

UKIAH REGIONAL AIRPORT COMMISSION
October 2, 2012
Minutes

COMMISSIONERS PRESENT

Don Albright, Chair
Dottie Deerwester
Eric Crane

STAFF PRESENT

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

COMMISSIONERS ABSENT

Carl Steinmann

OTHERS PRESENT

1. CALL TO ORDER

The Airport Commission meeting was called to order by Chair Albright 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 – September 4, 2012

M/S Deerwester/Crane to approve September 4, 2012 minutes, as submitted. Motion carried (3-0) with Commissioner Steinmann absent.

4. AUDIENCE COMMENTS ON NON-AGENDA ITEMS - None.

5. DISCUSSION/ACTION

5A. Airport Security

Airport Manager Owen:

- With the recent aircraft and vehicle vandalism occurring at the Airport asked the Commission to talk about security at the Airport and possible ways this aspect can be improved.
- The Airport is not liable for any damage to personal property or lost/stolen items.
- City code states the City is not responsible if an Airport user experiences/incurs damage or vandalism to personal property.

Commission:

- Discussion advising that the Airport has no security would not be a good approach. A more appropriate approach would be to post a sign and/or by some other method advising visitors 'the Ukiah Municipal Airport is not responsible for any lost or stolen items.'
- General discussion about other cost effective ways to provide security at the Airport.
- Use fencing as a security precautionary measure. There was discussion identifying areas that are not currently fenced that could be closed off to complete the process and material type. The one side that is missing fencing is on the north side of the Port-a-Ports. It might be a good idea to fence this section off and provide for a gate in the roadway and/or move the Port-a-Ports to fill in the gaps.
- It may be some of the existing fencing should be relocated/reconfigured.

Commission consensus:

- Recommends placing a plaque in an appropriate location that advises the public the Airport is not responsible for damage to personal property.
- Staff continues to pursue improved lighting fixtures/facilities for the Airport and with providing electricity particularly in the area of the Port-a-Ports.
- Staff to provide the Commission with information concerning fencing prices, square footage necessary, and materials for review and discussion. It was noted the Airport already has the bid specification information.

1 **Staff:** A fence should not be constructed in the area of the Port-a-Ports until the electrical work is
2 done.

3
4 **5B. Airport Maintenance Contracts**

5 **Airport Manager Owen:**

- 6 • Would like to look at contract work for the Airport to get some necessary repairs done,
- 7 • Is interested in landscaping the landside of the Airport that includes the front of the Old Flight
8 Service Station building, the City Credit Union building, other buildings on the land side of the
9 Airport, including along South State Street and other areas on the west side of the Airport as
10 far down as the FED-EX that would benefit from landscaping.
- 11 • Talked about the existing landscaping and what was initially done to make the Airport
12 aesthetically presentable.
- 13 • Would like to hire a contractor to do more of the structural maintenance on the
14 buildings/structures that City staff/crews are not able to do.
- 15 • There are funds available in the Building and Maintenance account to make repairs to
16 buildings.

17
18 **Commission:**

- 19 • While landscaping is important in terms of aesthetics, is of the opinion this can be done in
20 phases and is not particularly a high priority compared to other work that needs attention,
21 such as hangar maintenance and repair. There are capital structures in serious need of
22 repair.
- 23 • Supports consulting with Judy Pruden whether she would be interested in developing
24 landscaping and irrigation system plans for the Airport.
- 25 • Commissioner Deerwester volunteered to contact Judy Pruden concerning potential
26 development of a landscaping plan for the west side of the Airport.
- 27 • It is important the Airport have some sort of a maintenance program for landscaping and
28 corresponding irrigation systems to make certain the vegetation is cared for and irrigation
29 systems are properly functioning. An appropriate maintenance program needs to be
30 evaluated.
- 31 • Understands Airport staff does not always have the time to make repairs to
32 buildings/structures because the focus is to make certain the Airport is properly functioning.

33
34 There was discussion about plans for the now outdated 'Masonite sign' that also contains signage of
35 other employers at the Airport. Staff indicated there are plans to move the landmark sign to another
36 location in the City. The sign is not considered an Airport sign, but rather a City sign.

37
38 **Commission:**

- 39 • Supports prioritizing maintenance tasks. The projects requiring maintenance need to be
40 identified.
- 41 • There needs to be a full evaluation of all the structures and it would be beneficial to prepare
42 an inventory of the repairs that need to be done for each building/structure.

43
44 **Staff:** It would be helpful to have someone on board who can write a spec that understands roofs,
45 metal buildings and the like so just the work has to out to bid instead of having to go out to bid for a
46 contractor to write the specs and then another contractor to do the work.

47
48 **Commission:**

- 49 • Commissioners Crane and Steinmann will serve on a subcommittee to identify the repair
50 work that needs to be done for each building.

51
52 **5C. Airport Budget 291/Budget YTD**

53 **Airport Manager Owen** referred to budget spreadsheets for FY2012-13:

- 54 1. Expenditure budget
 - 55 ➤ Shows expenditures YTD as of 9-25-12.

- 1 ➤ Staff has no control over the highlighted budget line item figures that relate to
2 salaries, General Government Services (291 account), Purchasing Dept. Charges
3 (292 account), Billing & Collection Costs (320 account), General Insurance (340
4 account), and Taxes (630 account). City Hall Finance Department inputs the figures
5 for the aforementioned accounts.
6 ➤ Airport staff inputs the budgetary figure for all other accounts as shown on the
7 spreadsheet.
8 ➤ The 291, 292,320,340, and 630 expenditure accounts have not yet been assigned an
9 amount.

10
11 2. Airport Revenues FY 2012013

- 12 ➤ Shows revenues YTD as of 9-25-12.
13 ➤ Fuel sales less costs as of 9-25-12 are \$538,939. The Airport has done well in fuel
14 sales for the first three quarters of this fiscal year and very well this summer with the
15 many fires.
16 ➤ There have been 21 Jet-A fuel trucks come to the Airport since June 29th. There will
17 be another delivery tomorrow. The Airport has purchased 134,000 gallons of Jet-A
18 fuel so far to date this fiscal year. Comparatively, the Airport sold 125,000 gallons of
19 Jet-A fuel last fiscal year for a total of 18 truckloads of fuel.
20 ➤ The Airport has sold 24,000 gallons of AVGAS (low-lead) so far to date this fiscal
21 year, which is approximately the same as last fiscal year.
22 ➤ Staff explained how volume and fuel pricing works and/or is set.
23 ➤ The price of fuel did go up with all of the fires this summer.
24 ➤ The revenue for fuel sales does include Calstar fuel purchases. Calstar pays a
25 different price for fuel.
26 ➤ For comparison purposes staff provided information in chart format that shows
27 number of gallons of fuel sold and fuel revenue generated for Jet A, Calstar, and
28 AVGAS for fiscal years 2009/10, 2010/11 and 2011/12.

29 **Commission:**

- 30 • There was discussion about pricing of fuel and profit margins associated with the pricing and
31 volume. Fuel pricing is essentially set with the load.
32

33 3. Ukiah Airport General Government Charge 291

- 34 ➤ The data concerning the 291 account shows a breakdown by fiscal year of the
35 assigned costs to the Airport from services received by various City departments.
36 The data also reflects information two-fold: 1) incrementally by percentage the
37 changes in assigned costs per fiscal year and 2) the assigned dollar value and
38 associated range by fiscal year. Looking at the range in dollar values assigned for
39 services incurred shows a fluctuation in costs per fiscal year that is not necessarily
40 consistent. The assigned cost for FY 2012-13 is \$68,856.
41

42 **Commissioner Crane:**

- 43 • Does not agree with the assigned costs being charged to the Airport and questions the
44 methodology for determining these costs. Further questions the criteria used for basing these
45 assigned costs.
46 • Does not agree the Airport received any more services from last fiscal year to this fiscal year,
47 yet there is an \$18,061 increase for this fiscal year. Documentation needs to be broken down
48 accurately and precisely to justify the dollar amount assigned per service and this is not being
49 done.
50 • The City Finance Department director has indicated the reason for the increase in assigned
51 costs is the return to the 40-hour work week from a 36-hour work week.
52 • Looking at the information sheet, City Manager costs in the 291 account went up 92% and
53 questioned why the Airport is being charged this exorbitant amount for her work. Her position
54 is salaried from different sources based on her percentage of assigned work. Is the Airport
55 getting 92% more service from the City Manager? City Council does not work a 40-hour work
56 week and questioned why the Airport is being charged 40% more for City Council services.

1 Furthermore, questioned 41% increase from the Finance Department, IT up 46% and so
2 forth. Is of the opinion, this does not track accurately.
3

4 **Chair Albright:**

- 5 • Looking at the total costs incrementally from year to year, the increase is only an 8% increase
6 annually.
- 7 • Established the overall ratio with regard to the increases as being 72% and this figure divided
8 by 8 years is 9%. Is of the opinion, looking at the figures from this perspective the 9% annual
9 increase essentially represents the cost of operating a business and is not really out of
10 context.

11
12 **Commissioner Crane:**

- 13 • Agreed with Chair Albright's calculations. There are 8 annual increases.
- 14 • Noted there is a 36% increase year over year.
- 15 • Is concerned that more money will be charged to the 291 account with the significant
16 increase in Airport revenue generated for this fiscal year.

17
18 **Chair Albright:** There is the possibility the 291 account charges could increase particularly with the
19 significant gain in revenue from fuel sales for this year's fire season.
20

21 **Commissioner Crane:**

- 22 • Is of the opinion the primary reason the 291 account cost has increased is because of the
23 loss of redevelopment money that was paying salaries etc., where some of the costs have
24 been absorbed by City departments and City enterprise funds. Would like to know the
25 formula and/or breakdown for how the costs are determined.

26
27 **Chair Albright:** Looking at 92% ratio for City Manager cost for services still calculates to annual
28 increase of 8%.
29

30 **Commissioner Crane:**

- 31 • Would like to pursue understanding how the 291 account is assigned a cost and/or what the
32 driver is for the increase. The Commission was told the reason for the increase was the
33 return of City employees to a 40-hour work week.
34

35 **Commissioner Deerwester:**

- 36 • The increase could be a combination of ending the 36-hour work week and the loss of
37 redevelopment money.
38

39 **Commissioner Crane:**

- 40 • It is clear the increase in connection with the 291 account is linked to the loss of RDA money.
41 Is of the opinion this is what is happening. A portion of the City Manager's salary was paid by
42 the RDA as was the salary of other City employees.
- 43 • The increases are not across the board for every department or enterprise fund, but rather in
44 individual sections.
45

46 **Commissioner Deerwester:** Without knowing the exact history behind the 291 account and how
47 costs are allocated understands at least from an RDA position how certain associated costs could be
48 incurred in this regard.
49

50 **Commissioner Crane:** The Airport was never a RDA function. If the Airport was a function of the
51 RDA and the RDA money went away, then it would be appropriate to see an increase in the general
52 budget for the Airport to the degree those services were legitimately being covered by RDA. Since the
53 Airport was not a function of RDA, the Airport should not be charged accordingly.
54

1 **Chair Albright:** Understands the situation, but the Airport has the City of Ukiah as the 'boss' and if
2 'the boss' wants to take an increase that is the way it goes.
3

4 **Commissioner Crane:**

- 5 • Disagrees the Airport is not a private enterprise otherwise would be in agreement an increase
6 would be up to the 'boss.' Acknowledged the Airport is an element/function of the City of
7 Ukiah.
- 8 • The City general fund has been pillaging the RDA for decades and then the RDA was
9 dissolved so rather than carve down the RDA functions what is being done is sending the bill
10 to 'different pots of money.'

11
12 **Chair Albright:**

- 13 • Sees the point and while he may not agree with the approach to the increase, it would be a
14 lot easier if the increase was a standing 8% or 9% a year and stay within the budget.
- 15 • The pot of money only lasts for so long.

16
17 **Commissioner Deerwester:**

- 18 • Is it known what the other City departments and enterprise funds are being charged because
19 the Airport is not the only entity being charged.
20

21 **Commissioner Crane:**

- 22 • This year the Airport can afford an increase. What will occur when the Airport does not have
23 the revenue to pay for the allocations? For instance, if it is a bad fire year and there are no
24 fuel sales yet the charge is exorbitant what will occur? The numbers associated with the 291
25 account need to be justified. Finds it interesting the City Manager charge increased 92% the
26 same year the RDA went away.
- 27 • It may be that Council should be made aware of the Airport Commission's concerns and what
28 the Commission believes is the reason.
29

30 There was discussion about the next process concerning what to do about the 291 account issue in a
31 way that best benefits the Airport. It may not be a good idea to change and/or draw attention to what
32 is particularly with amount of revenue the Airport currently has on hand.
33

34 **Commissioner Deerwester:** As far as the revenue generated this year for the Airport supports
35 spending it on things that are absolutely necessary for the Airport because the opportunity to do this
36 is now.
37

38 It was the general consensus of the Commission that the best approach at this point is to defer further
39 review of the 291 account until early next year when staff is preparing the budget for the Airport for
40 the next fiscal year.
41

42 **6. REPORTS**

43 **6A. Airport Fueling Operation**

44 **Airport Manager Owen** gave a report and Power Point presentation demonstrating how trucks are
45 refueled at the Airport. The demonstration provided information about standard operation procedures
46 for the fueling of trucks, including do's and don'ts with regard to safety and liability.
47

48 **6B. Airport Land Use Plan Schedule for Review by Council**

49 **Airport Manager Owen:**

- 50 • Nothing new to report at this time.
- 51 • Will keep the Commission informed.
52

53 **6C. Airport Holiday Party**

54 **Airport Manager Owen:**

- 55 • The annual Airport Christmas party will be held December 6, 2012 from noon to 1:30 p.m.

1 **6D.** Airport Tenant meeting

2 **Airport Manager Owen:**

- 3 • An Airport tenant meeting will be held Tuesday, October 9, 2012 at 5:30 p.m. at the Airport at
4 the Old Flight Service Station building to discuss lease agreements, advise of the tenant
5 improvement program, discuss the AVGAS lawsuit and other matters of relevance.

6
7 **6E.** Airport signs for old lumber yard

8 **Airport Manager Owen:**

- 9 • Signs have been posted at the old lumber yard location advertising that the property is for
10 lease.
11 • There have been no responses to the signs.

12
13 **7. AGENDA ITEMS FOR NEXT REGULAR MEETING**

- 14 1. Maintenance contracts subcommittee report
15 2. Airport Land Use Plan Schedule for Review by Council update.
16 3. Holiday party
17 4. Report on Airport tenant's meeting

18
19 **8. COMMISSIONER COMMENTS/STAFF COMMENTS**

20 **Airport Assistant Ronk:**

- 21 • The Airport has a new ice machine.
22 • There was a turnover in one of the Pasco hangars.
23 • The Airport is in the process of getting a new hire.
24 • The 70 year anniversary is coming up in January regarding the military Philippine Clipper
25 plane that crashed in the Boonville area in 1943. It would be good if the Airport displayed
26 some effects associated with the plane, as well as provide some historical aspects about the
27 crew and the plane.

28
29 **Chair Crane:** It would likely be beneficial to contact the person(s) responsible for putting up the
30 plaque where the plane crashed and possibly get the Ukiah Daily Journal to publish some article that
31 was written about this airplane catastrophe that occurred 70 years ago.

32
33 **Commissioner Deerwester** recommended contacting the cable company to do a commemorative
34 piece about the incident.

35
36 **9. ADJOURNMENT**

37 There being no further business, the meeting adjourned at 8:03 p.m.

38
39
40 _____
41 Cathy Elawadly, Recording Secretary
42