

Airport Board Minutes
Tuesday, May 8, 2018
12:30 p.m.
UVU Hangar B, Classroom C
1185 Mike Jense Parkway, Provo UT

ATTENDING: Mark Hathaway, Board Member
Lonnie Woodard, Board Member
Bill Prochazka, Board Member
Kris Whitehead, Board Member
Carol Walker Board Member
Steve Gleason, Provo City
Trent Johnson, Provo City
Donavon Cheff, Provo City
Dave Decker, Provo City
Brian Torgersen, Provo City
Mel Leseberg, Jviation, Visitor
Kirk Nielsen, Jviation, Visitor
Jeff DeMille, TAC Air, Visitor
Chris Austin, Hangar One, Visitor
Jeff Carslon, AE Com, Visitor
Jared Ringger, Clyde Companies, Visitor
Matt Fugal, NFSCO, Visitor
Susan Horstman, CSA, Visitor
Liz Horstman, CSA, Visitor
Brian Vanderwel, CSA, Visitor
Jim Green, AIAAN & UVU, Visitor

Welcome and Approval of Minutes

Mark Hathaway welcomed everyone and brought the meeting to order at 12:30 p.m. He asked for visitors to introduce themselves. He also recognized Gary Winterton from the Provo City Council. Mr. Hathaway called the Board's attention to the next regularly scheduled Airport Board meeting on August 14, then to the meeting with the City Council on August 21. Mr. Gleason asked Board Members to please fill out the conflict of interest forms included in their packet and turn them in before leaving.

Mr. Hathaway asked if there were any changes or comments to the February 27, 2018, minutes. With none, Lonnie Woodard motioned and Bill Prochazka seconded that they be approved as written. Voting was unanimous.

Time was turned over to Mr. Gleason to go through the agenda.

Upcoming Allegiant Schedule

Allegiant will be adding a new destination in the fall, yet to be named. It is to a place they have never gone before as a company. We are expecting an announcement in June.

Duncan Construction

Mr. Prochazka gave an update on their building progress. The first maintenance hangar steel is up, the shop support building is up, and the paint hangar off to the north side has steel standing up now. All

concrete was in before April 1st. It is an impressive sight. The hangars are very large. Mr. Prochazka offered to take anyone from this meeting over to look at the project. Aviation reps are also working on the ramp for the project and can give people rides as well.

The apron concrete work will begin April 22. Taxilane closures have already happened to start making the tie-in for the Duncan hangar.

Corporate Taxilane

The Airport Board has voted on this project previously. TAC Air's hangar is already up and functioning. Mr. Gleason reported that we recently received permission from the Provo City Council to allow WW Clyde Company to finish the other half of the taxilane and build a hangar. The construction of the taxilane is being fronted by TAC Air and WW Clyde, and to be paid back over a ten-year period with no interest. In order to fund this, the airport is selling frontage along that taxilane at \$2,000 per linear foot. There are eight people currently on the list to build hangars. We should sell those pads fairly quickly, hopefully, before the taxilane is completed. If, for some reason, it takes up to ten years, we have Council approval for that payback with no interest.

This taxilane took out UVU's parking, so UVU has come up with funding to build a parking lot to the north of this new taxilane. This will create a need for Provo to put in new infrastructure. We also have Council approval to go ahead with that. Mr. Torgersen said we will start on this work as early as next week. Geneva Rock was awarded the bid for this work. UVU's bid closes on May 17th. Mr. Hathaway asked if there was a closing date estimated on the taxilane. There isn't, but it should be this summer. August 24 is the completion date for UVU. They expect it to be done before the school semester begins. The utility work only conflicts with the parking lot for UVU, and we are going to get it in as quickly as possible.

Taxiway A, North & South

There is also major construction along the entire taxiway - Alpha North and South. Taxiway Alpha will be completely reconstructed to bring it up to weight standard. The crossing where last year's asphalt failed will also be rebuilt. The power vault is going to be moved and each taxiway and runway will be on separate circuits so they can be adjusted by pilots or by the tower. We will also be able to turn off some of the runway lights at night. All of the lights are being changed to LED lights. These changes should significantly save electrical utility costs.

Asphalt has been taken out on the south end. There will be a nine-day closure in June while the south end is reconfigured and paved. Alpha 3 work from the crossing to 18/36 will also cause a closure. Taxiways are being renamed to meet FAA standards. Signage on the airport is also being replaced to bring it up to standard.

These projects are all being done this summer and keeping us plenty busy.

Mr. Gleason reported that the airport is also in the middle of the TSA inspection right now and the Part 139 inspection starts tomorrow, so everyone's cooperation is very much appreciated.

Flight School Proposals

Bountiful Flight School update - Mr. Gleason reminded the Board that at last quarter's meeting, they agreed to let them negotiate to meet minimum standards. They have since sent documentation showing that they have met minimum standards with all the conditions we required. With them meeting these

conditions, they were allowed to begin conducting the flight school with two aircraft. Bill Prochazka motioned, and Carol Walker seconded to formalize the proposal made at the last meeting. Voting was unanimous with Mario Markides abstaining due to conflict of interest.

There are several large flight school proposals that have come in for the Provo Airport. In general, this is good for creating a lot of operations if you need them. At one point we did need a lot of operations when we were justifying the tower and we still need some to continue tower funding. The drawback of flight schools on an airport is that they create almost no revenue. The only revenue they bring in is through fuel sales, and the city gets only a portion of that through fuel flowage fees. They end up being a significant use of resources - tower, runway, airspace, tie downs, and badging, using 60 - 70% of airport resources for only .5% of revenue brought in. It takes 200 flight school operations to make up for one jet coming in and going out to create the same amount of revenue. Operations help us when we compete for grant money and tower upgrades, but the number of flight schools we have proposed right now will not work. We don't have the airspace available.

Bountiful Flight must abide by the same rules UVU abides by. If there are five people in pattern, they have to wait until it clears unless their fuel level is critical or they are declaring an emergency. When a jet or commercial aircraft calls final, they take priority in airspace. The other thing is, when they are five miles away from the airport, everyone's practice airspace is in the Goshen Gap. This is not controlled by us. The flight schools need to work this out amongst themselves, plus it is transient air space when they are coming into the Provo Airport from the south.

Mr. Gleason said he will find a way to generate a revenue of having flight schools so they are a more valuable tenant. Bountiful has also been told of this and they are in agreement. Per-operation fee is one option, but is very hard for flight schools. That could cost up to \$80,000 per year which makes it very restrictive for schools financially. A flight school aircraft fee or a flight school student fee are other options. We will work with schools so they are reasonable but still provide some revenue for us. If they don't provide more revenue to the airport, they will be canceled.

New standards will be written for flight schools that would apply to those who don't own their own hangar. Hangar owners are paying ground leases and provide revenue through that channel. There has to be some kind of revenue or fees, as well as minimum standards for flight schools.

Mr. Prochazka asked if there is anything in the 10 - 25 year plan for a parallel runway. The old master plan had one and this master plan is looking at the possibility. The odds, however, are zero. We would have to give up runway 18. We need it for crosswinds and when runway 13 needs to be closed. We won't give up runway 18 for flight schools.

Mrs. Walker asked about the maintenance effect on the airport of having so many planes. Mr. Gleason explained that the small, lightweight planes don't cause much wear and tear.

Another question was how this will affect UVU as a flight school. They are subject to the same rules, but are given a little flexibility because they are a university with a degree program, plus they are paying fuel flowage fees voluntarily. Because they are a State-run university, they would normally be exempt from fuel flowage fees.

Mr. Hathaway asked if there will be a maximum of flight schools allowed on the airport. There will be because of the issues being discussed. UVU is a big presence on the airport, then Bountiful Fight School

was first in line and Cornerstone is next in line. If The FAA says we can't have any more because of safety issues, we won't entertain any more proposals until space opens up. We can't fit another one in.

Cornerstone is an excellent operation and has been here before. They are a professional operation and Mr. Gleason is comfortable with them coming back. He explained that if the Board takes a vote after their proposal, it would be like Bountiful Flight School's was at the last meeting. They will need to meet minimum standards, which their current proposal doesn't. Since they don't have a facility yet to base their school here in Provo, they would like to build their own hangar.

Mr. Woodard asked if there is a limitation of aircraft for the flight schools. There will be in the new minimum standards. It may be five aircraft. We don't have room for them to have unlimited aircraft. Bountiful has already agreed to accept new minimum standards.

Mr. Gleason explained that Cornerstone's proposal lacks a place to operate and an agreement to meet all future standards. Time was turned over to Cornerstone Flight Academy to make their presentation. Susan Horstman was introduced as the first PanAm female pilot. She explained that Cornerstone Flight Academy has been around since 2003. They have a flight school at the Salt International Airport so they are used to giving priority to commercial flights and jets. They have another flight school in Ogden. Everywhere they are located, they are always an FAA 141 and VA-approved school. One of the main reasons they want to come to Provo is to do international training. They have an agreement with China and their version of the Chinese FAA to bring in Chinese students to train them. There would be 30 students the first year and 60 the second year. Ms. Horstman clarified that they do not intend to compete with UVU.

They would like to build a hangar for 15 - 20 aircraft with second-story classrooms and offices, and a small café since there isn't one on the airport. They would buy fuel from TAC Air. They have a maintenance facility in Ogden, but to have a more local source, they may use Hangar One for their smaller aircraft. Foreign students help with economy with housing and food sales, etc that comes with living here. Their school brings instructors in as well. The hangar would be built by their affiliate construction company.

They are required to have 800 hrs of training per year for foreign students. They assess students in China to make sure they speak English and make sure they are qualified. They listen to the student's recordings for communications during flights and training. They want to do it 100% right. They have a good record of abiding by all requirements and regulations with TSA, FAA, Airports, etc.

They would like to start their first students in the fall, but could start in Salt Lake until they are ready here. Ms. Horstman said Cornerstone Flight Academy is conservative in everything they do. They have a good relationship with UVU.

In answer to questions on where they would build and the number of operations per day, Ms. Horstman explained that the Chinese start in the classroom only, then have 2 months to get their privates. They break their day into segments of 9 a.m. -5 p.m. for private pilot classes, 6 p.m. -11 p.m. for instrument training, then they have commercial pilot classes from midnight - 5 a.m. Cross country flights are spaced out so they aren't all leaving and returning at the same time and they always have an instructor ride along with the Chinese students.

When they were here before, their practice area was on the other side of the VOR. They were considering using Spanish Fork for touch and goes, but it is too close to Provo. Nephi would be better. Mr. Markides suggested they go to UVU's website to see where their practice area is. Bountiful flight is trying to figure out where their practice area is going to be as well. Cornerstone's practice area needs to be determined before an agreement will be signed.

Right now we don't have a spot to build a hangar at all, so when the new taxiway is built, there is the possibility they could buy into the new corporate row, but a flight school down an active taxiway doesn't make other corporate users very happy because the students are out there all the time and clog up the taxiway, plus they would have to comply with corporate standards. Architectural standards of the hangars on the corporate rows make it cost prohibitive for schools. Mr. Gleason has other thoughts about the north end that is currently master planned for t-hangars. The new master plan will most likely change it to box hangars, but this would put their starting date out until early next summer rather than this fall. He also has other ideas that can't be talked about yet as part of Airport Board Meeting.

Mr. Markides asked if the new master plan allows for development on the north end, would there be another access point through the fence? Right now it's not feasible from a Provo City financial standpoint.

Mrs. Walker motioned that the Airport Board approve the same proposal that was approved for Bountiful Flight School. Since they submitted a proposal before flight school restrictions are in place, we should let them continue with their proposal. The motion is to allow Mr. Gleason to continue to talk with Cornerstone Flight Academy, to find room for them in hangars (or to build) and tie-down space, and, in principle, keep moving forward in planning contingent upon all requirements being met and having operating agreements in place to accommodate space, to accommodate airspace the same way we do with UVU or any other flight schools operating. Bill Prochazka seconded, and voting was unanimous with Mario Markides abstaining due to conflict of interest.

Maintenance Proposal

Chris Austin from Hangar One was in attendance to propose a maintenance operation on the Provo Airport. One of the things Provo Airport lacks is a maintenance program for small repairs. People are having to go to Spanish Fork for this. Mr. Austin submitted a proposal to operate an ASO out of the Provo Airport. He meets minimum standards with insurance, has a building to work out of and meets other minimum standards, and Provo needs this service at the airport. Mr. Prochazka asked where his operation would be located. He would use the old Jense hangar next to the Fronks. He also works closely with the Fronks. Carol Walker motioned and Mario Markides seconded that approval be given for having Hangar One be a maintenance facility with Chris Austin heading it up. Voting was unanimous.

Manager's Report

Mr. Gleason didn't have anything further to report on so asked if there were questions. Mr. Woodard asked if there is any progress on the hangar construction next to the Fronks. There has been progress.

Another question was regarding the terminal progress. Mr. Gleason said we will have a grant to build the terminal ramp in 2020. He explained that the master plan needs to be completed, then do the environmental assessment, then design the terminal before 2020. We are still looking for additional funding for the actual terminal since it can't all be funded through an FAA grant. Provo City is aggressively exploring a few different options.

Mr. Markides asked about pulling power to blocks for poles on the west side connector. Mr. Torgersen explained that they are putting in street lighting to light up the trail for 24-hour use to make the trail safer. Other work that is ongoing for the current phase of the west side connector is grubbing garbage out of the old ditch that has been piped. There is a fence going around the greenhouses, and they are drawing lines of boundaries. Trucks should start running in the next couple of weeks. The contractors have been told 3110 West needs to remain open. There may be times they may flag it for one-way traffic, but with the amount of traffic to and from the airport, it needs to be open as much as possible. There is no good detour route. Lakeview Parkway has been specified as a four-lane road with a center lane.

An airport entrance landscaper hasn't been lined up yet. It will look better soon.

Matt Fugal asked about the dike road being used by trucks and construction equipment. For the next phase of construction we will try to find them another route. For now it is the only road in. We will try to reestablish the bridge. Fugal clients who drive high-end vehicles are having a hard time getting past big rocks and are getting a lot of dirt on their cars. Mr. Gleason will encourage truck and equipment drivers to go slower so dust doesn't fly up as much.

Mr. Markides asked about windsock improvements. Mr. Gleason has been talking to Kristen Brownsen from the FAA about getting little ones put in through a grant.

Adjourn

With no other business to take care of, Lonnie Woodard motion to adjourn at 1:21 p.m. Bill Prochazka seconded. Voting was unanimous.