

**UKIAH REGIONAL AIRPORT COMMISSION**  
**November 1, 2011**  
**Minutes**

**COMMISSIONERS PRESENT**

Eric Crane, Chair  
Don Albright  
Dottie Deerwester  
Carl Steinmann

**STAFF PRESENT**

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

**COMMISSIONERS ABSENT**

None.

**OTHERS PRESENT**

Daryl Hudson  
Ron Hunt

**1. CALL TO ORDER**

The Airport Commission meeting was called to order by Chair Crane at 6:00 p.m. 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 4, 2011

**M/S Albright/Steinmann** to approve October 4, 2011 minutes, as submitted. Motion carried with Chair Crane abstaining.

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

**Ron Hunt:**

- Owns an aircraft and is a hangar tenant at the Airport.
- Expressed concern about Airport policy relative to FOD (Foreign Object Debris) and what should occur if there is damage to aircraft.
- His aircraft was recently damaged from FOD at the Airport.
- Routinely inspects his plane and run-up area for debris that could potentially cause damage to his 'prop.'
- Intends to file a claim with the City of Ukiah for damages.
- Demonstrated 'FOD' he claims to have picked up in and around some hangar areas.
- Questioned the measures taken by Airport staff for FOD removal at the Airport.
- Would like to have a copy of the Airport's written policy for FOD.
- 'FOD' on the Airport is a safety issue.

**Chair Crane:**

- Acknowledged his comments.
- Advised the matter of FOD cannot be reviewed by the Commission unless agendized for discussion.
- Recommended Airport policy and practices concerning FOD be agendized for discussion at the next regular Commission meeting.

**Airport Manager Owen:**

- Airport staff removes 'FOD' from the Airport runways and taxiways daily as a safety precautionary measure.
- The written policy involves a checklist that is 'signed off' after inspection is completed.
- Airport policy is to conduct a FOD check daily.

**5. DISCUSSION/ACTION**

**5A.** Tenant Improvement Program

1 **Airport Manager Owen:**

- 2 • Referred to the Ukiah Regional Airport Tenant Improvement Guideline so the Commission  
3 can further review the document.  
4 • A type 3 project category has been added.  
5

6 **Commission:**

- 7 • Make corrections to typographical errors concerning language for 'Type 3' projects.  
8 • How would paint projects be classified?  
9

10 **Staff:**

- 11 • An example of a Type 2 project would be if someone just wanted to paint a hangar floor.  
12 Type 2 projects are intended to be very simple in nature and do not require a submittal for  
13 permitting by the City Planning and Building Department and Fire Department and would  
14 require Airport Manager approval and/or coordination. Such projects would include, but are  
15 not limited to adding rain gutters to a hangar, sealing around the bottom of a hangar, sealing  
16 or painting hangar floors, and the application of insulation.  
17 • Supports the concept the Airport Commission select color scheme(s) that agree are  
18 acceptable/appropriate/architecturally pleasing for hangars and that complement other  
19 buildings on the Airport in the event someone wants to paint the exterior or a hangar.  
20 • If someone wanted to paint a hangar a different color than what the Commission has selected  
21 as appropriate, the Airport Commission could discuss this and determine the best option.  
22

23 **Chair Crane:**

- 24 • Should there be more than one paint color for hangars?  
25

26 **Airport Manager Owen:**

- 27 • This is essentially an Airport Commission decision. The paint color options the Airport  
28 currently has for hangars are blue-green and green. It may be the Commission supports that  
29 hangars be painted one color.  
30 • Would like the Commission's input regarding hangar painting and color schemes.  
31 • Preference for the Pascal hangars would likely be one color.  
32 • Consideration for paint schemes would mostly pertain to the port-a-ports or FBO/larger  
33 hangars.  
34 • The intent is to have an agreed upon plan/approach in place in case a tenant wants to paint a  
35 hangar.  
36

37 **Daryl Hudson** has been of the opinion hangars should be painted the same color, but after visiting  
38 Quincy Airport noticed the paint approach for the hangars was aesthetically pleasing. As such, the  
39 hangars are painted different colors and maintain a uniform striping design that provides for an  
40 elaborate paint scheme and nice presentation. He has no knowledge whether or not the hangars  
41 were all painted at one time as a project.  
42

43 Staff will see about getting some pictures of the Quincy Airport hangars for reference purposes.  
44

45 There was Commission discussion about the element of work involved with painting a hangar that will  
46 result in a quality product. Prep work is very important when painting a hangar.  
47

48 Commission agrees some sort of plan for the painting of hangars should be in place because it  
49 provides for a starting point for a project that may potentially require further review by the  
50 Commission and Airport Manager.  
51

52 **Commission:**

- 53 • What types of cosmetic changes are relevant under the guidelines? What approach should  
54 be taken with regard to assessing project types and the necessary criteria associated with the  
55 project guidelines as written.

- 1 • It is not possible or reasonable to identify/list all types of improvements / changes/  
2 modifications that can be made to buildings. As such the best approach would be to identify  
3 the project types relative to the review process. The intent of the Tenant Improvement  
4 Guideline document is to aid in the approval, permitting, and construction processes for  
5 improvement projects at the Airport.
- 6 • Are exterior improvements more important than interior improvements because they differ?
- 7 • While exterior appearance is important from an aesthetics standpoint, how should the value  
8 of importance for improvements/modifications be placed relative to exterior versus interior  
9 projects? Should the value of importance be for both?
- 10 • Should the painting of hangars primarily prescribe to Type 2 projects or Type 3, which  
11 addresses painting the exterior of hangars.
- 12 • The criteria for Type 3 projects include rental credits requests that exceed \$1,000.
- 13 • Type 2 projects have fewer steps so projects can be approved more quickly. Projects in this  
14 category are more clearly defined in terms of what types of projects are acceptable.
- 15 • Determining the classification type for a paint project would depend upon the scope of a  
16 particular project.
- 17 • How should rental credit be treated, i.e., dollar for dollar, on a percentage basis or other  
18 criteria?
- 19 • Is the Commission as concerned with the paint scheme for the interior of a hangar as it would  
20 be for the exterior? Should different paint schemes be allowed for the interior of hangars or  
21 should there be some oversight/level of review in this regard?
- 22 • If a tenant is requesting a rental credit, he/she should go through a review process for this  
23 credit and this would depend upon what portion of the hangar, for instance, is being painted,  
24 i.e., floor, interior or exterior to include the type of materials necessary for a quality product  
25 according to the job specifications. Type 2 projects provide for job specifications.
- 26 • A type 3 project would be if someone wanted to paint his/her hangar. Type 3 projects may  
27 become Type 2 projects after initial approval by the Airport Commission.
- 28 • Projects can be assessed case-by-case.
- 29 • Painting projects under \$1,000 would be a Type 2 project.
- 30 • An example of a Type 3 project would be if someone wants to paint exterior/interior and make  
31 other improvements that hypothetically total more that \$1,000?

32  
33 **Staff:**

- 34 • The guideline document does define 'tenant improvement.'
- 35 • Rental credits over \$5,000 must be recommended by the Airport Commission and approved  
36 by Council.
- 37 • Type 2 projects are essentially common/general projects whereas Type 3 projects are  
38 projects that are a little bit different, such as putting in an automatic door opening system  
39 which would mean the electrical system would have to be looked at in addition to other  
40 associated components related to the project such as engineering elements, etc. This type of  
41 project could become a Type 1 project or it could be made a Type 3 that eventually falls into  
42 the Type 1 project category.

43  
44 **Commission:**

- 45 • Type 2 projects can be approved by the Airport Manager whereas Type 3 projects that  
46 include painting the exterior of a hangar and other cosmetic changes to the appearance of  
47 the hangar allow for Commission input.
- 48 • It may be the Airport Manager does not agree with a proposed project and therefore under  
49 the guidelines has the option of consulting with the Airport Commission in which a Type 2  
50 project becomes a Type 3 project.
- 51 • 'Type 3 projects' essentially creates the space for 'Type 2 projects.'

52  
53 There was discussion about the different ways paint can be applied. For example, spray-on painting  
54 may be problematic. Attention needs to be given as to how a paint project is approved.  
55

1 Staff noted part of the approval would be that the tenant would be taking full responsibility for the  
2 project.

3  
4 **Commission:**

- 5 • It should be categorically stated that spray-on painting is not an acceptable process, but that  
6 application by roller or paint brush is.

7  
8 There was discussion as to how rental credit would be applied.

9  
10 **Staff** noted the credit would depend upon the improvement and would not be dollar for dollar. The  
11 credit may be \$.50 on the dollar. Again, any project improvement that exceeds \$5,000 must be  
12 approved by Council and for Type 3 projects that exceed \$1,000 must be reviewed by the Airport  
13 Commission. If the project cost is less than \$1,000 the rental credit would be determined at the time  
14 the application is submitted as to the cost of the project.

15  
16 **Commission:**

- 17 • Should the rental credit reflect some percentage of the total cost as opposed to being  
18 determined on a case-by-case basis?

19  
20 **Staff:**

- 21 • The rental credit would depend upon the type of improvement. For instance, if someone  
22 wanted to seal around the hangar and paint the hangar floor and the cost is \$3,000 compared  
23 to someone wanting to install an automatic door, sealing the hangar and painting the floor  
24 would be more beneficial to the Airport than the installation of an automatic door opening  
25 system. The hangar would not rent for more money just because it has an automatic door  
26 opening system. Rental credit should probably be reviewed according to how the  
27 improvement benefits the Airport.

28  
29 **Chair Crane:**

- 30 • The element of 'durability' should also play a role in determining rental credit. For example, if  
31 someone wanted to do a re-roof on a building as opposed to just painting the roof, the service  
32 life is greater for a new roof than for just painting it.

33  
34 **Commissioner Deerwester:**

- 35 • It may be the Rental Credit section should state 'percentage of rental credit shall be based on  
36 benefit to the Airport to include the element of durability.'
- 37 • Rental credit should likely be reviewed in terms of equity. It may be important for a tenant or  
38 future tenant to have an automatic door opening system so even though this is not  
39 necessarily viewed as a direct benefit to the Airport, it is.

40  
41 **Chair Crane:**

- 42 • The guideline document specifies improvement limits, but does not specify how rental credits  
43 will be applied.
- 44 • If tenants install different kinds of automatic door openers and then no longer lease hangars  
45 the Airport is responsible for performing maintenance on these doors.

46  
47 **Commissioner Deerwester:**

- 48 • It is important for tenants to have some idea what to expect with regard to rental credit. The  
49 element of rental credit should be more clearly defined.

50  
51 **Staff:**

- 52 • Rental credit will be agreed upon before any improvements are made. Rental credit will not  
53 likely be dollar for dollar. The intent of rental credit is essentially for basic improvements, such  
54 as sealing around the bottom of hangar, adding rain gutters, sealing or painting hangar floor  
55 adding insulation and/or repairs that obviously improve the function of the structure.

- As hangars are vacated basic improvements such as those listed above will be done.
- In the case where a tenant puts in lighting or a sink that is to benefit him/her does not necessarily mean the tenant would get the same amount of rental credit compared to an improvement that benefits the function of the hangar such as a re-roof. A re-roof would likely be a higher rental credit.

**Commissioner Deerwester:** The rental credit request section of the application should include a description that improvements and associated rental credits will be viewed as those that provide for durability and are a benefit to the Airport versus those that are a convenience and benefit to the tenant.

**Staff:** The better approach might be to place a 'cap' on the number of improvements based on life span. It could be that some people want to keep making improvements to benefit themselves as opposed to paying rent on the hangar.

**Chair Crane:** There are only so many surfaces that can be 'improved.'

**Staff:** Is of the opinion a cap should be placed over a certain period of time.

**Chair Crane:** It is important to make certain the same projects are not being repeated for a particular hangar such as painting a hangar every year.

**Staff:** Rental credit would be given off of the tenant's monthly bill.

**Chair Crane:** The aforementioned language belongs in the guidelines.

**Staff:** The way the program works is if someone wanted to do a project that cost \$1,000 the agreed rental credit would likely be \$500. Staff then informs City billing that a credit is to be applied to the bill. Rent can be reduced in half until paid off. This is all part of the approval process. A policy requirement is once the tenant leaves the hangar the rent credit is no longer in effect for that person whether he/she rents another hangar or leaves the Airport.

**Chair Crane:** A person doing work on his/her hangar is different than if work is done on the hangar by someone hired to do the job. The exposure to the City is different in this regard and how should this aspect be addressed in terms of protecting the City relative to liability and worker's compensation issues.

**Staff:** Identifying the scope of the work and who is doing the work will be part of the approval process. Proof of liability insurance would be a requirement. The City Risk Manager had no comments regarding the Airport Tenant Improvement document.

**Commissioner Albright:** It may not be a good idea to lock-in a percentage threshold, such as 50% of the improvement and provide for a reasonable clause because the improvement might be a significant upgrade.

**Chair Crane:** It may be the improvement is actually a detriment to the hangar. It may also be that allowing for a rental credit @ \$.25 to \$.75 a sq.ft. is a better approach than basing a rental credit on a percentage of the improvement cost.

**Commission consensus:**

- The Commission noted the Airport Tenant Improvement Guideline document is a work in progress. Changes/modifications can be made as necessary.
- Caps/thresholds need to be established as far as the type of improvements/number of times an improvement can be made, life span, consider percentage of rental credit entitlement up to 50% and include language that addresses certain criteria that an improvement should provide the necessary durability and benefit to the Airport worthy of a rental credit.

- An appeal process section should be added to the document.
- The Commission would like to be informed of all applications requesting rental credit even those that are approved by the Airport Manager, which would be Type 2 projects. Type 1 projects are typically large and will be reviewed by Council so the Commission will likely know about these applications.
- Supports creating a tracking process for all application project types.
- It may be that Airport staff can perform maintenance on hangars whereby an improvement application for rental credit would not be necessary.

10 **5B. Budget 2011/12**

11 **Airport Manager Owen:**

- Referred to Airport budget YTD for FY 2010-2011 and supporting current budget information i.e., Airport Charges and spreadsheet prepared by Airport staff relative to fuel revenues and sales for Commission review.
- Posted Airport Expenditures YTD total: \$481,845: Posted Airport Revenues YTD total: \$1,239,776. There is some lag time on the part of City administration when the numbers are updated to reflect current information.
- Explained how budget and corresponding line items balance.
- Specifically referred to 'Airport Charges' from July 1 through September 30 and noted this 'charged out' information and/or revenue comes from City Administration relative to Ground Rent & Tie Downs Fees, Admin Bldg. Rent, Hangar Rent - Shop, FAA Bldg Rent, Fuel CalStar, Operations Fees, Landing Fees, and Miscellaneous Sales. The spreadsheet also shows the number of gallons of Jet A and AvGas fuel sold and revenue generated from July 1 through September 30 and this information comes directly from Airport staff tracking of fuel sales and revenue.
- Noted as far as Airport Charges data, the information varies because some tenants are behind in rent and do not pay and then pay a large portion. The FAA pays rent quarterly so this charge varies.
- Calstar is billed at the end of each month for fuel.
- Fuel information is further broken down on a spreadsheet into categories that shows fuel costs and revenue generation and respective balance after expenditures.
- Further commented on variables that occur for expenditures and revenues.

34 There was Commission discussion about staff's monthly information concerning Jet-A, Calstar and  
35 AvGas fuel sales and fuel/oil/tie down/landing fees/callout/catering charges and total revenue  
36 generated offset by fuel costs.

38 There was also Commission discussion relative to discrepancy in corresponding revenue balances  
39 and how the information was formulated. Any possible errors will be reviewed and corrected.

41 **Commission:**

- The better approach might be to further breakdown or establish a formula possibly daily or weekly of fuel information for Jet A, Calstar and AvGas individually and for fuel costs as opposed to showing one lump sum breakdown per month for each category. In this way, a trend is established that shows fluctuations/variables/peak times for fuel sales/revenue offset by costs as a more effective method to track information.
- Likes that staff is tracking fuel information.
- Noted the importance for staff to track flow information.

50 **Staff:** Staff now tracks how much Calstar is billed for fuel and what Calstar paid for fuel to make  
51 certain they are paying the right mark-up price. This is accomplished by keeping track of the number  
52 of gallons pumped and preparing a monthly report in this regard. There is no special report prepared  
53 for Calfire. Calfire uses a credit card when planes need fueling just like most tenants do when  
54 purchasing fuel. It may be necessary to further breakdown fuel revenue by percentage showing how  
55 much is representative of Calfire, Calstar, Airport tenants, or other etc.,

1  
2 **Commission consensus:**

- 3 • Supports the above-reference breakdown for fuel revenue for informational purposes.  
4

5 There was Commission discussion about the intent of other revenue categories, such as catering,  
6 represented on the spreadsheet that staff prepares.  
7

8 **5C. Blue Jay Health - update**

9 **Airport Manager Owen:**

- 10 • On behalf of Mr. Heimberg's attorney a response to the Unlawful Detainer complaint was filed  
11 with the court.  
12 • Mr. Heimberg advised staff that he paid Greg Traylor for rent in October.  
13 • If this is the case, this would 'throw out' the hangar eviction proceedings the City Attorney did.  
14 • Greg Taylor indicated he did not accept and can prove he did not receive payment from Mr.  
15 Heimberg.  
16 • The City Attorney is waiting for this proof before he files a court date for a hearing. However,  
17 he plans to move forward this week on filing a court date regardless.  
18 • Staff will keep the Commission informed.  
19

20 **5D. Redding Auto Body Encroachment – update**

21 **Airport Manager Owen:**

- 22 • The subject property has been resurveyed at the cost of Redding Auto Body to verify the  
23 property lines.  
24 • Redding Auto Body stands to lose approximately 4,500 square feet. The subject property is  
25 uniquely shaped.  
26 • The north boundary line cannot be located where the gate is and this issue needs to be  
27 resolved.  
28 • When the fenced is moved Redding Auto Body wants to make certain it is legally correct.  
29 • Since the loss of square footage is more than anticipated, Redding Auto Body may be  
30 interested in a ground lease with the Airport.  
31 • Even though the property is for sale having a ground lease with the Airport would provide  
32 more space for storage for a commercial business.  
33

34 There was discussion regarding the object free zone boundaries and/or RPZ area boundaries in  
35 terms of encroachment issues. The Commission would like information about the location of RPZ  
36 boundaries.  
37

38 **6. REPORTS**

39 **6A. Airport Maintenance**

40 **Airport Manager Owen:**

- 41 • Prison crews supervised by Calfire will be present this week to work on Airport landscaping  
42 projects and do general clean-up for certain areas, include culverts.  
43 • Prison crews provide a valuable service and assist the Airport with maintenance issues.  
44

45 **Commission:**

- 46 • Supports an update regarding 'Airport Maintenance' be a regular agenda item.  
47

48 **7. AGENDA ITEMS FOR NEXT REGULAR MEETING IN AUGUST**

- 49 1. Airport Tenant Improvement Guideline  
50 2. Blue Jay Health  
51 3. Redding Auto Body  
52 4. FOD  
53 5. Airport Maintenance  
54

55 **8. COMMISSIONER COMMENTS/STAFF COMMENTS**

1 **Staff:** The annual Airport Christmas party will be in early December.  
2 **Chair Crane:** Is concern about the continuing encroachment by the City Corporation Yard into the  
3 former lumberyard area and noted this is an issue because this portion of the Airport has become  
4 unsightly.

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9. **ADJOURNMENT**  
There being no further business, the meeting adjourned at 8:14p.m.

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Cathy Elawadly, Recording Secretary