

UKIAH REGIONAL AIRPORT COMMISSION
June 3, 2008
Minutes

COMMISSIONERS PRESENT

Dottie Deerwester, Chair
Don Albright
Bill Beard
Ben Winter

STAFF PRESENT

Paul Richey, Airport Manager
Ken Ronk, Airport Assistant
Cathy Elawadly, Recording Secretary

COMMISSIONERS ABSENT

Eric Crane, Vice Chair

OTHERS PRESENT

Jeff Sloan

The Airport Commission meeting was called to order by Chair Deerwester at 6:30 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 cited the pledge of allegiance.

3. APPROVAL OF MINUTES – May 6, 2008

M/S Beard/Deerwester to approve May 6, 2008 minutes, as submitted. Motion carried by an all AYE voice vote of Commissioners present. Motion carried.

ABSTAIN: Don Albright

4. AUDIENCE COMMENTS ON NON-AGENDA ITEMS

None.

5. REPORTS

5A. Jim Freese Update

There was no discussion concerning this agenda item because staff resolved the issue prior to the meeting.

5B. Grant & CALFIRE Update

Airport Manager Richey reported on the status of the FAA Grant as follows:

- Referred to his letter to Bill Gin, FAA Program Manager and Engineer for the Airport District Office dated May 20 2008, and stated he was recently contacted by Mr. Gin asking if the Airport would withdraw the funding request recently submitted by Ford Aviation Consultants for the construction portion of the Storm Drain Project. Mr. Gin was advised in the May 20 letter that the Airport and grant writers/engineering consultants were prepared to execute a grant based on bids by the end of June 2008 to proceed with the construction portion of the Storm Drain Project.
- He noted the FAA has some monies available that are funded, but not expended wherein there is the possibility the project would only be partially funded. Therefore, staff and the grant writers considered the request and agreed to withdraw the funding application and reapply in the new budget year.
- AIP funding is uncertain at this point because the program is not being permanently funded and Congress is passing Continuing Resolutions to the program. With the Continuing Resolutions Congress has over the AIP funding, most projects are being funded at 75%. It

is for this reason Mr. Gin has requested the application for funding be withdrawn and resubmitted in December 2008.

- Staff has not received a response from Mr. Gin concerning the May 20 letter relative to withdrawal of the funding request.
- Staff anticipates the funding request in the approximate sum of \$1 million can be made at 100% for the construction portion of the project and that the annual entitlement funds earmarked for the Airport in the sum of \$150,000 will also rollover.
- It is possible the construction portion of the project can be done in phases or within a two-year timeframe allowing for additional entitlement money for a grand total of approximately \$1.3 million for the project.

Airport Manager Richey reported on the status of CALFIRE as follows:

- Staff has been advised that due to State budget restraints, the State Department of General Services (DGS) will not pursue lease negotiation concerning relocation of CALFIRE to the proposed new site at this time. No draft lease will be submitted by DGS.
- CALFIRE will continue to operate at the current site.
- Staff questions why the lease negotiation process cannot continue even though there is not sufficient funding for the project to continue.
- He drew attention to the lease negotiation items for the new site the Commission formulated for possible discussion, and noted the three lease term scenarios are for informational purposes.

Chair Deerwester commented on the CALFIRE lease negotiation process and stated the expense of formulating an EIR for the new proposed relocation site has been going on for a long time. She questioned why DGS is not concerned with pursuing the lease securing the property in the event interest is expressed to develop the site for a different type of operation.

Airport Manager Richey commented the project is unable to move forward at this point because of the lack of funding.

It may be that CALFIRE should complete a 'Letter of First Option' and/or 'First Right of Refusal' to protect their interest.

5C. Airport Internship

Airport Manager Richey will give a presentation to City Council tomorrow night at the regular Council meeting concerning the new Internship Program at the Airport. Toby Page a Potter Valley High School Junior is the first person to be an Airport Intern. Former Mayor Mark Ashiku expressed an interest in formulating an Internship/Scholarship Program some years ago. Airport Commission Chair Deerwester, Christina Lewis from MCOE, and other persons have worked to make the program into a workable plan. An agreement between the City and MCOE has been signed and the Internship has begun.

Staff is of the opinion the Program can grow into a scholarship program for local students that will be able to learn to fly from the Airport.

The Commission discussed the value of offering an Internship Program at the Airport because such a program essentially 'opens doors' to future possibilities that can benefit the Airport as well as the intern.

Chair Deerwester commented Toby Page is an excellent Program choice and he has displayed great enthusiasm and support throughout the planning process.

The Commission discussed the Program schedule and examples of the on-the-job aviation-related training and work experience/skills and educational information the intern will receive while participating.

Staff anticipates the Internship Program will eventually transform into a full scholarship program encouraging young persons to consider a career opportunity in aviation and/or related field.

6. DISCUSSION/ACTION

6A. Grand Jury Response

Airport Manager Richey stated while the comments/points made by the Grand Jury regarding the Airport relative to Airport operations pertinent to emergency response and having a disaster preparedness plan in place were essentially 'open ended' statements, the Grand Jury was wise in looking into the issue of what role local airports play in disaster situations. Staff responded to each of the 10 comments and they are provided for on pages 1-4 of the Response to Grand Jury Report dated May 1, 2008. He took the opportunity to fully address Airport operations and security, including consideration being given to proposed future economic development and expansion of the Airport in his response to the Grand Jury.

Airport Manager Richey commented during his interviews with the Grand Jury, the basis of their concern were that the airports in the County have not been sufficiently included in disaster preparedness and emergency planning. The Ukiah Regional Airport has participated in emergency preparedness planning relative to the City's plan. The Grand Jury may be partially correct in their assessment that there has not been sufficient inclusion of airports Countywide relative to emergency preparedness, since airports are a very viable resource/service center during disaster situations wherein a greater disaster/more comprehensive preparedness plan is necessary. A Countywide emergency plan is being developed at this time wherein airport management has been involved with other city jurisdictions regarding emergency plans. Staff has contacted the City of Willits regarding meeting with members of all five county airports to discuss the issues raised in the Grand Jury Report.

Airport Manager Richey commented on his responses:

- The Ukiah Airport is presently prepared and does respond to disasters other than aircraft related incidents.
- There are rescue agencies, organizations, and volunteer groups that can assist with disaster preparedness, such as the Mendocino County Sheriff's Air Squadron, Mendocino County Search and Rescue, Coast Guard, Ukiah Valley Fire District, CALFIRE and CALSTAR.
- There is presently plans for the permanent storage of medical supplies that can be dispensed during a disaster on site at the Airport.
- While the Airport has a limited staff, staff at the Airport are cross-trained to operate the fuel trucks, address inquiries from the public, and are trained in emergency operations through the many training manuals, on the job training, and fuel handling seminars.
- In terms of there being no back up generator available for power failures, staff is working with EDFC to explore grant possibilities for a new Airport Terminal Building that would provide for dedicated Emergency Response Command room and auxiliary power to the building and runway lights.

- The Airport does have approximately 10 acres available for use as a staging area during a disaster.
- There are many aircraft and local pilots which are willing to be available during emergencies. However, this could be expanded upon.
- There are multiple facilities, buildings, and hangars that could be used in case of an emergency. Staff is looking at the lease agreements and will likely change the verbiage to allow the City to take over hangars during a declared emergency.
- The lead person for City emergency preparedness is the City Fire Chief.

City Council must approve the official response prior to the City Manager submitting the document to the Grand Jury wherein amendments can be made.

6B. FY 2008-09 Airport Budget

Airport Manager Richey referred to the proposed draft Budget and stated the City budget team has made some changes since the Commission's last review.

The additional expenses the City has added to the Budget have placed the Airport in a deficit situation.

Staff and the Commission discussed the changes, as well as other events that have occurred at the Airport since the last regular meeting as follows:

- Expenditure line item 600.5001.291 (General Government Service Charges) has significantly increased by approximately 40 percent. This expenditure represents other City Department costs for services rendered on behalf of the Airport. Staff is concerned that if the figures for this line item expenditure continues to increase significantly every budget year, the Airport will never show a Fund Balance. Staff is of the opinion the figure is too high and out of context compared to in-lieu fees the Airport charges other departments.
- **Chair Deerwester** inquired how expenditure Line item 600.5001.292 (Purchasing Dept. Charges) and 600.5001.320 (Billing & Collection Costs) are different from General Government Service Charges and questioned why these costs are not included in the 291 account.
- **Airport Manager Richey** has no knowledge why line item 292 and 320 are listed individually as opposed to lumped into the 291 account.
- **Airport Manager Richey** stated the net Fund Balance after the changes is \$2,856.07. He emphasized this is an austere budget.
- Because of the increase in the 291 account, adjustments had to be made to counterbalance for example:
 1. Significant downsizing of expenditure line item 600.5001.305 by approximately \$30,000. The 305 account represents anticipated expenses for repairs and maintenance to Airport buildings/facilities and grounds. For example, the Building & Grounds Maintenance Program and Pavement Maintenance Program were each funded at \$25,000 last fiscal year compared to \$20,000 each for this fiscal year.
 2. Funding for expenditure line Item 600.5001.800 (Machinery & Equipment) was completely eliminated this fiscal year.
 3. Funding for expenditure line item 600.5001.711 (Asset Acquisition) was also eliminated for this fiscal year.
- There was discussion concerning the set-aside money for hangar development (600.5001.711) and the City Finance Director is looking into the matter with regard to past transfers to this account that indicate a discrepancy.

- **Airport Manager Richey** stated Hertz Rent-a-Car agency has moved from the Airport to another location in Ukiah rather than the proposed relocation to the former Lumberyard site. Office space is now available for the existing Hertz office. Ukiah Aviation has expressed an interest in renting the former Hertz office. In addition to office rental income, the Airport will lose the 'car park' fees as a result of Hertz leaving the Airport.
- The FAA desires to reduce the number of rental facilities at the Airport resulting in lost revenue and also desires to no longer pay for dedicated parking.
- Revenue line item 600.0700.505.005 indicates the current annual FAA building rental fees total \$10,881.84.
- There was discussion about how additional office space from FAA rental facilities on the Airport could be accomplished.
- There is a storage facility on the Airport the FAA has utilized since 1948, but never has paid rent. The FAA has declined to continue utilizing the facility after staff advised that they must pay rent.
- Staff and the FAA will work on an agreement regarding which facilities the FAA desires to maintain and pay rent.
- Enterprise Rent-a-Car desires to expand its current office space in the administration building to space that can be converted into office space currently occupied by the FAA.
- Lucero Trucking/DHL will no longer operate and the Airport will lose income for this commercial hangar, which is annually budgeted at \$12,600.
- There was discussion concerning the problem with keeping part-time employees at the Airport, which can be attributed to salary rate differentials between the Airport and other City Departments, such as Community Services or Public Works.
- Projected cost of living increases were factored into the hangar rental fees that were not been factored in for purposes of balancing the Budget.
- There was discussion concerning cost of living increase allowances for other fixed revenues in terms of balancing the Budget.
- There was also a general discussion concerning the concept of in-lieu fees for work done by Public Works Department and the Public Utilities Department and how these are addressed as part of the Budget balancing process.
- All of the City Hangars are currently rented. Staff advised one of the Taylor Hangars is now vacant.
- Staff advised two individuals are interested in purchasing the Brodosky hangar.
- Staff referred to expenditure line item 600.5001.303 (Vehicle Repair and Maintenance) and was noted additional monies were set-aside for 'Outside Labor & Parts' for repair to one of the fuel trucks.
- There was additional discussion relative to the context of the General Government Service Charges account and there were questions regarding the formula for calculating the amount.

ON A MOTION by Commissioner Beard, seconded by Commissioner Winter it was carried by an all AYE voice vote of the Commissioners present for the Airport Commission to request a breakdown of the General Government Service Charges for the FY 2008-09 Airport Budget and with that breakdown to show where the costs come from and how the costs are distributed between the various City departments by type of calculation or formula.

The Commission discussed the motion to the effect it is very difficult to review a proposed Budget when the figures appear excessive and/or arbitrary.

6C. Airport Commission Recruitment

Jeff Sloan resides in Hopland and expressed a desire to serve as an Airport Commissioner and stated he is present tonight to observe the meeting.

Airport Manager Richey/Commission commented:

- There are two upcoming Airport Commission vacancies wherein applications will be accepted until June 9, 2008. One vacancy position applicant must reside in the City and one in the County.
- There was discussion concerning the letter of instructions and the revised Airport Commission application. All proposed changes to the application were incorporated with the exception the deadline time will be 'Noon' as opposed to 5:00 p.m., as recommended by the Commission.
- The Commission anticipates Mayor Crane will ask the Commission to review the applications at the regular July Commission meeting and make recommendations to Council.

8. COMMISSIONER STAFF COMMENTS

Commissioner Winter will not re-apply for his upcoming vacancy seat on the Commission.

9. STAFF COMMENTS

Airport Assistant Ronk stated a retirement party and barbeque for Airport Manager Richey is being planned for Thursday, July 24, 2008 at the Don Albright hangar.

10. AGENDA ITEMS FOR NEXT REGULAR MEETING

1. FY 2008-09 Budget
2. CALSTAR update
3. FAA grant status, provided there is additional information
4. Airport Manager recruitment update
5. Airport Commission vacancy update

It was the consensus of the Commission to conduct the regular Airport Commission meeting on July 8, 2008 rather than July 1, 2008 in observance of the July 4th holiday.

11. ADJOURNMENT

There being no further business, the meeting adjourned to closed session at 8:01p.m.

7. CLOSED SESSION

1. Airport Manager Recruitment

Dottie Deerwester, Chair

Cathy Elawadly, Recording Secretary