

UKIAH REGIONAL AIRPORT COMMISSION
July 17, 2007
Minutes

COMMISSIONERS PRESENT

Bill Beard, Chair
Eric Crane
Dottie Deerwester, Vice Chair

STAFF PRESENT

Paul Richey, Airport Manager
Ken Ronk, Airport Assistant
Liz Kirkely, Electrical Distribution
Engineer
Sage Sangiacomo, Director of
Community Services & Redevelopment
Cathy Elawadly, Recording Secretary

COMMISSIONERS ABSENT

Ken Fowler
Ben Winter

OTHERS PRESENT

None

The Airport Commission meeting was called to order by Chair Beard 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**- Paul Richey led the pledge of allegiance.

3. **APPROVAL OF MINUTES – June 5, 2007**

The acronym 'CIP' was corrected to read 'CPI' on page 2 of agenda item 6B, paragraph 3.

M/S Crane/Deerwester to approve the June 5, 2007 minutes, as amended. Motion carried by an all AYE voice vote of Commissioners present.

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

None.

5. **ELECTION OF OFFICERS**

It was the consensus of the Commissioners present to defer election of officers.

6. **REPORTS**

6A. **Grant Updates**

Airport Manager Richey referred to the Tentative Allocation letter from the FAA concerning Grant No. 10 for the design/engineering portion of the storm drain improvements and stated staff recently received the grant offer. The grant offer will likely be on the Consent Calendar for approval by City Council at the regular July 23, 2007 meeting. He commented that Ford Aviation Consultants have been very successful in securing grant appropriations for the Airport and the cost of this service has been very worthwhile.

6B. **Summer Projects Update**

Airport Manager Richey referred to the list of summer projects underway and/or to be accomplished and added a television was purchased for the pilot lounge relative to item no. 11 on the list.

6C. Airport Security Update

Airport Manager Richey reported motion detector lights have been installed in the open hangar area and additional motion detector lights will be installed on the bank adjacent to the old Administration Building and parking lot. Additional lighting will be installed as necessary.

Staff contacted the Ukiah Police Department about more patrols in the area and the possibility of keeping an old police cruiser on Airport property. The Police Department has not responded about the matter of the police cruiser.

7. DISCUSSION/ACTION

7A. Solar Panel Feasibility

Electrical Distribution Engineer Kirkley provided a Power Point presentation concerning the potential of installing solar panels at the Airport for power. The Ukiah Airport solar analysis addressed the following topics:

- Current solar installation information for commercial and residential establishments in the City.
- Current City solar system information without grant funding.
- Possible scenario for an Airport solar system involves the following issues/information based on the City's existing solar installations:
 - Average solar system cost before rebate - \$8.46/Watt (AC)
 - Current rebate \$2.80/W (AC)
 - The Public Benefit fund has a cap of \$15,000 for commercial projects.
 - Average solar system cost after rebate - \$5.71/Watt (AC)
 - A 5360 W (AC) system - \$30,346 net cost (after \$15,000 rebate)
 - Annual kWh generated – 9168 kWh
 - Annual Savings - \$990 @ \$.108/kWh
 - The Airport utility bill is approximately \$1,650 per month
 - Payback - 31 years with zero electric rate increases
 - Payback - 26 years with 20% electric rate increase

Highlights of the discussion include:

- Using the Civic Center as an example, an explanation was provided by staff relevant to how the information and applicable figures were formulated/calculated utilizing actual numbers over a four-year average period, incorporating anticipated electric rate increases and with the understanding the information for the Civic Center was analyzed **without grant** consideration.
- Staff will likely have to check with City public utilities for grant information and sources.
- Potential tax incentive for municipalities and private industry for use of solar system recipients.
- Payback statistics and payback figures provided a loan was necessary where no grant funding is available.
- Look at statistics involving variable electric costs when the City purchases power, particularly during peak power intervals compared to how the solar units contribute to a cost savings and increased revenue for the City.
- Approximate solar system maintenance/replacement costs.
- Viability/feasibility/application of potentially installing, including cost factors of a solar system at the Airport now and into the future.
- Civic Center's opportunity to secure grant funding from the California Energy Commission (CEC) for the purchase and installation of solar systems on site. Such funding is no longer available other than through the rebate program.

- If the Airport were to install solar abilities, the initial cost would have to come from Airport funds or from some other financial source. Additionally, there is a \$15,000 cap for commercial solar projects and in terms of receiving rebates, the current rebate rate is \$2.80 per watts. Specifically, the 'Public Benefits Fund' is based on 2.85 percent of the City's customer electric bill. The issue is whether it would be potentially acceptable for the City to use public funds for its own solar project, in which these funds are theoretically for use by the public, since the City owns its electrical distribution system as opposed to being a PG&E customer.
- Smaller use of 'Green power programs' as compared to large electric generation stations could be used as an electric source component such as wind, solar, bio-mass, and other similar alternatives.
- Longevity of solar panels.

Airport Manager Richey stated implementation of a solar facility/component may well be the direction the Airport should go in terms of looking at assets, as there have been past discussions about the acquisition of assets such as allowing for agricultural operations, livestock, and recreational vehicle storage facilities on the Airport. While he does support the concept of a solar system at the Airport further research is necessary in terms of viability and payback where the elements of benefit and savings versus expenses would be a major determining factor.

7B. South Airport Access & Property Acquisition

Airport Manager Richey stated pursuant to a letter from Gary Akerstrom requesting the Airport Commission agendaize for discussion extension of Airport Road and the possibility of the Ukiah Redevelopment Agency (URA) purchasing property for a road extension in the Airport clear zone. Staff consulted with City Community Service Director, FAA, and aviation consultants incorporating the following issues:

- The subject property is outside City Limits and URA project area. The area resides within the County's jurisdiction and is in the Mendocino County Redevelopment Project area.
- URA funds can only be used on programs and projects to remove blighted conditions within the Ukiah project area.
- FAA will require an Obstruction Evaluation for any development including a road. City street/roads are not usually allowed in clear zones unless pre-existing and particularly when purchased with FAA funds.
- A road in this area may require a displacement of Runway 33.
- A road in this area would encroach in the Localizer Critical Areas as defined in the Airport Layout Plan. Such a roadway could affect the viability of the Localizer Approach.
- Any development needs to be outside the FAA Part 77 requirements, as outlined in the 'Obstruction Evaluation/Airport Airspace Analysis (OE/AAA)' document in the staff report.

Other considerations involve:

A road built south of the Airport property proceeding south over private property to Norgaard Lane would create the least amount of issues and/or less issues with the Clear Zone. However, staff is concerned with a road being constructed in the Clear Zone Area.

Wetland issues exist with almost any area the road is proposed that requires mitigation measures be taken.

Airport Manager Richey commented on the above-referenced issues, and stated sub-grading the level of the roadway may be a possibility to avoid interference in the localizer critical area.

Community Services Director Sangiacomo further addressed the matter of potentially using redevelopment funds within 'redevelopment project areas,' and noted the following issues:

- The proposed roadway and/or purchase of property for this purpose is outside of the boundaries of the redevelopment project area.
- The roadway is also outside of the City limits and located in the County redevelopment area.
- One of the fundamental principles of redevelopment is that projects must target the elimination of blighted conditions wherein a nexus must be found for any project as to how it mitigates/negates blighted conditions within a specific project area.
- Even if the roadway was located in the City redevelopment area where the purchase of property by the Ukiah Redevelopment Agency (URA) was necessary in order for the project to move forward, potentially eliminating blighted conditions that may involve the removal of housing units that are blighted and likely inhabited by persons/families with low and moderate incomes is a totally separate matter, which in this case, would be a function of the County redevelopment agency. If, however, the project area was in the City's redevelopment project area, the potential loss of housing units for very low, low, and moderate income housing levels is subject to Redevelopment Law. Furthermore, with regard to the 'housing' issue, Redevelopment Law requires the URA to have a policy for expending monies within the redevelopment 'Housing' fund to meet the housing needs for persons/families with low and very low incomes. The proportion of 'Housing' fund monies spent for low income housing must first be determined according to regional housing needs based on the area fair share of allocation, which is a function of the Mendocino County of Governments (MCOG) mandated by State legislation and reflected in the City's 'Housing Element.'
- The capacity for which the URA can undertake project is a function of the available tax revenue increment. The generation of tax increment revenue is driven by the increase in the assess value of real property within the project area. In order for the Agency to undertake on a large project, it has the ability to borrow and/or **leverage money** against a pledge of future tax increments. Borrowed funds may be generated through a variety of methods, including but not limited to the issuance of bonds.

Commissioner Crane inquired regarding the element of how 'outflow of traffic circulation' from a project area plays into the role.

Community Services Director Sangiacomo stated if traffic circulation was an inhibiting cause of blighted conditions within the portion of the project area, there may be a justifiable nexus that would allow the project to proceed. The problem is that the AIP development project and corresponding EIR does not include the issue of possibly constructing a roadway on the Airport for circulation purposes at buildout whereby there are no blight conditions documented. It may be that such a consideration was not necessary at the time relative to future circulation at buildout.

Community Services Director Sangiacomo further commented the redevelopment agency has a comparatively 'small' pot of funding for projects that meet the criteria relative to economic and blighted conditions having a direct impact to the Downtown area. If the project was in the redevelopment project area, it would have to be evaluated/prioritized in conjunction with all the other potential redevelopment projects.

Airport Manager Richey discussed acquisition of land for the Airport whereby the FAA no longer funds for land acquisition transactions made after-the-fact. Any land purchases must be

approved by the FAA and not after the land has been purchased whereby reimbursement is requested.

A general discussion followed regarding the issues noted above with having an extension of Airport Road through the Airport in terms of interference with Airport operations and the need to comply with safety standards.

Airport Manager Richey addressed the matter of 'banking wetlands' and cited such likely areas on the Airport would have to be mitigated and/or a replacement cited in another location in the event developments were to occur.

For the reasons discussed above with regard to the restrictions for use of redevelopments for purchase of private properties, interference with Airport operations, wetland mitigation issues, and because the project is out of the redevelopment project area, and other relevant issues, it may be an unfeasible project to extend Airport Road through Airport property and privately owned property.

There may, however, be other ways at looking at the project in terms of possibly working with the County Redevelopment Agency, mitigation measures for compliance with the standards/regulations of the various agencies involved and/or look at an alternative location.

8. COMMISSIONER COMMENTS

Airport Manager Richey reported the center line stripe of the taxiway has been painted.

9. STAFF COMMENTS

Commissioner Crane recommended mowing the weeds of the area west of the CDF facility.

Commissioner Deerwester recommended cancellation of the August 2007 regular meeting.

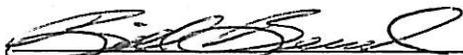
It was the consensus of the Commissioners present to cancel the regular August 7, 2007 meeting.

10. AGENDA ITEMS FOR NEXT REGULAR MEETING

1. Grant updates.
2. Hangar inspection update.
3. Airport staff update.
4. Airport Land Use relative to future development.
5. Election of Chair and Vice Chair.

11. ADJOURNMENT

There being no further business, the meeting adjourned at 9:07 p.m.


Bill Beard, Chair


Cathy Elawadly, Recording Secretary