.

Commissioner Celigoy asked about the estimated number of flight operations or tours per day planned. Ms. Clifton stated that currently there are one to two per week and confirmed that they are generally going northbound.

Commissioner Bernosky asked if there have been flights out of this location previously. Ms. Clifton confirmed that it is the same location as the Chopper Guy Channel 3 facility. They share a flight line with two buildings owned by the same property management, so other helicopters are already launching from the area.

COMMISSIONER CELIGOY MOVED TO APPROVE AERIAL SOLUTIONS II, LLC DBA WESTERN SKY HELICOPTERS TO CONDUCT HELICOPTER COMMERCIAL FLYING SERVICES IN THE SCOTTSDALE AIRPARK. COMMISSIONER JOHN BERRY SECONDED THE MOTION, WHICH CARRIED 6-0 WITH CHAIR LITTLE, VICE CHAIR MAXWELL AND COMMISSIONERS BRAD BERRY, JOHN BERRY, CELIGOY AND BERNOSKY VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.
3. Discussion and Possible Action Regarding Application for Airpark Aeronautical Business Permit for Wright Flight Aviation, LLC to Conduct Flight Training Services at the Scottsdale Airport

Ms. Williams stated Wright Flight Aviation, LLC leases office space at Ross Aviation’s south building. They currently have two Cessna 172 Skyhawks. They have met the requirements of the aeronautical business permit and have submitted the proper documentation. Robert Wright and Jessica Wright, owner and chief pilot, were present to answer questions.

Mr. Wright stated that they offer Part 61 flight training school. They have two aircraft. He performs primary instruction with two to three hops per day. They conduct ground training out of Ross Aviation. Operations began December of 2016.

In response to a question from Commissioner Bernosky, Mr. Wright confirmed that they are 172s, one being technically advanced and one high performance. They follow all noise abatement procedures.

COMMISSIONER JOHN BERRY MOVED TO APPROVE WRIGHT FLIGHT AVIATION, LLC TO CONDUCT FLIGHT TRAINING SERVICES AT THE SCOTTSDALE AIRPORT. COMMISSIONER BRAD BERRY SECONDED THE MOTION, WHICH CARRIED 6-0 WITH CHAIR LITTLE, VICE CHAIR MAXWELL AND COMMISSIONERS BRAD BERRY, JOHN BERRY, CELIGOY AND BERNOSKY VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

4. Insurance requirement update from Risk Management

Katie Callaway, Risk Management Director, stated that the Airport’s liability program is purchased separately from the City’s insurance. The Airport purchases a $200 million limit for the airport. There is no deductible or self-insured retention. It covers Airport operation. Employees are covered under workers compensation with the rest of City employees. It is a self-insured program with a $1 million per injury retention. The property and buildings owned by the City are included in the City’s blanket insurance policy, with a $500 million limit and a deductible of $100,000. The premiums remain stable, due to very low loss experience. In the past four years, prior to this renewal, they paid a premium of $23,900 for an annual policy. The premium has increased slightly this year to $26,510, just related to the general insurance market. The carrier is AIG insurance. Other mechanisms for protecting the City include contractual risk transfers. During the recent construction, the City had the general contractor assume liability for potential injuries and damage. All vendors working out of the airport go through a permit process where they are required to provide insurance and the business assuming liability with respect to their operations. The same goes for ground leases of the buildings. The last thing added to the presentation is the airplane which is insured under the Fine Arts policy.

5. Airport Internship Update from the Aviation Intern Regarding the Stormwater Pollution Prevention Plan, Meeting Room Marketing Program, Obstruction Analysis and Intern Daily Tasks

Christian Eveleigh, Aviation Intern, reported on the Stormwater Pollution Prevention Plan, meeting room marketing program, obstruction analysis and intern daily tasks. Day to day activities included assisting with voluntary curfew letters and reaching out to operators. Also completed was an Airport/Airpark map update, including relabeling parcels in the Airpark area for easier
identification. Aerial map updates were done and hung in the Aviation suite conference room. The last updates were completed in 2012. The historical aerial display located in the main lobby of ABC building and go back to 1960, when Thunderbird Field was still phasing out. Weekly activities have included learning the operations of the Airport, assisting with ramp audits and ensuring that code compliance is up to date.

In terms of the obstruction project, the last Master Plan in 2015 included an obstruction analysis, which outlined 179 potential obstructions to traffic of the Airport. Any obstructions deemed to be serious were noted. Of 179, 69 were identified as needing to be addressed. The prior intern addressed all but 41. The remaining have now been addressed. These included 19 trees, 16 buildings, 25 poles and 9 transmission towers. The only items still open are six transmission towers, which all belong to SRP. SRP is aware of its obligations to file forms with the FAA for the towers, however this has not been done as yet.

In response to a question from Commissioner Bernosky, Mr. Eveleigh stated that mitigation with the poles included installation of lighting. ADOT and the City of Scottsdale had addressed all of the light poles on the freeways and on Frank Lloyd Wright prior to Mr. Eveleigh coming onboard. His tasks included verifying that the actions had been completed.

Commissioner Brad Berry asked about the location of the transmission towers. Mr. Eveleigh said they are located north of the Airport, and identified the specific locations on a diagram.

In response to a question from Vice Chair Maxell, Mr. Eveleigh stated he has been working with SRP since April. The previous intern was only able to reach a contact with APS and not SRP. Mr. Eveleigh was able to reach SRP through contacts with the City of Scottsdale. His current contact with SRP is with a senior manager, however he continues to receive little to no response from this individual.

Mr. Eveleigh discussed the Airport meeting room marketing. He spent two months designing a hard copy and web design flyer, which enable the viewer to see at a glance what the Airport has to offer compared to other options in the area. He provided an overview of the flyer. Since the creation of the flyer, there has been increased interest in meeting rooms.

Mr. Eveleigh stated that in terms of the stormwater pollution prevention plan, the standard is set forth by the Arizona Department of Environmental Quality (ADEQ). The intent is to prevent pollution of water sources, the Salt River being the closest. The City’s water plant drains into the Salt River, which first goes through a filtration process. The last update for the stormwater pollution prevention plan took place in 2010. They are supposed to be done every five years, however ADEQ did not put out a new standard until 2019, which goes into effect January 1st, 2020. The most significant change includes moving from one annual report to quarterly inspections. The wording is more specific and strict in terms of criteria as opposed to the previous, more generalized approach.

Mr. Mascaro commended Mr. Eveleigh on his great work for the airport over the past six months. So impressive were his efforts, that Mr. Mascaro was able to appoint him to a vacant position as an Airport Operations Tech as an entry level position.

6. Discussion and Input Regarding Airport and Airpark Aeronautical Business Permit Additions, Cancellations and Revocations
Ms. Williams stated that the latest tenant list is included in Commission packets. These include the three new permits from this evening. There is one ABP cancellation from Signature Technicare, recently vacating the Signature Flight Support West facility. There was a permit revocation for Aero Jet Services. The company filed for bankruptcy last month, which involved issues with the landlord as well as nonpayment of fees and expiration of insurance. The company did not show up for the revocation permit hearing.

7. Discussion and Input Regarding the Monthly Construction Report

Chris Read, Assistant Aviation Director - Operations, provide a brief update. The Runway Lighting and Signage Rehab Project was just begun on September 16th with good progress being made.

8. Discussion and Input Regarding Monthly Operations Report for August

Mr. Read stated that based aircraft totals are at 459, up from 442 last year. He addressed the -17.1 percentage number under the percentage delta (\(\%\Delta\)). He explained that the FAA, which provides the numbers, is counting the IFR numbers a little differently and has reduced the number of IFR practice approaches into the Airport. This represents a new baseline. The -17.1% does not mean that IFR operations have decreased. What this means is that in order to get a good comparison year-to-year, they will have to wait until next July.

Commissioner Bernosky asked for confirmation that practice approaches no longer count. Mr. Read clarified that they count, however they are doing fewer of them.

Mr. Read reported that there were two Alert 2s for August and one Type 1 alert. There was one incident involving a small fuel leak in a Diamond aircraft due to expansion.

At two months into the new fiscal year, U.S. Customs shows a revenue of $50,275 compared with the same period last year of $49,200. There were 54 uses for the month and 96 fiscal year-to-date, versus 46 for the month and 93 total last year. There were ten U.S. visits.

In terms of the transition from the former City hangars and shades into the Greenway hangars and shades in preparation for the new FBO demolition, for hangars, five out of ten are occupied. PPRs for August are 27. Mr. Mascaro added that if all goes well with Jet Aviation, the closing will occur on October 15th and the chart will not be a part of the report next month.


Ms. Williams stated that July is the first month of the fiscal year. Year-to-date revenues are $661,000. There is a large variance with the budget. There were a couple of duplicate revenue entries corrected in the following month. Similar to prior years when starting the new fiscal year, it will take a quarter or so before things even out. Expenses totaled $149,000 for July and year-to-date. The reason for the variance is that the Airport usually receives a quarterly invoice from U.S. Customs for labor, which was not processed in July, as anticipated. For the July monthly comparison to last year, there was $661,000 in revenues compared to $521,000 for last July. When removing the duplicate entries, they are comparable. Expenses were slightly higher this
year compared to 2018. The Aviation Fund Cash balance at of 7/31/19 is $9.75 million. As of July, 2019, Airport jet fuel accounted for approximately 57.8 percent of fuel flowage. AVGAS accounted for 3.7 percent and Airpark fuel flowage was at 38.5 percent. Overall, this represents an increase of 12.8 percent over last fiscal year.

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

Sarah Ferrara, Aviation Planning and Outreach Coordinator, stated that the FAA Scottsdale FSDO has initiated a Scottsdale flight schools workgroup meeting scheduled for October. The goal is to facilitate conversation and discussion regarding local safety concerns. Voluntary curfew continues to be monitored with three letters sent out in August. In terms of development uses in August, 15 projects were listed in the last Planning and Zoning reports. Staff sent out a listserv notice on the runway rehab lighting project started in September. Aviation staff volunteered at the 9/11 Meal Pack Day. Staff will be exhibiting at the NBAA in Las Vegas October 22nd through 24th.

Commissioner Bernosky asked for confirmation that in terms of curfew, it is not a violation for pilots to use the Airport at night. Ms. Ferrara confirmed the understanding, stating that the voluntary curfew is a proactive measure. As a public airport the runway must remain open 24 hours for public use. In response to a question from Commissioner Bernosky, Ms. Ferrara confirmed that once a noise complaint is logged research is done and a letter is sent to the operator.

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

Mr. Mascaro stated that there were no new items to report on since the last meeting. There was no update on items that the Airport Advisory Commission brought to the City Council, as everything has been approved on consent. There are no significant changes in terms of items to the Planning Commission, Design Review Board and City Council. The Design Review Board is anticipated to consider the Scottsdale Jet Center FBO on October 17. Hopefully permits will be pulled for final approval in November. The Seventh Day Adventists remain in conversation with the City regarding challenges with access to Scottsdale Road and vehicular traffic.

In terms of the Acoma property taxiway improvements, discussions continue. Currently there is no mechanism to build, fix and enhance the taxiway and then asking for paybacks by other property owners. However, that being said, there are only two taxilanes owned by the City. The City Attorney’s Office and the Planning Department are looking for potential ways to implement a plan where the entity would spend $500,000 and get some money back, if another hangar operator chooses to utilize a heavier aircraft through the gate. The Airport continues to work with them on this. It is a good opportunity for the Airport, particularly as the southwest end of the Airport has not been built up for some time.

12. Discussion and Possible Action to Modify the Airport Advisory Commission Meeting schedule and Commission Item Calendar
The timing of the Thanksgiving holiday was discussed as being November 28th. There were no changes to the upcoming meeting schedule. Commissioner Bernosky requested a copy of the report and the map passed around at the beginning of the meeting.

PUBLIC COMMENT

There were no public comments.

FUTURE AGENDA ITEMS

No action taken.

ADJOURNMENT

With no further business to discuss, being duly moved and seconded, the meeting adjourned at 5:57 p.m.

AYES: Chair Little, Vice Chair Maxwell, Commissioners Brad Berry, John Berry, Bernosky, and Celigoy
NAYS: None

SUBMITTED BY:

eScribers, LLC