UKIAH REGIONAL AIRPORT COMMISSION
November 3, 2009
Minutes

COMMISSIONERS PRESENT
Dottie Deerwester, Chair
Eric Crane, Vice Chair
Don Albright
Jeff Sloan
Carl Steinmann

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

COMMISSIONERS ABSENT
None

OTHERS PRESENT
Daryl Hudson
John Eisenzopf

1. CALL TO ORDER
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 recited the pledge of allegiance.

3. APPROVAL OF MINUTES – October 6, 2009
Page 9, ‘Commissioner Whetzel’ speaking should read ‘Mike Whetzel.’
Commissioner Crane recommended not using the term ‘staff’ and actually use staff’s name.

M/S Crane/Steinmann to approve October 6, 2009 minutes, as amended. Motion carried (5).

4. AUDIENCE COMMENTS ON NON-AGENDA ITEMS
None.

There was a brief discussion concerning a change in the agenda format to include ‘NEW BUSINESS’ and ‘OLD BUSINESS’ categories. The intent is to be able to better track Airport agenda items and whether the item should continue to be under new business or moved to old business.

5. NEW BUSINESS

5A. Airport Business Plan
Airport Manager Owen:
- The intent is to develop a business plan, for the purpose of recruiting business to the Airport.
- The City Manager encourages the Airport to have a business plan, particularly as a way to look at Airport needs for future growth/development.
- Has informally discussed the process of how to go about marketing the airport with a consultant. The Airport is not in a position at present to start initiating the process for hiring a consultant to prepare a business plan. This information would be provided to future Airport developers/investors.
- While the Airport has some valuable regulatory and policy documents, the Airport Master Plan is outdated and the Airport Land Use Plan needs to be revised.
- The Airport Master Plan was formulated in 1996; Comparatively, the Airport Land Use Plan is not very old and was formulated in 2004.
- It would be very costly to update the Airport Master Plan.
- The Airport does have a fund balance that could pay for a formal business plan.
Commission Comments:

- To begin the process of formulating a business plan requires research and working with the Airport Land Use Plan, the Airport Master Plan and other policy/guideline documents for informational purposes concerning future development and highest and best use of the land.
- Would the Airport out of its budget want to pay the cost of an Airport Business Plan that might not be used that often? The Airport Master Plan was a very expensive document to create. A lot of time was invested in the creation of the Airport Land Use Plan.
- As an Enterprise Fund, it is a good idea to treat a business as a business and to have a business plan in place.
- The Airport is not ready to put together a business plan.
- It would be a good idea to begin looking at the Airport Master Plan and Airport Land Use Plan and come up with a strategy concerning the preparation of a business plan.

Airport Manager Owen:

- The FAA typically uses an ALP and/or Airport Land Use Plan narratives rather than the Airport Master Plan to make decisions about the types of projects to be funded. The Airport Master Plan requires special review, which includes CEQA.
- The Airport Land Use Plan:
  1. Narrative does not require special review;
  2. Is like updating the Airport Master Plan;
  3. Can be updated when necessary.
- It may be the FAA is not formulating as many Airport Master Plans to save money, including the cost of updating them.
- In terms of the Ukiah Regional Airport Master Plan, much of the plans and policies/goals have been completed and/or already implemented.
- The Airport Master Plan does not provide ‘straight’ direction for program work, but rather ideas for upcoming projects and different tasks from the FAA’s perspective rather than what the community may want to see.
- The initial strategy should be to revise the Airport Land Use Plan since some sections are ambiguous and need to be clarified, such as those related to uses, permitted or allowed for the various use designations.
- Updating the land use document would likely provide most of the information necessary for a business plan.
- FAA funding may be available for document updates.

Commission consensus:

- A good place to start would be to review the Airport Land Use Plan to ensure policy consistencies with program objectives/goals/policy implementation measures/tasks and to provide for better clarity as a useful operating document.
- Hold special public meetings to begin review of the Airport Land Use Plan and possibly the Airport Master Plan and propose changes/revisions. The Airport tenants should be notified. First meeting will be Tuesday, December 8, 2009.

5B. New Hangar Construction

Airport Manager Owen:

- Commission has expressed interest in new hangar construction.
- Recommended adding ‘replacement of hangars’ to the discussion.
- Replacement of hangars may be the better approach. The port-a-port hangars are in poor condition.
- The budget item related to ‘hangar construction’ has no money for this purpose. The Airport does have a fund balance wherein a portion of this money was moved into a different expense line item.

Commission comments/questions:

- Can the Airport start a savings account for new hangar construction?
Airport Manager Owen:

- Money can be budgeted for this purpose and tracked, but the Airport cannot open a savings account for the specific purpose of putting money away for new hangar construction. The City has control over/oversees the financial operation of the Airport.
- The Airport Fund Balance (revenue less expenses) fluctuates due to fuel pricing, purchases and sales.
- Is the Commission interested in looking at hangar replacement as part of the Airport Maintenance Plan? A subcommittee could be created to begin looking into the possibility. The subcommittee could find out what new hangars cost, list the type of hangar by need and discuss creative ways to finance the cost.
- All hangars are presently rented. There is a waiting list for the Port-A-Ports and Pasco with greatest interest for Pasco.
- The City does not have the money available for construction of new hangars at this time.

Commission comments:

- Most of the hangars are not well laid out and do not demonstrate effective use of land. There is a lot of valuable/underutilized wasted space.
- It may be a walking tour is necessary to discuss placement of hangars.
- Prior to considering the purchase or replacement of hangars, it would be beneficial to look at the present configuration of the hangars and determine whether this is where they should be located.
- Establish a plan concerning possible new construction and/or replacement by evaluating the hangars as to location and individually as to condition and formulate a list.
- Many of the hangars are in very poor or poor condition.
- With the understanding the Airport does not have money to completely replace and construct new hangars, maintenance should be performed. There was discussion concerning maintenance tactics and/or materials to prolong the life of hangars that are in need of repair.
- It is important for tenants to be able to store their aircraft and/or operate a business in hangars that are in good condition.
- It is also important to maintain hangars at the Airport from a marketing perspective.
- One option would be an Airport tenant could secure a ground lease and replace an existing hangar that may be in poor condition with a new hangar that he/she purchased.

Airport Manager Owen stated the Airport has a new building/grounds maintenance person who is working hard to get repairs done. He has formulated a list of repairs. While the maintenance person is qualified to address most maintenance issues, he is not a qualified expert on the preservation of hangars that are made of tin. It is for this reason that an evaluation needs to be accomplished for each hangar in terms of the nature of the repair.

Commission Consensus:

- Obtain from staff a list of the hangars and categorize them according to their condition in order to assist with establishing a plan concerning repair, possible replacement and/or construction of new hangars, as well as assess what measures can be taken for hangars that are in poor condition.
- The Airport Maintenance Plan should list the hangars that will be repaired by staff and identify the repair to be completed.
- As a larger vision of the Airport in terms of future planning and marketing, it would be beneficial to map out where hangars could be located to more effectively maximize use of space. The current layout for hangars was not carefully planned to appropriately use space and plan for future change and development.

Airport Manager Owen:

- As staff conducts hangar inspections for compliance with the Airport Hangar and Procedures List, they can document the condition of the hangars and list the type of repairs.
- Tenants report problems/issues with hangars to staff.
Commissioner Crane volunteered to help staff assess the condition of the hangars.

Airport Assistant Ronk: The Business Plan could include language concerning relocating hangars, if possible, to effectively maximize use of space.

There was a general discussion concerning various hangar designs and associated costs. The design concept of the existing Taylor Hangars were used for comparison purposes.

5C. Airport Maintenance Plan

Airport Manager Owen: The Airport Maintenance Plan concentrates on maintenance items around the Airport. The grounds/building maintenance person has formulated a list of repairs. Lighting repairs have been made at the Airport and to the Beacon. Encourages the Commission and Airport users to report items that need to be repaired at the Airport.

Chair Deerwester: A report on the Airport Maintenance Plan should include a tangible list of items.

6. OLD BUSINESS

6A. ACIP 2009

Airport Manager Owen referred to the ACIP Data Sheet and commented:

- The FAA indicated today that grant funding for the construction of projects would not likely be available until fiscal year 2015. Construction money will be targeted for primary airports.
- The Airport will continue to receive Entitlement money ($150,000) that occurs annually.
- This would be the time to complete design work for improvement projects.
- There may be FAA grant funding available to complete a runway rehabilitation project and/or runway overlay. FAA is responsive to making runway improvements.
- The FAA decides what projects they will fund from the ACIP list. Because a project is listed on the ACIP does not necessarily mean the project will be considered for funding. The FAA can move airport improvement items around so just because one item is listed first on the ACIP is not a guarantee the project will be completed in this order or that funding will even be available for a particular project.
- Since the Airport received $500,000 in grant funding for the storm drain improvements, there may be no funding available for a while because other airports need funding assistance.
- A funding request has been submitted to the FAA for the design of a taxiway connector for the northeast corner and runway overlay and other items on the ACIP. The FAA will make a determination about what will be funded.
- The storm drain improvement project grant is in progress and the project is approximately 75% complete.

Commissioner Comments/Questions:

- Grant 3-08-268-09 2006, Phase 2 Final reimbursement request was sent. Close out requested 11-5-07. Should this read: 11-5-08?

Airport Manager Owen - These are notes and sometimes need to be updated. ‘Close out requested 11-5-07’ represents when this particular project was closed-out and/or the money was asked for.

The Commission questioned some of the categories on the ACIP Data Sheet and the information provided and some of these categories include: the project schedule, detail project description, environmental statues, and open funded projects.

Airport Manager Owen – The data represented in the aforementioned categories are the Airport’s plan for projects. The FAA makes the decisions about items to be funded and when. The intent at this...
juncture is to complete as many design aspects for improvement project as possible since the FAA
will make funding considerations about ‘design’ rather than for ‘construction’ purposes.
The Commission inquired whether the project description category items are listed in priority?
1. Reconstruct storm drain system phase II construction.
2. Design Taxiway connector to N.E. corner; - 200 foot stopway at South End, Inc,
   Environmental review; runway overlay.
3. Construction CDF Apron.

Airport Manager Owen - The items are not in order of priority. The FAA prioritizes them relative to
funding availability.

Commissioner Crane:
Will the FAA fund for hangars?

Airport Manager Owen – Funding for hangars can be on the ACIP, but it would be a low priority.

Airport Assistant Ronk added the FAA allows funding for construction of new hangars and other
improvements listed on the ACIP, but higher priority item improvements such as runways, taxiway
connectors and the like must be in good working condition before asking for funding improvements of
lesser importance, such as for hangars development. The FAA does not want airports to come back
the next funding cycle to ask for funding for runway/taxiway/apron improvements after asking for
funding for hangars first.

There was a discussion about the condition of the runway and the most cost effective approach for
repair.

Airport Manager Owen indicated a design consultant would be able to make a determination
regarding runway/taxiway improvements.

Airport Manager Owen commented on other items on the ACIP:
• ‘Construction of CDF apron’ was included on the ACIP. A CDF apron is needed to enhance
  safety and improve firefighting capabilities. The Airport may be responsible for at least a 10%
  match. The State is not contributing to matching funds for projects at this time.

John Eisenzopf commented since the Airport does not have a ‘shovel ready’ project, the
construction of the CDF apron is probably the closest to it. This area also has the potential for a
helicopter pad and/or potential for hangar development.

Chair Deerwester – A business plan would address best and highest use for areas.

Airport Manager Owen has met with the City Manager about the City Corporation Yard that operates
on Airport land in terms of potential and future development in this area.

6B. Airport Day – Planning

Airport Manager Owen: Planning for Airport Day has begun and the committee will continue to meet
regularly. Airport Day will be Saturday, June 5, 2009. The plan is to expand the number of activities
from past years to provide for an event that the community will attend and highly enjoy, including a
hangar party the night before.

Chair Deerwester requested minutes be taken at the committee meetings so she and other
interested persons can be informed of the progress being made.

Airport Manager Owen encourages people to participate in the planning process and attend the
committee meetings.

6C. Airport Self-Fueling Ordinance/Fuel Resolution – Copy of Adopted Ordinance
Airport Manager Owen:

- The subcommittee met to finalize the draft Airport Self-Fueling Ordinance and Fuel Resolution.
- Fuel prices are set by City Resolution.
- The purpose of the Self-Fueling Ordinance is to be able to regulate and provide for a permitting process for persons who bring in off-airport fuel.
- A Resolution is necessary as part of the Ordinance.
  - While CALSTAR purchases fuel directly from the Airport’s bulk fueling tank, there has never been an established/set price for this to occur.
  - All fuel prices at the Airport are set in some form by City Council.
  - It is necessary to set a fuel price when fuel is purchased directly from the bulk fuel tank at the Airport and this can be done by City Resolution.
  - The price for the purchase of fuel directly from the bulk fuel tank is $.50 per gallon to increase $.25 annually for four years until it reaches $1.50 per gallon over cost when the yearly CPI takes effect thereafter.
- The Resolution will also contain a corkage fee; Persons who bring in off-airport fuel will pay $.25 per gallon to pump the fuel. In this regard, it may be easier for persons to purchase directly from the Airport.
- Establishing a fuel price for the purchase of bulk fuel from the Airport storage tank makes it fair/reasonable for every Airport user that purchases fuel in bulk.
- City Council will review the Airport Self-Fueling Ordinance and Fuel Resolution as two separate items even though both documents are correlated.

There was discussion concerning the matter of selling retail fuel at the Airport; The Airport has rules/policies about selling retail fuel.

There is a provision in the Ordinance that states the Airport has the ability to sell or not to sell fuel. Staff makes a determination about how much fuel should be kept in reserve, depending upon the season and demand and cost of fuel.

Commissioner Crane commented on the importance of establishing a timeframe for Council to review the Fuel Resolution for possible update and the Self-Fueling Ordinance for changes.

6D. Budget Status/Update

Airport Manager Owen:

- Referred to the quarterly fuel sales chart (July –October 26) comparing sales from 2005 to 2009 for JET A and Avgas.
- Referred to the Airport revenue/expenditure budget and stated for the second quarter the net income for the Airport is $36,690.

Staff noted with regard to the Airport Fund ‘ line item 500 (Revenue) ‘interest on investments’ has not been posted and is a function of the City Finance Department.

There was discussion concerning the revenue budget figures for the adopted budget, budget in progress for the quarter, and remaining balance for that which was budgeted for:
- Airport Ground Rent - CalFire does not pay as much ground rent during the winter.
- Airport Hangar Rent – Discussed which tenants operate a business in hangars (FBOs), tenants that store aircraft and/or pay ground rent. Airport rental budget appears to be okay.
- FAA Building – Rent is paid quarterly.
- Corporation yard land rental – There is no exchange of money. The rental is paid ‘in-lieu’ of services rendered. The City corporation yard encompasses a lot of space the Airport could rent.

6E. Taylor Hangar Status
Airport Manager Owen – Continues to work with the City Manager concerning the Taylor Hangars and various issues that pertain to non-compliance with Airport regulations/hangar policies/lease agreement and enforcement thereof. Additionally, Mr. Taylor has problems paying his rent on time and is not current.

The Commission agreed issues concerning non-compliance have been ongoing without any kind of resolution even though staff and the Commission have spent time with Mr. Taylor addressing these issues with no results.

Commissioner Crane supports allowing the City Attorney another month to work on the lease agreement and hangar non-compliance issues and come up with some type of resolution prior to recommending City Council review these matters since no progress has been made for any kind of plan or resolution. Mr. Taylor is out of compliance with Airport rules/regulations on a number of issues that need to be addressed.

6F. Redding Auto Fence Status
Airport Manager Owen is working with the City Attorney regarding the fence encroachment issue.

6G. Non-Compliance with Ukiah Airport Hangar – procedures

Airport Manager Owen:
• Staff will be working on hangar inspections and compliance thereof.

Commissioner Crane recommends the Commission have a list of the hangars and the dates they were last inspected.

Airport Assistant Ronk – The condition of the hangars will also be noted when they are inspected for maintenance purposes.

6H. Storm Drain Rehabilitation Project – Status
Airport Manager Owen – The next phase of the project is to line the pipes. Staff typically gets an update weekly regarding the process from the company doing the work.

7. REPORTS
There was a brief discussion concerning the new ‘light towers’ and the functioning capabilities.

8. AGENDA ITEMS FOR NEXT REGULAR MEETING IN DECEMBER

New Business – Hangar Inspections
Old Business – Taylor Hangars update, Storm Drain rehabilitation project update, Airport Maintenance, Airport Maintenance Plan, Airport Land Use Plan
There will be a quarterly report concerning Budget status/update.
Reports – Airport Day, Status of Airport Self-Fueling Ordinance/Fuel Resolution

9. COMMISSIONER COMMENTS
Commissioner Sloan – Recommends the Commission meet with the City Attorney to discuss the Taylor Hangar matters.

10. STAFF COMMENTS
Airport Assistant Ronk – The annual Airport Christmas Potluck will be Wednesday, December 9, 2009 at noon.

11. ADJOURNMENT
There being no further business, the meeting adjourned at 9:41p.m.

Dottie Deerwester, Chair

Cathy Elawadly, Recording Secretary

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