

APPROVED SEPTEMBER 20, 2023



**SCOTTSDALE AIRPORT ADVISORY COMMISSION
PUBLIC MEETING
Scottsdale Airport Aviation Business Center
Stearman/Thunderbird Meeting Room
15000 N. Airport Drive
Scottsdale, Arizona
Wednesday, June 21, 2023**

MINUTES

PRESENT: Charles McDermott, Chair (telephonic)
Peter Mier, Vice Chair
Larry Bernosky
Michael Goode (telephonic)
David Reid (telephonic)

ABSENT: Ken Casey
John Spalj

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

GUESTS: Stephanie Pressler, Experience Scottsdale
John Berry
Scott Casey, PrismJet
Darren Blackett, CB Aviation
George Kurtz

CALL TO ORDER

The meeting was called to order at 5:00 p.m.

ROLL CALL

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

AVIATION DIRECTOR'S REPORT

Gary Mascaro, Aviation Director, congratulated Carmen Williams on her last Airport Advisory Commission meeting and her seven years of service at Scottsdale Airport.

1. Regular Meeting: May 17, 2023

One correction was made, with Chair McDermott's name being removed from the adjournment vote.

COMMISSIONER BERNOSKY MADE A MOTION TO APPROVE THE REGULAR MEETING MINUTES OF MAY 17, 2023 AS AMENDED. COMMISSIONER BERNOSKY SECONDED THE MOTION, WHICH CARRIED 5/0 WITH CHAIR MCDERMOTT, VICE CHAIR MIER AND COMMISSIONERS BERNOSKY, GOODE, AND REID VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

PUBLIC COMMENT

There were no public comments.

REGULAR AGENDA ITEMS 1-14

1. Discussion and possible action regarding application for Airport Aeronautical Business Permit for PrismJet, LLC, to conduct aircraft management and brokerage services at Scottsdale Airport

Carmen Williams, Aviation Finance & Administration Manager, stated that PrismJet will start its charter services this month and offer aircraft management services beginning in July. The company has acquired office space at Signature private hangars and have met all the requirements of the aeronautical business permit. Company Vice President, Scott Casey, was present to answer questions. In response to a question from Chair McDermott, Mr. Casey stated he is no longer associated with Pinnacle as of August, 2022.

COMMISSIONER REID MADE A MOTION TO APPROVE THE APPLICATION FOR AN AIRPORT AERONAUTICAL BUSINESS PERMIT FOR PRISMJET AIR, LLC TO CONDUCT AIRCRAFT MANAGEMENT SERVICES AT SCOTTSDALE AIRPORT. COMMISSIONER GOODE SECONDED THE MOTION, WHICH CARRIED WITH CHAIR MCDERMOTT, VICE CHAIR MIER AND COMMISSIONERS BERNOSKY, GOODE, AND REID VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

2. Discussion and possible action regarding application for Airport Aeronautical Business Permit for CB Aviation, LLC, to conduct aircraft charter/management services at Scottsdale Airport

Ms. Williams stated that the company is based in Utah and has acquired office space at Jet Aviation's FBO facility. They have met all the requirements of the aeronautical business permit. Darren Blackett, Vice President of Sales, was present to answer questions. In response to a question from Vice Chair Mier, Mr. Blackett stated that the company has 20 aircraft. They began in 2009 as a brokerage. In 2012, they expanded to purchase of an FBO and began charter services approximately five years ago.

COMMISSIONER BERNOSKY MADE A MOTION TO APPROVE THE APPLICATION FOR AN AIRPORT AERONAUTICAL BUSINESS PERMIT FOR CB AVIATION, LLC, TO CONDUCT AIRCRAFT CHARTER/MANAGEMENT SERVICES AT SCOTTSDALE AIRPORT. COMMISSIONER GOODE SECONDED THE MOTION, WHICH CARRIED 5/0 WITH CHAIR MCDERMOTT, VICE CHAIR MIER AND COMMISSIONERS BERNOSKY, GOODE, AND REID VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

3. Annual update from Experience Scottsdale

Stephanie Pressler, Director of Community and Government Affairs, Experience Scottsdale, provided the presentation. Experience Scottsdale is a nonprofit private company, known as a Destination Marketing Organization (DMO) and has been the sole organization responsible for establishing Scottsdale as a year-round luxury travel destination for 36 years. This is accomplished via promotion of Scottsdale to national and international audiences, including leisure visitors, travel advisors, tour operators, meeting and incentive planners and the media. In 2021, 9.7 million visitors traveled to Scottsdale. In order to stand out from other destinations, a strong brand is needed. Time, research, testing and development go into creating an effective and appealing destination brand.

A review of marketing strategies and projects was provided. Year-to-date, the PR team has generated 1,300 positive media hits about Scottsdale. This includes pitching Scottsdale stories, meeting with editors on the road and hosting press trips for journalists. Meetings and conference typically account for nearly half of all occupancy and revenue at resorts and hotels. Fiscal year-to-date, over 400 bookings for Scottsdale area resorts and venues have been secured. During the past year, over 1,500 travel professionals were trained to sell Scottsdale vacations during product trainings, which always include information on Scottsdale Airport. Information on the Airport's amenities and FBOs is shared with luxury travel advisors. Experience Scottsdale partners with the Airport for the National Business Aviation Association conference in Orlando, Florida. A brief overview of the Tourism and Events Strategic Plan was provided.

In response to a question from Vice Chair Mier, Ms. Pressler stated that summer is the slow season, with a drop-off in travel. Experience Scottsdale runs a summer campaign to target warm weather as well as humid markets.

4. Discussion and possible action for a recommendation to the Plaintiff's Counsel and City Council regarding Case 13-ZN-2022, a request by owner for a zoning district map amendment from General Commercial (C-4) to Planned Airpark Core Development - Airpark Mixed Use Residential, Planned Shared Development (PCP-AMU-R-PSD), including a development plan with bonus development standards for building height up to 119 feet and floor area ratio up to 1.73, to allow a mixed-use development with approximately 1,236 dwelling units, 223 hotel keys and 253,000 square feet of commercial floor area on a +/- 32.29 gross acre site located at 16011 N. Scottsdale Road.

Bryan Cluff, Planning Manager, identified the site location, which is located in the Airpark Mixed Use Residential land use designation and within the AC-1 Airport Influence Area. It is located outside the of the 55 DNL contour. The current owner is looking to rezone the site from General Commercial to Planned Airpark Core within the Airpark mixed use subcategory and a Planned Shared Development District overlay. This will redevelop the site to a mixed use development, which will include multiple buildings with approximately 1,236 residential units and 253,000 square feet of commercial floor area. Site cross-sections and land uses were reviewed, with building heights ranging from 30 feet to 119 feet. The Part 150 Noise Compatibility Study Land Use Measure allows for residential uses, subject to conditions. Development will be subject to a height analysis and approval, avigation easement and fair disclosures.

Applicant representative, John Berry, introduced project owner, George Kurtz, who gave a slide presentation on FalconEye Ventures' investments and development properties in the Airpark and Airport vicinities. Mr. Berry noted that the Greater Airpark Character Area Plan is designated as a location for residential development. In addition, the site along Scottsdale Road is designated as a regional core appropriate for the greatest intensity. This includes the site plan's five-star hotel and hotel branded condominiums, which will be serviced by the hotel. Across the street from Scottsdale is an old area of the City of Phoenix. The City of Phoenix City Council approved a 165-foot tall building on that corner, which is taller and more dense than what is being proposed on the Scottsdale side. A comparison of the proposed development site to Scottsdale Quarter and Scottsdale Civic Center Plaza was provided, particularly in terms of the two-acre open space incorporated into the proposed development.

Mr. Berry discussed the proximity of the project site to the Airport, which is located in AC-1, outside of the 55 DNL and three-quarters of a mile from the runway. All of the uses are permitted under the Part 150 Land Use Matrix. Additional requirements include disclosure and an avigation easement. The developer proposed to do noise mitigation commensurate with construction on the property on a voluntary basis. Only one building will reach 119 feet, including all mechanical components. The minimum clearance in the parcel is 156 feet and zoning allows for a request of 234 feet. The next highest building is 109 feet. Others are 90 feet down to 30 feet. As a result, there will be no requirement of blinking red lights. In terms of vehicular traffic, the property has existing zoning with the right to build without approval from the Planning Commission or City Council. The proposed development will reduce traffic volumes by 54 percent. The development will generate \$83 million in construction sales tax. Upon completion, the City will receive over \$94 million in direct annual benefits. The development volunteers to do the noise attenuation, normally only required when a property is within the 55 DNL and with AC-2.

In response to a question from Vice Chair Mier, Mr. Berry stated that in terms of a timetable, they anticipate commencement in two years.

Chair McDermott noted that project is different than the last project reviewed by the Commission, as it is located in the horizontal surface and not the conical surface. This does not necessarily pose a concern in terms of penetration. The horizontal surface is 150 feet above the established Airport elevation, which is 1,510.3 feet, making the horizontal surface 1,660.3 feet. He asked whether the applicant has filed an 7460-1 Airspace review with the FAA. Mr. Berry thanked Chair McDermott for the clarification and confirmed that they have filed the 7460-1 Airspace review. The determination is pending. Chair stated that he supports the development.

In response to a question from Chair McDermott, Mr. Berry stated that they are looking at ways to add sustainable elements to the project, which may include solar panels or recreational elements, such as pickleball courts on top of the garage. In response to a request for clarification, Mr. Cluff stated that solar panels are not a typical requirement in the planning process.

In response to a question from Commissioner Bernosky, Mr. Berry stated that other sustainability options for consideration include reuse and reduction of water consumption and indoor sustainability measures. This includes consideration of materials used in construction, installation of electric charging stations and bicycle stations.

Commissioner Bernosky asked about planned amenities. Mr. Berry stated that this is still in the planning stage, however, there is consideration for farmers markets, public park and open spaces. Dwelling will be a mix of rented and owned units. Vice Chair Mier commented that the proposed development is a good fit for the area.

In response to a question from Commissioner Bernosky, Mr. Berry stated that the site is over 32 acres with 30 percent open space.

CHAIR MCDERMOTT MADE A MOTION TO RECOMMEND TO THE PLANNING COMMISSION AND THE CITY COUNCIL REGARDING CASE 13-ZN-2022 A REQUEST BY OWNER FOR A ZONING DISTRICT MAP AMENDMENT WITH STIPULATIONS: 1) THE APPLICANT SHALL RECEIVE FROM THE FEDERAL AVIATION ADMINISTRATION (FAA) A "DETERMINATION OF NO HAZARD TO AIR AVIGATION," WITHOUT THE USE OF (RED) OBSTRUCTION LIGHTING RESULTING FROM THE SUBMISSION OF A NOTICE OF PROPOSED CONSTRUCTION OR ALTERATION-OFF AIRPORT (FORM 7460-1). 2) THE MAXIMUM HEIGHT OF ANY PORTION OF THE PROPOSED PROJECT SHALL REMAIN BELOW THE ESTABLISHED HORIZONTAL SURFACE ELEVATION OF 1,660.3 FEET FOR SCOTTSDALE AIRPORT AS DEFINED BY 14 CFR PART 77. 3) IF PROPOSED DEVELOPMENT PLANS TO INSTALL SOLAR PANELS, A GLARE ANALYSIS IS REQUIRED TO BE PROVIDED TO THE CITY.

Discussion:

Vice Chair expressed support regarding inclusion of the comments regarding red lights, which may impede Council's hands. Chair clarified that the motion indicated, "without use of red obstruction lighting..." Discussion ensued, with Mr. Mascaro stated that there will likely be a determination notice by the FAA before the project goes before City Council. The motion states that if there is a determination notice from the FAA requiring installation of red lights, the motion then advises against approval of the project. The approval process begins with the Airport Advisory Commission. The recommendation is brought next to the Planning Commission with City Council making the final determination. The Planning Commission does not overrule the Airport Commission's recommendation. The City Council receives separate recommendations from both the Airport Advisory Commission and the Planning Commission. He read back the motion for review.

COMMISSIONER BERNOSKY SECONDED THE MOTION, WHICH CARRIED 5/0 WITH CHAIR MCDERMOTT, VICE CHAIR MIER AND COMMISSIONERS BERNOSKY, GOODE, AND REID VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

5. Adopt Resolution No. 12859 authorizing Lease Agreement No. 2023-087-COS with Aerobat Ventures, LLC for the lease of General Aviation box hangar space at Scottsdale Airport.

Ms. Williams stated that in March, there was termination with the lease agreement in the tenant at Box Hangar 105. The Airport's real estate consultant recommended Aerobat Ventures, LLC to occupy the hangar starting in mid-April. In order to allow the tenant to occupy the hangar on April 14th, a short-term license agreement was executed, with a full-term lease agreement to commence with a 60-month term. The lease requires City Council approval at its July 10th meeting.

COMMISSIONER BERNOSKY MADE A MOTION TO AUTHORIZE LEASE AGREEMENT NO. 2023-087-COS WITH AEROBAT VENTURES, LLC FOR THE LEASE OF GENERAL AVIATION BOX HANGAR SPACE AT SCOTTSDALE AIRPORT. CHAIR MCDERMOTT SECONDED THE MOTION, WHICH CARRIED 5/0 WITH CHAIR MCDERMOTT, VICE CHAIR MIER AND COMMISSIONERS BERNOSKY, GOODE, AND REID VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

6. Discussion and possible action to recommend to City Council adoption of Resolution No. 12858 authorizing the award of the base bid and add alternatives No. 1 and No. 2 for Contract No. IFB-032023-071 with J. Banicki Construction, Inc., in the amount of \$1,212,134.50 to construct perimeter road improvements at Scottsdale Airport and authorize a FY 2023-24 appropriation contingency transfer up to \$650,000 from the Airport Future Grants Contingency (ZB53) to the Airport Perimeter Road Construction Capital Project (AI03) to be funded by the Operating Aviation Fund undesignated, unreserved ending fund balance.

Chris Read, Assistant Aviation Director-Operations, identified this as the Airport Perimeter Road Project. The site location was identified. It is used by emergency vehicles, service vehicles and City vehicles to get around the Airport without having to cross the runway. The road was originally constructed in 2003 and is now beyond its usable life. ADOT provide a grant for reconstruction. However, increased costs have necessitated a request for contingency of \$650,000. The project duration is estimated to be 27 days. No runway closures will be associated with the project.

COMMISSIONER BERNOSKY MADE A MOTION TO RECOMMEND TO CITY COUNCIL ADOPTION OF RESOLUTION NO. 12858 AUTHORIZING THE AWARD OF THE BASE BID AND ADD ALTERNATIVES NO. 1 AND NO. 2 FOR CONTRACT NO. IFB-032023-071. CHAIR MCDERMOTT SECONDED THE MOTION, WHICH CARRIED 5/0 WITH CHAIR MCDERMOTT, VICE CHAIR MIER AND COMMISSIONERS BERNOSKY, GOODE, AND REID VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

7. Discussion and possible action to recommend to City Council adoption of Resolution No. 12876 authorizing the award of Contract No. IFB-032023-074 with J. Banicki Construction, Inc., in the amount of \$901,015.55 to construct Airport Drive improvements at Scottsdale Airport and authorize a FY 2023/24 appropriation contingency transfer up to \$125,000 from the Airport Match Contingency (ZB52) to the Rehabilitate Airport Drive Capital Project (AJ02) to be funded by the Operating Aviation Fund undesignated, unreserved ending fund balance.

Mr. Read identified the project area. A contingency is requested in order to cover increased costs. The project is funded 90 percent via a grant from ADOT Aeronautics. A budget adjustment is being made to account for design and construction administration. The project duration is approximately nine working days.

COMMISSIONER BERNOSKY MADE A MOTION TO RECOMMEND TO CITY COUNCIL ADOPTION OF RESOLUTION NO. 12876 AUTHORIZING THE AWARD OF CONTRACT NO. IFB-032023-074 WITH J. BANICKI CONSTRUCTION, INC. CHAIR MCDERMOTT SECONDED THE MOTION, WHICH CARRIED 5/0 WITH CHAIR MCDERMOTT, VICE CHAIR MIER AND COMMISSIONERS BERNOSKY, GOODE, AND REID VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

8. Discussion and input regarding Monthly Operations Report

Mr. Read stated that total operations are down 4.4 percent over last year and IFRs are down 12.7 percent. There was one alert 2. Enforcement actions consisted primarily of parking violations and after hours flight stop and goes and touch and goes. U.S. Customs revenue for May totaled \$104,125 with total uses of 174 and 10 U.S. visits. Revenues are up slightly compared to last fiscal year. Total uses fiscal year to date are 1,803 compared to 1,846 last year. PPRs total 70 this calendar year.

Commissioner Bernosky asked about the relationship between the number of operations and fuel flowage. Mr. Read stated that there is not a comparison, as many of the operations are local, including touch and goes, which account for two operations in each instance.

9. Discussion and input regarding Monthly Construction Report

Mr. Read stated that the report is essentially the same as last month. The Perimeter Road and Airport Drive projects were moved from the bidding phase to the award phase.

10. Discussion and input regarding Airport and Airpark Aeronautical Business Permit additions, revocations and cancellations

Ms. Williams stated that the report includes two aeronautical business permits from tonight's agenda. There was a cancellation of the Scott Air, LLC dba Island Air Express permit.

- 11.

Discussion and input regarding Monthly Financial Report for April 2023

Ms. Williams stated that the approved budget for revenues was \$6.8 million, with actuals at \$8 million. The expense budget was \$2.47 million with actuals coming in at \$98,000 above budget. Compared to last year, revenues are \$46,000 lower. Expenses were higher by \$87,000. The aviation cash balance was \$10.8 million as of April 30th. FBOs accounted for 78.6 percent of all fuel sold. AVGAS was 2.5 percent and Airpark operators were at 18.9 percent. Total gallons pumped was 1.67 million, down 10.6 percent from last year. Fiscal year to date totals are 1.5 percent greater than last year with a difference of 206,000 gallons.

12. Discussion and input regarding Public Outreach Programs and Planning Projects

Sarah Ferrara, Aviation Planning & Outreach Coordinator, stated that the FAA Performance Based Navigation team held initial procedure design meetings, with the City of Scottsdale and their consultant attending. A pilot briefing was held on May 30th with approximately 50 participants. The FAA held its annual Runway Safety Action Team meeting on June 13. For May, there were five projects in planning and zoning. Listserv notices continue to be sent out as needed. The most recent edition included the Airport's induction into the Chamber's History Hall of Fame. Another listserv was issued on the Airport's Sustainability Report. Airport staff presented at the annual Scottsdale Chamber's Economic Development and Advisory Council.

13. Administrative report from the Aviation Director, or designee, regarding the status of pending aviation-related items

Mr. Mascaro stated that the Parque was just discussed and will be updated at the next meeting. The Key Hangar was approved by the Design Review Board. The Key Essential Hangar use permit was approved on June 13th by City Council.

14. Discussion and possible action to modify the Airport Advisory Commission meeting schedule and Commission item calendar

The next meeting is scheduled for September 20th.

PUBLIC COMMENT

There were no public comments.

FUTURE AGENDA ITEMS

There were no items added.

ADJOURNMENT

With no further business to discuss, being duly moved by Commissioner Bernosky and seconded by Commissioner Goode, the meeting adjourned at 6:24 p.m.

AYES: Chair McDermott, Vice Chair Mier, Commissioners Bernosky, Goode and Reid

NAYS: None

SUBMITTED BY:

eScribers, LLC