



**SCOTTSDALE AIRPORT ADVISORY COMMISSION
PUBLIC MEETING**

**Scottsdale Airport Aviation Business Center
Stearman/Thunderbird Meeting Room
Second floor 15000 N. Airport Drive
Scottsdale, Arizona**

**MEETING HELD ELECTRONICALLY
Wednesday, January 20, 2021**

MINUTES

PRESENT: Larry Bernosky, Chair
John Berry, Vice Chair
Liz Kaplan
Charles McDermott
Peter Mier
Rick Milburn

ABSENT: Cory Little

STAFF: Gary Mascaro, Aviation Director
Sarah Ferrara, Aviation Planning & Outreach Coordinator
Carmen Williams, Aviation Finance & Administration Manager
Tiffany Domingo, Staff Coordinator

GUESTS: Ryan Hamilton, Beck Lane Hangars, LLC
Jessica Naor, GrandView Aviation, LLC
Chad Verdaglio, Sawyer MX, LLC

CALL TO ORDER

Chair Bernosky called the meeting to order at 5:00 p.m.

ROLL CALL

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

Reporter's Note: Due to poor audio quality, not all comments were able to be captured.

AVIATION DIRECTOR'S REPORT

Gary Mascaro, Aviation Director, announced the official opening of Scottsdale Airport's third FBO, Jet Aviation, as well as the opening of Phase 1 of the Airport's north executive box hangar development. Phase 2, consisting of an additional seven executive box hangars, is currently in development to be completed in the fall. He thanked Chair Bernosky and Vice Chair Berry for their service on the Commission.

1. Regular Meeting: November 18, 2020

Chair Bernosky called for approval of the minutes.

COMMISSIONER MIER MADE A MOTION TO APPROVE THE REGULAR MINUTES OF NOVEMBER 18, 2020 AS PRESENTED. VICE CHAIR BERRY SECONDED THE MOTION, WHICH CARRIED 6/0 WITH CHAIR BERNOSKY, VICE CHAIR BERRY, COMMISSIONERS KAPLAN, MCDERMOTT, MIER AND MILBURN VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

PUBLIC COMMENTS

No comments were submitted.

REGULAR AGENDA ITEMS 1-17

1. Election of Officers

Mr. Mascaro reviewed the nomination process.

CHAIR BERNOSKY MADE A MOTION TO NOMINATE VICE CHAIR BERRY AS CHAIR. COMMISSIONER MILBURN SECONDED THE MOTION, WHICH CARRIED 6/0 WITH CHAIR BERNOSKY, VICE CHAIR BERRY, COMMISSIONERS KAPLAN MCDERMOTT, MIER AND MILBURN VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

CHAIR BERNOSKY MADE A MOTION TO NOMINATE CHARLES MCDERMOTT AS VICE CHAIR. VICE CHAIR BERRY SECONDED THE MOTION, WHICH CARRIED 6/0 WITH CHAIR BERNOSKY, VICE CHAIR BERRY, COMMISSIONERS KAPLAN, MCDERMOTT, MIER AND MILBURN VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

Upon the votes, the newly elected officers immediately assumed their roles.

2. Discussion and Possible Action Regarding Airport Advisory Commission By-Laws

Mr. Mascaro stated that the By-Laws are presented on an annual basis in anticipation of any changes or modifications desired by the Commission. No changes were recommended by Commission members.

3. Discussion and Possible Action Regarding Application for Airpark Aeronautical Business Permit for Beck Lane Hangars, LLC to Conduct Hanger/Shade Leading Services at the Scottsdale Airpark.

Carmen Williams, Aviation Finance & Administration Manager, noted that the applicant's business is located on Beck Lane with aircraft access through Gate 6. They have over 40,000 square feet of hangar office space and common area space. They have met the requirements of the permit and have submitted the proper documentation. Mr. Ryan Hamilton was in attendance to answer any questions.

VICE CHAIR MCDERMOTT MADE A MOTION TO APPROVE THE APPLICATION FOR AN AERONAUTICAL BUSINESS PERMIT FOR BECK LANE HANGARS, LLC, TO CONDUCT HANGAR/SHADE LEASING SERVICES AT THE SCOTTSDALE AIRPARK. COMMISSIONER KAPLAN SECONDED THE MOTION, WHICH CARRIED 6/0 WITH CHAIR BERRY, VICE CHAIR MCDERMOTT, COMMISSIONERS BERNOSKY, KAPLAN, MIER AND MILBURN VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

4. Discussion and Possible Action Regarding Application for Airport Aeronautical Business Permit for GrandView Aviation, LLC, to Conduct Aircraft Charter Services at the Scottsdale Airport

Ms. Williams stated that GrandView's main offices are in Baltimore, Maryland. They have leased office space at Signature Flight Support's main facility and are basing an Embraer 505 Phenom jet at Scottsdale for their charter operations. They have met the requirements of the permit and have submitted the proper documentation. Ms. Jessica Naor, Chief Operating Officer, was in attendance to answer any questions.

COMMISSIONER MIER MADE A MOTION TO APPROVE THE APPLICATION FOR AN AERONAUTICAL BUSINESS PERMIT FOR GRANDVIEW AVIATION, LLC, TO CONDUCT AIRCRAFT CHARTER SERVICES AT THE SCOTTSDALE AIRPORT. COMMISSIONER MILBURN SECONDED THE MOTION, WHICH CARRIED 6/0 WITH CHAIR BERRY, VICE CHAIR MCDERMOTT, COMMISSIONERS BERNOSKY, KAPLAN, MIER AND MILBURN VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

5. Discussion and Possible Action Regarding Application for Airport Aeronautical Business Permit for Sawyer MX, LLC., to Conduct Aircraft Maintenance and Repair Services at the Scottsdale Airport

Ms. Williams stated that Sawyer is a long-term tenant of the Airport, with flight school and charter operations under Sawyer Aviation. They have recently expanded their business to add aircraft maintenance services under the separate entity. They have office and hangar space at both the Ross Aviation and Jet Aviation facilities. They have met the requirements of the permit and submitted the proper documentation.

In response to a question from Chair Berry, Chad Verdaglio, President of Sawyer MX, LLC, stated that they will be servicing jet aircraft as well as piston.

In response to a question from Commissioner Milburn, Mr. Verdaglio said the maintenance shop is a stand-alone facility. They will also have 8,000 of floor space in Hangar 6 with Ross.

COMMISSIONER MILBURN MADE A MOTION TO APPROVE THE APPLICATION FOR AN AERONAUTICAL BUSINESS PERMIT FOR SAWYER MX, LLC., TO CONDUCT AIRCRAFT MAINTENANCE AND REPAIR SERVICES AT THE SCOTTSDALE AIRPORT. COMMISSIONER BERNOSKY SECONDED THE MOTION, WHICH CARRIED 6/0 WITH CHAIR BERRY, VICE CHAIR MCDERMOTT, COMMISSIONERS BERNOSKY, KAPLAN, MIER AND MILBURN VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

6. Discussion and Possible Action to Approve Airport Advisory Commission Annual Report

Mr. Mascaro stated that all Board and Commission annual reports are forwarded to City Council in the month of February. He provided a brief overview of the Airport Commission's 2020 report. He reported that he received notice today from the FAA that the federal government has released grant funding to move forward with the Runway Rehab Project. Commission members are welcome to add any additional comments to the report to share with City Council. There were no requests for modifications.

VICE CHAIR MCDERMOTT MADE A MOTION TO APPROVE THE AIRPORT ADVISORY COMMISSION ANNUAL REPORT AS PRESENTED. COMMISSIONER MIER SECONDED THE MOTION, WHICH CARRIED 6/0 WITH CHAIR BERRY, VICE CHAIR MCDERMOTT, COMMISSIONERS BERNOSKY, KAPLAN, MIER AND MILBURN VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

7. Discussion and Possible Action to Recommend Adoption of Resolution No. 12038, Authorizing Lease Agreement with Pantheon Global Realty for the Lease of North General Aviation Executive Box Hangar Space at the Scottsdale Airport

Ms. Williams stated that the first set of seven box hangars under Phase 1 is open. Two Phase 1 units opened in November, 2020. After a mutual lease termination, one vacant unit was leased to Ross Aviation. Pantheon Global Realty would like to lease the second unit. The lease will also require City Council approval at its February 2, 2021 meeting. The lease is for Unit A-5 for a term of 36 months. In response to a Commissioner question, Ms. Williams stated that the pricing was negotiated between the Airport's aviation real estate consultant and the tenant.

VICE CHAIR MCDERMOTT MADE A MOTION TO RECOMMEND ADOPTION OF RESOLUTION NO. 12038, AUTHORIZING LEASE AGREEMENT WITH PANTHEON GLOBAL REALTY FOR THE LEASE OF NORTH GENERAL AVIATION EXECUTIVE BOX HANGAR SPACE AT THE SCOTTSDALE AIRPORT. COMMISSIONER KAPLAN SECONDED THE MOTION, WHICH CARRIED 6/0 WITH CHAIR BERRY, VICE CHAIR MCDERMOTT, COMMISSIONERS BERNOSKY, KAPLAN, MIER AND MILBURN VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

8. Discussion and Possible Action to Recommend Adoption of Resolution No. 12044, Authorizing Contract No. 2021-015-COS with DMD Real Estate Group, LLC., for Aviation Real Estate Brokerage Consulting Services

Ms. Williams stated that the current contract with DMD Real Estate Group ended last December. Over the years, the Airport has benefited from the real estate services provided by DMD Real Estate Group. The Aviation Department and City Purchasing reissued the request for proposals for brokerage services on October 15th and the proposals were due November 10th. The range of services include property analysis, market analysis, leasing services and consulting services. Two proposals were received and reviewed by an evaluation committee. The recommendation is to award the contract to the DMD Real Estate Group. The contract will go to City Council for approval in February.

Commissioner Milburn asked about the number of years under contract with DMD. Ms. Williams stated that the first five-year contract ended in December. The current contract is a one-year term with four one-year renewable extensions.

Commissioner Milburn asked about the extent of use of DMD's consulting services in the past. Ms. Williams stated that hourly consultant rates have been minimal. For the north GA Box Hangars, there was a lump sum to include time for the analysis. On occasion staff will consult with them on advice for a contract. The majority of services will most likely be commissions for finding tenants and for marketing.

Chair Berry recused himself as he had sat on the evaluation committee.

VICE CHAIR MCDERMOTT MADE A MOTION TO RECOMMEND ADOPTION OF RESOLUTION NO. 12044, AUTHORIZING CONTRACT NO. 2021-015-COS WITH DMD REAL ESTATE GROUP, LLC FOR AVIATION REAL ESTATE BROKERAGE CONSULTING SERVICES. COMMISSIONER BERNOSKY SECONDED THE MOTION, WHICH CARRIED 5/0 WITH VICE CHAIR MCDERMOTT, COMMISSIONERS BERNOSKY, KAPLAN, MIER AND MILBURN VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES. CHAIR BERRY WAS RECUSED.

9. Discussion and Possible Action to Recommend that City Council Adopt Resolution 12045 Authorizing On-Call Engineering Services Contract Amendment 2018-055-COS-A1 with Mead & Hunt, Inc., Increasing the Annual Contract Expenditure Limit from \$1,000,000 to \$1,500,000 for Design and Construction Administration of Various Aviation Department Projects

Chris Read, Assistant Aviation Director – Operations, stated that Mead & Hunt provides the Airport with construction and administration services for large airfield projects. With larger projects, such as the box hangars and runway project, there will be a need to exceed the \$1 million limit.

Commissioner Milburn asked whether the contract would revert to the \$1 million limit at the end of the year and upon contract renewal. Mr. Read clarified that the amendment would continue through the end of the five-year contract.

In response to a question from Chair Berry, Mr. Read confirmed that a contract amendment would have to be executed in order for the contract to go above \$1.5 million. However, this is not expected to be necessary.

VICE CHAIR MCDERMOTT MADE A MOTION TO RECOMMEND ADOPTION OF RESOLUTION NO. 12045, AUTHORIZING CONTRACT NO. 2021-055-COS-A1 WITH MEAD & HUNT, INC., INCREASING THE ANNUAL CONTRACT FROM \$1,000,000 TO \$1,500,000 FOR DESIGN AND CONSTRUCTION ADMINISTRATION OF VARIOUS AVIATION DEPARTMENT PROJECTS. COMMISSIONER MIER SECONDED THE MOTION, WHICH CARRIED 6/0 WITH CHAIR BERRY, VICE CHAIR MCDERMOTT, COMMISSIONERS BERNOSKY, KAPLAN, MIER AND MILBURN VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

10. Discussion and Input Regarding the monthly Construction Report

Mr. Read reported that the first phase of the box hangars is complete. Phase 2 is just beginning, with pavement removal, underground utilities and building footers in progress. The Runway Rehabilitation project is in the preconstruction phase with this portion to be completed in February or March 2021. Construction is scheduled to commence in July, 2021.

In response to a question from Chair Berry, Mr. Read stated that the estimated time for completion of construction is 45 days.

11. Discussion Input Regarding Monthly Operations Report for November and December, 2020

Mr. Read stated that the based aircraft numbers for the period (195,852) surpassed the totals for the same period last year (186,514). IFRs were also 1.8 percent higher than the same period last year.

There were two Alert 2s for the time period. The most significant enforcement action for the period resulted in the issuance of a civil citation to a pedestrian, who entered the movement area without authorization. U.S. Customs revenue totaled \$93,900 with 168 uses and 112 U.S. visit flights. Fiscal year-to-date revenues surpassed the totals for the same period last year, as did total uses. There were 42 PPRs for Calendar Year 2020.

In response to a question from Commissioner Mier, Mr. Read stated that all buildings on the Airport perimeter are required to maintain a security plan. One gate was found to be not locking or closing and this was identified as a security plan violation.

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

Ms. Williams noted that the three new permits from this agenda are included on the list. Jet Aviation's AVP was changed to a fixed-based operator, as they opened up as an FBO earlier in the month. Southern Sky Aviation Charters cancelled its charter permit. Mobile Inn cancelled its hangar shade AVP. November fuel revenues are up significantly over last year. For the November comparison, the jet gallons sold by FBOs are up 31 percent. AVGAS is down 1.5

percent. Airpark fuel is down 10 percent. Overall for November, gallons are up 17.1 percent. For fiscal year-to-date, jet fuel sales are up 25.3 percent for FBOs. AVGAS is up 3.3 percent and Airpark is down 3.3 percent. Actual gallons pumped year to date total 4.28 million, representing a 14 percent increase over last year. Customs activity continues to increase as the winter season progresses.

13. Discussion and Input Regarding Financial Report for November, 2020

Ms. Williams stated that the approved budget for revenues through November, 2020 was \$1.9 million. Actuals came in at \$2.2 million. The expense budget was \$1.1 million and actuals came in at \$906,000. Total revenues were \$491,842, compared with \$462,514 last year. Expenses were \$132,868 compared with \$301,912 last year. The Aviation Fund cash balance is \$6.4 million as of November 30th.

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

Ms. Ferrara reported on reviewing the Airport noise abatement program with new flight training company, Climb 250. Five voluntary curfew letters were sent out in November and nine in December. The Planning and Zoning reports listed one project within the Airport Influence Area in November and six in December. A listserv was sent out on the Jet Aviation opening and completion of Phase 1 of the box hangar project. A press release was issued on the city construction projects. There was coverage in local news and via Business Airport International. Fox 10 requested information on Airport operations and impacts due to the pandemic. Staff is in the process of updating collateral material to include the introduction of new FBO Jet Aviation. The Runway Rehab webpage is updated on a regular basis.

15. Discussion and Input Regarding Quarterly Noise Complaint Summary Report

Ms. Ferrara stated that there were 19 callbacks and one email response by staff. There were 24 new complaints and 33 repeat complaints, which is comparable to the same period last year. There were 10,074 complaints for 2020, due in large part to a single complainant submitting a total of 9,845 complaints. Removing the complaints from this single individual, the total complaints for the quarter was 229.

In response to a question from Commissioner Mier, Ms. Ferrara stated that staff has attempted to have a dialogue with the main complainant, however, the submissions have continued.

16. Administrative Report from the Aviation Director or Designee Regarding the Statute of Pending Aviation-Related Items

Mr. Mascaro reported that the amendments to the lease agreements were approved by City Council on consent on December 1st. The three items the Commission just voted to approve will go on consent for the February 2nd City Council meeting. There were no updates to the report on aviation-related items to the Planning Commission, Design Review Board or City Council.

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

There were no changes to the calendar.

ADJOURNMENT

With no further business to discuss, being duly moved by Commissioner Mier and seconded by Vice Chair McDermott, the meeting adjourned at 6:01 p.m.

AYES: Chair Berry, Vice Chair McDermott, Commissioners Bernosky, Kaplan, Mier and Milburn

NAYS: None

SUBMITTED BY:

eScribers, LLC