

UKIAH REGIONAL AIRPORT COMMISSION
November 5, 2013
Minutes

COMMISSIONERS PRESENT

Carl Steinmann
Eric Crane
Dottie Deerwester
Gordon Elton
Don Albright

STAFF PRESENT

Greg Owen, Airport Manager
Ken Ronk, Airport Assistant
Cathy Elawadly, Recording Secretary

COMMISSIONERS ABSENT

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 – October 1, 2013

M/S Crane/Elton to approve October 1, 2013 minutes, as submitted. Motion carried (4-0) with Commissioner Albright abstaining.

4. AUDIENCE COMMENTS ON NON-AGENDA ITEMS

Airport Manager Owen introduced new Airport employee Carson Gibson and provided information about his background and work expertise.

5. DISCUSSION/ACTION

5B. Airport Maintenance

Airport Manager Owen:

- Vortex Doors from South San Francisco spent time servicing hangar doors and educating staff on service techniques that can be done to help preserve and properly maintain hangar doors.
- Vortex Doors spent extensive time with one hangar door that has been very problematic to get it to function better.
- Some of the hangars have structural issues for one reason or another that prevent hangar doors from opening and closing properly.
- There are more doors needing repair so staff is planning on scheduling Vortex to return to make more adjustments and replace springs and/or other relevant parts.
- Hangar tenants are contacted in advance notifying them of intended hangar door maintenance and possible repair.

Commission:

- There was general discussion concerning the condition of certain hangar doors based on the description of the issues and whether or not it is realistically possible they will ever function properly if repairs or adjustments are made.
- There was also discussion about other maintenance issues at the Airport such as lighting and replacement of light bulbs and/or other types of maintenance.

5B. Jet A Truck

Airport Manager Owen:

- A RFP for a Jet A Truck recently went out and the closing period for bid proposals is around November 14.
- Staff would like to purchase the truck staff/Commission has been discussing at Commission meetings (International with 5,000 gallon tank). If all goes well accordingly, the Commission will be able to review the bid proposal at the regular December meeting and make a recommendation to Council.

Commission:

- Brief discussion about the future of the existing Jet A Fuel Truck including the possibility of leasing it to Calstar.

5C. Budget 2013-14

Airport Manager Owen:

- Referred to Financial reports: 1) FY 2012-13; 2) FY 2013-14; 3) FY 2014 Year-to-date revenue and expenses as of September 2013 (July, August, and September) for discussion purposes.
- Actual revenue = \$383,897.79 & Expenditures = \$347,493.26 year-to-date as of September 30, 2013.
- Comparison-wise, last FY financial figures indicate an unusual year in that revenue was \$862,383.53 and expenditures were \$649,502.55.
- Current FY figures are likely 'more on-track' with what typically occurs financially at the Airport.

Chair Steinmann

- Airport Fund, line item 44204, Airport Landing Fees, why such a difference as shown in the financial reports?
- Has observed most revenue/expense items remain pretty much in the same context year to year except for revenues/expenses related to fuel.
- Asked about Airport Operations related to salaries and wages differentials comparatively, i.e., workers compensation, insurance and other expenses related to employees.
- Asked about line item 51130, overtime salaries & wages and why this line item is titled in this manner? Salaried persons typically do not receive overtime compensation.
- Requested clarification concerning line item 80100, Machinery & Equipment.
- Asked about whether staff is still considering purchase of a new fueling tank.
- Related to line item 61100, General Government Allocations and asked why the assigned amount of \$68,856 was not carried forward to the 'actual revenue' category?

Staff:

- Related to landing fees concerns the amount of fees that occurred in a particular fiscal year. Landing fees are actually about \$10,000 for this fiscal year rather than \$29,000. As such, a budget adjustment is anticipated to occur in December.
- Differentials for salaries/wages occurred because City administration has combined full-time and part-time expenses into one line item rather than differentiating between the two separately. Airport staff has no say in some of the line items related to employee expenses such as workers compensation and insurance. These figures are assigned by City Hall administrators and represent the cost of doing business.
- Related to Machinery & Equipment, sum of \$255,000 included money apportioned for purchase of the Jet A fuel truck.
- Confirmed consideration is being given to a 100LL tank with self-serve capacity.

Vice Chair Elton:

- Related to 'overtime salaries & wages,' this was the way this account was initially titled and no change has been made to the title during the course of the years it has appeared in the budget.

There was Commission discussion concerning building maintenance.

1 **Staff:** \$50,000 was budgeted for building maintenance some of which will come out to pay for the recent
2 slurry sealing project in and around the hangars.
3

4 There was discussion about the difference in terminology related to Fund Balance and Pooled Cash.
5

6 **Vice Chair Elton:**

- 7 • Fund Balance represents net of receivables/payables whereas Pooled Cash is the amount of
8 cash on-hand less outstanding bills to be paid. Pooled Cash is essentially not available for future
9 expenses.
- 10 • Would like the financial information concerning the Airport Fund and Airport Operations to be
11 referenced as financial reports rather than budget reports and reserve reference to budget reports
12 when talking about the budget at budget time.
13

14 **Commissioner Crane:** Fund 611 has not been carried over to 'actual revenue' because the Airport has
15 not yet been formally charged for this expense by City Hall.
16

17 **Vice Chair Elton:**

- 18 • Confirmed the charge has not yet been initiated by the Finance Department and noted the same
19 scenarios also exist for line items 612 and 613.
20

21 **Commission consensus:**

- 22 • Would like to continue seeing at least the first two pages of the financial reports on a monthly
23 basis for informational purposes.
24

25 **5D. Airport Business Plan**

26 **Airport Manager Owen:**

- 27 • Provided the Commission with a general template/outline of an airport business plan for
28 discussion purposes on how the Commission may want to proceed with formulating a business
29 plan.
- 30 • It is important to be realistic concerning Airport goals when considering a business plan for the
31 Airport. For example, it is unlikely the Airport will ever have passenger service.
- 32 • It may be beneficial to look at a business plan prepared for another airport that is similar to Ukiah.
33 Many of the bigger airports have business plans, but such plans would not likely be a good fit
34 and/or apply to a small regional airport.
- 35 • Did talk to a consultant that prepared an airport business plan one time while attending an airport
36 conference.
- 37 • Noted the City of Renton in Washington has a business plan that appears to be similar in nature
38 to what the Ukiah Airport would need.
- 39 • Related to development of a business plan, is of the opinion the goal should be to effectively
40 advertise the Airport, such as letting other airports/potential businesses/airport users know Ukiah
41 airport has hangars and/or land available for development. By letting potential airport users and
42 businesses from outside the area know there are business/development opportunities available at
43 the Airport is an effective tool for helping the Airport to thrive economically now and into the
44 future. With the Airport Zoning document, it is known what uses we want and where, but how
45 does this get marketed so that people come here and do it.
- 46 • Is pleased the zoning for the Airport has been completed before consideration is given to the
47 development of a business plan.
48

49 **Commission:**

- 50 • Identified some airports similar to Ukiah that have business plans.
- 51 • Found a guidebook for developing general aviation business plans online.
- 52 • It may be worthwhile to contact an airport that had a business plan prepared for a general
53 aviation airport similar to Ukiah.
54

55 **Commissioner Albright:**

- 1 • Does not want to 'reinvent the wheel' when it comes to formulating a business plan, but rather
2 look at what fire protection/medical emergency agencies the Ukiah Airport already has, for
3 instance, and focus/maximize on these existing values. The plan could provide information on
4 how the Airport intends to help these agencies expand relative to productivity and overall
5 effectiveness. The Ukiah Airport has already been taking measures to expand the
6 productivity/effectiveness of the fire protection agencies by upgrading fuel trucks and the like to
7 help prepare for fire season.
8

9 **Commissioner Crane:**

- 10 • Acknowledged the Airport Land Use Plan does provide 'the where and what' and this is a good
11 place to start. However, the way to attract persons/businesses is through 'pricing.'
12 • Need to have a discussion about the realities of public monies available when it comes to
13 allowed/permitted uses at the Airport and what can be done monetarily in the way of
14 improvements to get people/businesses to come here.
15 • As an incentive, a better approach may be to look at the value of making improvements to attract
16 airport users/businesses rather than concentrating on the importance of land rental rate and cash
17 flow.
18 • May not be a good approach to focus on the 'weaknesses and threats' parts of a business plan. A
19 business plan should function as a work product for the Airport rather than as an
20 advertisement/marketing strategy document.
21 • Would like to see a business plan that expands on what is existing by encouraging people
22 already living here to participate in user/business opportunities at the Airport because such
23 people are established in their lives/community, have family roots/ties and understand how the
24 community operates as opposed to advertng for people/businesses to relocate. In other words,
25 take advantage of what is existing and expand in this way by encouraging people who already
26 live here to nurture/develop and/or participate in a business here.
27 • A strategy is essential when developing a business plan because this opens the door to start
28 thinking what can be done in this regard and/or how to go about developing a plan.
29 • Supports having an airport business plan. We just need to build it into a format and the
30 Commission needs to talk about the 'how.' If, for instance, someone asks why Airport hangars
31 need maintenance, the answer is we need to articulate a plan as to how we plan on fixing the
32 hangars when the realty is the Airport does not have sufficient public funds to make costly
33 repairs.
34 • We need to develop an airport business plan based upon what we already have. To this end, we
35 perform different maintenance/repairs at various levels/layers and locations and these need to be
36 addressed in different ways. In other words, we cannot treat the runway in the same way the
37 taxiway is treated or the way the month-to-month rentals are treated, etc. Each of these matters
38 need to be addressed in a different way.
39

40 **Commissioner Albright:**

- 41 • For new construction provide an incentive by offering variable 'escalator rates' to help the
42 business/development get established and grow.
43 • Agrees a business plan should function as a work product.
44 • Pointed out the Airport has affordable hangar rents and this is an attractive reason for airport
45 users to participate.
46

47 **Airport Manager Owen:**

- 48 • Referred to that section of the business plan where an airport talks about its strengths,
49 weaknesses, opportunities, and threats (SWOT analysis) and noted it may be important for the
50 Commission to have this discussion. The issue with regard to 'SWOT analysis' is that the Airport
51 has land available for development, but as a public entity does not have the economic resources
52 to develop the Airport in a way that private development could.
53 • Supports working through development of a business plan by discussing one section of the plan
54 at a time.

- Related to an airport business plan example (Renton Airport in Washington), it talks about facilities and how they should be maintained. In this example, rent plays a key role in maintenance for facilities.
- An airport business plan is a relatively new concept. The FAA does not fund for business plans. As such, many airports do not have business plans.

Commission:

- Sees the Mission and Vision statement portions of a business plan as 'generic language.'
- Is a value statement necessary?
- Talked about the best approach to take when determining what to include/incorporate by way of a 'SWOT analysis' as part of the business plan in terms of effectively being able to provide for a document that has a positive, progressively developing and helpful correlation from a business perspective.

Vice Chair Elton:

- Also does not want to 'reinvent the wheel' when it comes to formulating a business plan and would like to review sample airport business plans that other airports have in use.
- Is of the opinion it is important for businesses to have a business plan. While a business typically has a plan for what might happen and/or allowed to happen, a business plan is how a business is going to make it happen. A business plan is essentially a layering process where the Airport Land Use Plan in this instance for the Airport is a foundation of that layering process.
- Ongoing preservation of the Airport facility is part of a business plan.

Chair Steinmann:

- Is of the opinion the Airport Land Use Plan document covers 2/3 of the objective/reason for an airport business plan and adding to this the Airport has its budget information to guide and direct how the Airport essentially operates.
- Recommends looking at an airport business plan from the Torrance Airport. This airport is in the middle of a city and is comparable to the Ukiah Municipal Airport.

Commissioner Deerwester:

- Recommends staff provide the Commission with a template of a functioning/working airport business plan electronically before the next regular meeting so the Commissioners can be thinking about how best to proceed with formulating a plan for the Ukiah Airport.

5E. North East Yard

Airport Manager Owen:

- The Airport requested the North East Yard be agendized for Commission discussion.

Commission:

- Has observed the property/area north of the City Corporation Yard has been increasingly encroached upon by the City Corporation Yard and other City Departments that are using the area for storage of City vehicles targeted for auction, electric poles and/or other electrical department related items and miscellaneous items belonging to Public Works. The area being encroached upon belongs to the Airport and is land that can be leased.
- Understands the City Corporation Yard has a financial arrangement with the Airport where in-lieu work is provided to the Airport in exchange for monetary payment of rent.
- Supports these City departments compensate the Airport for use of the land in much the same way the City Corporation Yard does with an agreement/some other financial arrangement or remove the items.
- Noted the area around the fuel tank is also being encroached upon.
- Discussed how best to approach this encroachment problem and provide for some resolution.

- It may be a sub-committee should be formed to draft a letter to the City Manager and/or possibly to the various department heads whose departments are responsible for encroaching on the area for review by the Commission.
- Difficult to show and/or rent the North East property with all of the materials/items from various City departments that have encroached on it.
- Would like to see the North East property yard cleaned up.

Vice Chair Elton made a Motion for the Commission to send a letter to the City Manager requesting rent payment for the use of the North East property and/or remove the materials/items that are not Airport property to include the area in and around the fuel tank.

There was Commission discussion concerning the aforementioned motion. Commissioners Crane and Deerwester will draft a letter to the City Manager for review by the Commission.

Commissioner Crane seconded the Motion. Motion carried by an all AYE voice vote.

6. REPORTS

6A. 100LL Self-Serve Tank

Airport Manager Owen:

- Nothing new to report at this time regarding the Self-Serve Tank.

6B. Noise Sub-Committee

Airport Manager Owen:

- The Noise sub-committee met today.
- The Noise sub-committee tries to meet quarterly.
- One Councilmember inquires periodically about noise related to aircraft. As such, the Noise sub-committee meets to address noise complaints in connection with the Airport Noise Abatement Policy and Quiet Flying Procedures policy the Airport has in effect.
- The Airport rarely receives noise complaints related to the operation of the Airport. Typically, a noise complaint would involve aircraft/helicopters in different areas/regions of the County and not specific to the Airport.

Airport Assistant Ronk:

- Sometimes a public member will inquire about a noise incident/issue, but once staff provides the appropriate explanation/clarification the matter does not constitute a complaint.

Commissioner Albright asked staff to look at a helicopter noise-related issue that is occurring on the Airport.

6C. Airport Layout Plan Meeting

Airport Manager Owen:

- The consultant for the ALP will be attending the Airport Commission meeting in December, provide preliminary drawings for the design, as well as provide a Project update on the process moving forward.
- If there is sufficient noticing time, staff will inform the Airport tenants about the meeting.

7. AGENDA ITEMS FOR NEXT MONTH

1. ALP
2. Airport Business Plan
3. Letter to City Manager regarding encroachment by various City Department on North East yard
4. Airport Maintenance
5. Jet A Truck
6. Financial Report
7. Airport Maintenance

1 **8. COMMISSIONER COMMENTS/STAFF COMMENTS**

2 **Commissioner Crane:**

- 3 • Attended a California Pilots Association meeting. The discussion was about marketing an airport
4 and outreaching to the community to do this.
5

6 **Commissioner Deerwester:**

- 7 • November 10th is the 'Guitar for Troops' fundraising event.
8 • November 11th is Veterans Day and the VFW will be hosting a fundraising event at Safeway.
9 • There will be a veterans Christmas dinner on December 7th and this event will be co-sponsored
10 by the American Legion and the VFW.
11

12 **Airport Assistant Ronk:**

- 13 • The annual Airport Christmas Party potluck will be December 5th from Noon to 2 p.m.
14

15 **9. ADJOURNMENT**

16 There being no further business, the meeting adjourned at 8:14 p.m.
17

18
19 _____
20 Cathy Elawadly, Recording Secretary
21