

**UKIAH REGIONAL AIRPORT COMMISSION**  
**May 6, 2014**  
**Minutes**

**COMMISSIONERS PRESENT**

Carl Steinmann, Chair  
Eric Crane  
Don Albright  
Gordon Elton

**STAFF PRESENT**

Greg Owen, Airport Manager  
Cathy Elawadly, Recording Secretary

**COMMISSIONERS ABSENT**

Dottie Deerwester

**OTHERS PRESENT**

**1. CALL TO ORDER**

The Airport Commission meeting was called to order by Chair Steinmann at 6:00 p.m. at the Ukiah Regional Airport, Old Flight Service Station, 1403 South State Street, Ukiah, California. Roll Call was taken with the results listed above.

**2. PLEDGE OF ALLEGIANCE** - Everyone recited the pledge of allegiance.

**3. APPROVAL OF MINUTES** – April 1, 2014

**M/S Albright/Elton** to approve April 1, 2014 minutes, as submitted. Motion carried (4-0).

**4. AUDIENCE COMMENTS ON NON-AGENDA ITEMS**

**5. DISCUSSION/ACTION**

**5B. Airport Maintenance**

**Airport Manager Owen** gave an update on maintenance at the Airport that includes:

- Weed abatement on the runway/taxiways and other paved areas.
- General maintenance to hangars.
- Gate maintenance.
- Maintenance to building/area where small equipment business formerly operated at the northwest corner of the Airport.
- Other clean-up/maintenance completed.

**5C. Fuel Tank**

**Airport Manager Owen:**

- A decision whether to purchase a self-fuel tank or a bulk stand-alone storage tank has not been made.
- Staff has deferred formulating specifications for compliance with standard requirements related to fuel systems/tanks to Mead & Hunt consultants who are experienced professionals in this regard.
- Staff will provide Commission updates concerning the potential purchase of a fuel tank(s).
- Caltrans Division of Aeronautics has loans available to airports and Staff is looking into whether or not this would be an economical feasible approach to take with regard to potential purchase of a fuel tank.

**Commissioner Albright** inquired about contact person(s) either with the FAA and/or Mead & Hunt concerning the issue of potentially having to reduce the runway width to comply with FAA standards.

A discussion followed regarding those runway standards.

**5A. Letter to City Manager**

**Airport Manager Owen:**

- Referred to letter from City Manager Chambers dated April 29, 2014 in response to Airport Commission concern with City departments use of the northeast corner of the Airport.
- Has met with the Director of Public Works where an agreement has been reached for rent to be paid for the bridge that is currently stored in the yard. The rental fee is essentially the equivalent of a tie-down fee.
- The City Electrical Department has also agreed to pay rent for the area they are using in the amount \$225 per month that is based on the amount of square footage being used.
- The City Purchasing Department is currently auctioning City vehicles being stored in the northeast corner of the Airport that will be removed when the auction is completed.

**5D. Airport Business Plan / Buildings**

**Airport Manager Owen:**

- Referred to the Building Inventory list formulated by staff that will be included in the Airport Business Plan. Information will be provided in the categories specified on the list and the categories possibly expanded as necessary. The list is a valuable tool that will provide information about buildings on the Airport.
- Recommended a sub-committee help formulate the information contained on the building inventory list.

**Commission:**

- The next step will be to provide a survey of the condition of the buildings.
- Supports the existing maintenance sub-committee work on the building inventory list project.

**5E. Lease Recommendations**

**Airport Manager Owen:**

- Referred to the Lease Summary for Northern Sky RV and Chico Model A for Commission review.

Northern Sky RV Lease Summary:

**Staff:**

- While Airport policy requires that uses be airport-related, the proposed use is low impact and consistent with the Land Use Plan objective adopted for the Airport for how the Airport is currently developed. It may be if the northeast area is later developed with taxiways, etc., that the associated uses must be airport-related.
- This particular site has not been leased since the former lumberyard business vacated.
- The proposed use is for storage of recreational vehicles.
- Lease is month-to-month with an annual renewal option.
- Leased area includes approximately 1,200 sq ft of storage building space and 14,400 sq. ft of unpaved ground space to be leased at \$888/per month.
- The northeast corner contains approximately 60,000 sq ft of leasable space. It may be the proposed tenant will request additional space once the business operates. Such a request for additional space must be compliant with FAA regulations and the Building Restriction line.
- Even though improvements have been made to the existing building on the site over the years, it cannot be used for office space because it is not ADA accessible. The new tenant intends to use this building for storage purposes.

**Commission:**

- Approves of the lease and that some of this vacant space is being leased.
- Had questions about potential tenant improvements such as a new perimeter fence that is likely necessary for security purposes and how this would work in terms of possible rent reduction/compensation over time.
- Is of the opinion the public should not have access to the site primarily for liability purposes and as such should be reflected in the lease summary. Persons coming and going with recreational vehicles should have an employee escort. Asked staff to find out how the tenant intends to address comings and goings of recreational vehicles.

- 1 • Would like the tenant to agree not to allow the public to come and go on the site unattended by  
2 employees.
- 3
- 4 • There were questions about appropriate business hours. Asked staff to consult with the tenant  
5 about hours of operation. Preference would be to allow access during regular business hours, if  
6 this is reasonable.
- 7 • Is fine with the proposed use and understands that this non-aviation use may not be acceptable  
8 should the Airport develop to accommodate more airport-related uses.
- 9 • Likes that the lease is a month-to-month annual lease should there be a demand for an aviation-  
10 related use in that area and/or that the area is developed to be able to accommodate aviation-  
11 related uses.
- 12 • If fencing improvements are made by the tenant it would be beneficial to have slats placed in the  
13 fence for aesthetic and security reasons. There was Commission discussion about how much  
14 fencing would be adequate.
- 15

16 **Commissioner Elton** requested clarification Northern Sky RV will rent space to tenants for storage of  
17 their RVs and questioned whether \$888/mo was sufficient.

18 **Staff:**

- 19 • Confirmed Northern Sky RV will rent space to his tenants and is of the opinion the rent amount  
20 was sufficient noting the rent amount was based on 14,400 sq ft of un-paved ground at \$.02 per  
21 sq ft per month. Should Northern Sky RV expand his business the rental amount could be as high  
22 as approximately \$3,000 per month. The space currently being leased will be monitored by  
23 Airport staff such that the tenant does not encroach on space he is not paying rent for.
- 24
- 25

26 There was staff/Commission discussion related to whether or not the RV storage business should be  
27 allowed to dump waste into the on-site sewer facility. The Commission is firmly of the opinion the site  
28 should never be used as a RV dump station and only for storage recreational vehicles.

29  
30 **Chico Model A Lease Summary**

31 **Staff:**

- 32 • Term of lease is month-to-month with an annual renewal option.
- 33 • Location is the northwest corner of the Airport where the small equipment repair business  
34 formerly operated.
- 35
- 36

37 **Commission:**

- 38 • Questioned how rent amounts are calculated.
- 39 • Can the existing building be used for office space?
- 40 • Requested clarification that the rent section of the lease summary should say, 'approximately  
41 7,550 sq ft of 'paved' ground at \$.03 per sq ft per month.
- 42 • Approves of the lease and the new tenant.
- 43

44 **Staff:**

- 45 • The Airport essentially has a rent rate schedule that is based on square footage of a building and  
46 square footage of ground space (paved or unpaved). Consideration is also given to the condition  
47 of a particular building comparable to other buildings with similar square footage and condition.
- 48 • While the building could be used for office space, it has been used as a 'garage-repair type use  
49 for many years and is not really set up for an office use. The building is not in the best of  
50 condition and needs work/renovation.
- 51 • Confirmed the rent should be based on 'paved' ground rather than 'unpaved' ground.
- 52

53 **M/S Albright/Crane** to recommend City Council approve the leases from Northern Sky  
54 RV and Chico Model A, as presented with modification to the Northern Sky RV lease that there would be  
55 no public use of the site. Motion carried (4-0).

1 **6. REPORTS**

2 **6A. Airport Monthly Financial Report**

3 **Airport Manager Owen:**

- 4 • Referred to the Year-to-Date financial totals concerning fuel sales and revenue from FY 2010  
5 through April 2014 for Commission review.

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7 **Commission:**

- 8 • Likes being able to review financial updates concerning fuel sales and revenue for fiscal year  
9 comparison purposes.  
10 • There was discussion concerning the data presented with regard to the number of gallons of fuel  
11 sold for the various fuel types.  
12 • The information provides a valuable hands-on approach to see where the Airport stands on fuel  
13 sales during high and low peak periods.  
14 • There was also discussion regarding Calstar fuel sales and the benefit thereof.

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16 **6B. Airport Day**

17 **Airport Manager Owen** reported Airport Day preparation is coming together nicely.

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19 **6C. ALP Update**

20 **Airport Manager Owen:**

- 21 • Mead & Hunt anticipates bringing forth information regarding the ALP Update in June.  
22 • Will keep the Commission informed about the ALP update.

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24 **7. AGENDA ITEMS FOR NEXT MONTH**

- 25 1. Airport Maintenance  
26 2. Airport Day  
27 3. Fuel Tank  
28 4. Airport Business Plan  
29 5. Airport Monthly Financial Report  
30 6. ALP Update

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32 **8. COMMISSIONER COMMENTS/STAFF COMMENTS**

33 **Airport Manager Owen** advised the City Manager and/or City Director of Finance will attend a  
34 Commission meeting to address the Airport budget to include some changes.

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36 **Commissioner Crane** recently received email correspondence from an airport user complaining about  
37 the cost of fuel at the Airport. This triggered a discussion about fuel sales that included the following  
38 comments:

- 39 • Questions the Airport's fuel mark-up policy. Is it fair/reasonable/accurate and provides the  
40 greatest financial return possible at all times? Should it be modified to reflect more market rate  
41 statistics or directly reflect supply on-hand and demand or a combination of both scenarios?  
42 • Fuel sales should not be lost because prices are set too-high.  
43 • While the Airport follows a mark-up margin plus or minus, does this truly reflect what the fuel  
44 market is actually doing?  
45 • How can the Airport be more a-tune to market rates while ensuring sufficient supply is on-hand?  
46 • How much fuel should the Airport maintain on-hand? How frequent should fuel purchases occur  
47 in direct response to supply/demand and response to current market rates?  
48 • Should the Airport offer incentives to purchase a certain number of gallons of fuel like other  
49 airports that provide free amenities based on a certain amount of gallons of fuel purchased.  
50 • While it is apparent and crucial the fuel supply should be adequate during peak fire season, how  
51 much is really necessary to offset fuel sales and purchase costs during less intense sale periods  
52 such as winter time months. Can staff rely on fuel sales data when to purchase fuel or should  
53 market rate trends from other airports dictate when fuel should be purchased and how much.  
54 • Having a larger fuel farm would be beneficial during peak fuel demand so that sales are not lost.

- 1 • Also need to have an understanding how much fuel pilots typically can hold in a tank to anticipate  
2 fuel purchases and add incentive for pilots to purchase more fuel.
- 3 • How much should staff rely on fueling statistics with regard to fuel purchase and mark-up. Should  
4 it be more market driven? Again, how much should staff follow market rate trends at other  
5 airports?
- 6 • Possibly consider revisiting existing Airport policy concerning mark-up policy/procedures where  
7 the intent is to make certain the Airport is receiving maximum financial return on fuel sales to  
8 offset the cost of fuel purchases such that supply/demand reflect optimum/prime sales and  
9 market rate statistics.

10  
11 **Airport Manager Owen:**

- 12 • Advised of two new GPS Departure procedural advisory instructions that will soon be published  
13 for pilot use.

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15 **9. ADJOURNMENT**

16 There being no further business, the meeting adjourned at 8:20 p.m.

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20 Cathy Elawadly, Recording Secretary  
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