

HEBER CITY CORPORATION
75 North Main Street – Council Chambers
Heber City, Utah
Airport Advisory Board Meeting
Wednesday, February 12, 2014

4:00 p.m.
Regular Meeting

Members Present:	Erik Rowland	Airport Advisory Board
	Dave Hansen	Airport Advisory Board
	Mel McQuarrie	Airport Advisory Board
	Kari McFee	Airport Advisory Board
	Nadim AbuHaidar	Airport Advisory Board
Absent:	Jeff Mabbutt	Airport Advisory Board
Others:	Mark Anderson	City Manager
	Terry Loboschefskey	Airport Manager
	Karen Tozier	Airport Advisory Board Secretary

Others: Chip Turner, Bruce Kirchenheiter, Paul Boyer, Mayor Alan McDonald, Jim Church, Tom Mecham, Dale Stewart, Kirk Nielsen, Cole Miller, Tracy Taylor, Lon Woodard, and others whose names were not legible.

Chairman Rowland convened the meeting at 4:00 p.m. with a quorum present and welcomed all present. Board Member Mabbutt was excused. Chairman Rowland allowed comments from the public at the beginning of the meeting.

Paul Boyer of Park City and owns a hangar at the Airport, commented regarding the slide presentation he had made at the City Council Meeting the previous week. He indicated that they had not had time for a question and answer session and he wanted to let everyone know that if they ever wanted to do that to invite them to the Airport Advisory Board Meeting and they would be happy to run those slides or answer questions.

Chip Turner, the newly elected Mayor of Daniel asked for something more official in regard to notification of the City's plans and subsequent information to let them know what is going on and to possibly be involved. He indicated that this not only affected Daniel but also Charleston and other residents of the valley.

Chairman Rowland noted that on today's agenda they would be looking at the composition of the Board. There have been some proposals as to seats that should be made available. With that composition discussion he thought there was an opportunity where they could involve members of the County as well.

Approval of Minutes

December 11, 2013, Regular Minutes

Board Member McFee moved to approve the December 11, 2013 Regular Meeting Minutes. Board Member Hansen seconded the motion. Voting Aye: Board Members McQuarrie, AbuHaidar, Rowland, McFee, and Hansen. Voting Nay: none. The motion passed.

Item 1 Airport Manager Report

Terry Loboschefsky reviewed items from his report; there was brief discussion on some of the items:

- January was a big month; a record for float sales was set with OK3AIR;
- Terry Loboschefsky was asked to find out from UDOT Aeronautics the statistics on operations; direction was given to him to get this information on a regular basis;
- Funding for 2013 Runway and Apron Rehabilitation has not been released yet, Spring of 2015 is the most likely estimation for the project to begin;
- The new snow box works well especially in the hangar area;
- 72 hours of snow removal have occurred to date;
- May need discussion of when the runway needs to be plowed; some individuals want jet departures in early morning and can't take off with snow on the runway. This is a budget issue; Loboschefsky did not think clearing should be done in the dark. He was directed to look at bringing some solutions to the Board by looking at the budget and determining fees for someone requesting this service during regular hours and at the fees for service being requested outside of the normal service times. One of the things to put on the next agenda is some of the budgetary items for the Airport that the City might consider funding during the next budget year. Looking at whether Loboschefsky's hours might need to be increased in order to provide service was part of the discussion.
- There is need for an Emergency Response Plan;
- Hangar inspections are scheduled for this spring through the Fire Marshal to make sure the hangars are meeting fire safety standards;
- OK3AIR is planning to clear the gate access codes at their gate; this will increase the need for the City to issue more cards and increase the administrative process. Discussion on what to do when a hangar owner needs to get a contractor through the gate to work on their hangar; the thought was to leave it up to the hangar owner if they need to get someone in;
- Tentatively on June 9 – 15 the CAF is planning to have a B25 for a public event; insurance information would be needed from anyone offering rides for compensation.

Item 2 **Kirk Nielsen, Jviation – Continuation of Review of Draft Lease/Rates and Charges Policy Including the Review of FAA and Open House Comments**

Chairman Rowland asked if the Board had any questions on the recommendation from Jviation on the lease rates and policies as to what that recommendation is and what it includes.

Boardmember McQuarrie indicated he understood what had been recommended although he did not agree with all of it. Specifically he did not agree with the recommendation for reversionary leases, which he said would apply to the commercial hangars. If they make a recommendation to the Council for non-reversionary for the private hangars they are going to have to revisit this one; he indicated he thought they should release Jviation and this can be addressed farther down the road. He did not see a reason why this should stop the Board from making a recommendation to the City Council; the document contains other pertinent information to make decisions.

Also discussed:

- The option to form a technical advisory committee as referenced in the Airport Advisory Board bylaws; and to be as expedient as possible to go through the other issues;
- Go through a more thorough process to analyze these things such as the reversionary / non reversionary issue;
- The most pressing matter is what to do at the end of a lease; what happens after 25 years?

Board Member Hansen moved that we move this forward to City Council for approval. Board Member McFee seconded the motion.

Discussion: Mark Anderson noted that the document is not clear and recommended they provide clarity to City Council as to what type of leases we would offer. Chairman Rowland noted they could move that no leases of any kind be extended until this is resolved and address the reversionary/non-reversionary issue. Board Member AbuHaidar thought possibly there was an option to offer the same type of leases most recently offered and at the same time we put a group together. Chairman Rowland asked Board Member Hansen to stop; this could be a second motion. Discussion on there is nothing clear cut that addresses what happens at the end of a lease nor what happens with the existing hangar leases. Board Member Hansen struck his motion for approval. Further discussion and debate continued on these issues.

Board Member Hansen indicated he could make a motion on what the lease agreements should be and moved that we make the lease agreements non-reversionary and have a provision at the end of lease to not extend the lease but rather have a new lease written which would clarify the existing leases and also make that retroactive to the new hangars that are presently reversionary because we are losing money there. So I move that we make a proposal that the existing leases and the new leases are non-reversionary and then utilize what we can from this document. Chairman Rowland asked for clarification. “So you are suggesting that we modify current leases to be all non-reversionary?” Board Member Hansen answered, “I would like to see them non-reversionary.” Chairman Rowland continued, “So even if the existing lease that is reversionary who had an agreement (to purchase) with the current lease holder, convert that to another

reversionary?” Board Member Hansen answered, “To non-reversionary because the value goes up.” Board Member McQuarrie seconded the motion. Board Member Hansen clarified his motion that at the end of term a new lease is written for the ground.

Lengthy discussion continued on the motion with numerous opinions being offered. Boardmember AbuHaidar asked if this applied to both the non commercial and commercial hangar leases. A question was asked whether it would be prudent to create a timeline to get a working group recommendation. There was concern of this motion not being documented as far as the means of extenuating circumstances. Summations of both motions were made. Hansen expressed that with the second motion that he was mistaken, he should have put a limit on that because it would not be fiscally responsible to include hangars that may have to come down. Board Member Hansen withdrew his second motion.

MOTION

Boardmember McQuarrie moved I recommend that we push Jviation’s document forward with non-reversionary, instead of, . . . all new leases as non-reversionary, and that we report to Council that that’s our intent and then we need to take the next 90 days or 60 days, the next two meetings and come up with a policy to recommend to the Council of what to do with existing leases at renewal and possibly conversion of existing reversionary leases. Chairman Rowland asked that the last part of the motion define what the needs are that they still need to address, and then secondly define if that should be comprised of one committee for each issue or should the committee overall oversee all of the issues. He indicated he liked what Boardmember McQuarrie was saying but asked for there to be two separate motions in order for it to be detailed enough to do it correctly.

Boardmember McQuarrie moved to approve Jviation’s recommendation converting to non-reversionary; everything forward is non-reversionary. Chairman Rowland restated the motion, “Okay we have a motion to accept the documentation as written with clarification that all new leases will be non-reversionary.” Boardmember McQuarrie answered, correct. Board Member Hansen seconded the motion.

Discussion: Boardmember AbuHaidar asked what the basis was for this recommendation. Boardmember McQuarrie indicated he thought the Airport will best grow with non-reversionary; it will keep the values up and keep people motivated to be here and keeps the liability off the City. Mark Anderson indicated that historically the non-reversionary leases were 20 years with a 5 year extension and this suggests 20 years with a 10 year extension and asked if the intent for this was to be the same. Anderson indicated he would like the Board to have an opportunity to explore in more detail what those costs of maintenance and liabilities are because they have not talked about what the real financial consequences involved are. What are other airports that have reversionary leases doing and what is their experience? What kind of differences are we talking about in regard to reversionary vs. non-reversionary? I don’t think there has been any significant detail discussed other than broad generalities and “we don’t want to do that because it’s bad.” I think you ought to have more study on that before you draw that conclusion because I haven’t seen any of that study occur.

Chairman Rowland called for the vote. Voting Aye: Board Members McQuarrie, AbuHaidar, Rowland, McFee, and Hansen. Voting Nay: none. The motion passed.

Discussion ensued on items that still need to be addressed:

- Reversionary vs non-reversionary;
- End of lease terms;
- Address modifications to existing lease for when conversion is requested;
- Whether hangar row is included;
- Should a committee be formed and should it address all of these things? Comments and suggestions:
 - May warrant more frequent meetings;
 - Stipulations to say what would constitute a quorum of the committee;
 - Some representation from the Board and comprised of general public and hangar owners;
 - Organize and call group together
 - Legal counsel
 - Unbiased facilitator
 - 1 City Council
 - 1 Board Member
 - 3 at large
- There was a suggestion to have those present bring names to the next meeting as recommendations for individuals who would be good representatives on the committee.

Boardmember McQuarrie stated, You want me to... we're kind of running out of time and stuff that we could address, maybe we could make a recommendation to form a committee and at the next meeting we will figure out how to put that together, organize it, the committee.

Chairman Rowland asked the Board what they wanted to do; did they want to take a motion now as far as this point is concerned?

Boardmember McQuarrie continued, I'd like the points included put on it but I don't know if we're ready to name a name. I think we know we want the three things we need to address; we need to form a committee that will address them. And get recommendations from others to suggest, may suggest, who is going to be on the committee, and also what you're suggesting we can take a look at that.

Chairman Rowland said, So, motion to form a committee and from now until our next board meeting take recommendations from both the Board as well as the general public as far as what that composition should be and then come our next board meeting we'll be prepared to name the committee. That sound good, that sound like a good motion?

Boardmember McQuarrie stated, sounds like a motion, except we need to add that we are going to address those three things.

Chairman Rowland continued, in order to address the reversionary vs. non-reversionary, end of lease terms, and modifications to existing leases.

Boardmember McQuarrie seconded the motion.

Voting Aye: Board Members McQuarrie, AbuHaidar, Rowland, McFee, and Hansen. Voting Nay: none. The motion passed.

Chairman Rowland noted that Boardmember McQuarrie had brought up another point and he asked the Board whether they wanted to release Jviation; do they consider their work complete?

Board Member McQuarrie moved that Jviation's contract is complete. Board Member McFee seconded the motion. Voting Aye: Board Members McQuarrie, AbuHaidar, Rowland, McFee, and Hansen. Voting Nay: none. The motion passed.

Item 3 **Discuss the Makeup of the Airport Advisory Board**

REQUEST

At the last meeting held by the Council it was moved that the Airport Board have a voting and non-voting member of the Council on the Board.

Chairman Rowland has asked that the Board give feedback on the following proposed makeup of the Board.

- Two City Council Members
- Two Heber City Residents
- Two at-large Members
- FBO Representative

The current by-laws read as follows:

Article 3:

Appointment and Terms of Members

- A. *The Airport Advisory Board shall consist of (7) members;*
- B. *Membership shall be as follows:*
 1. *Membership will include persons of diverse interests from throughout the cities and suburbs in Wasatch County.*
 2. *A Technical Assistance Committee will be formed as needed to help understand technical and other issues associated with the airport or other entities that might be affected by it.*
- C. *The Airport Advisory Board will interface with and be supported by the City Manager, his designee, and/or the Airport Manager. Heber City will also provide a secretary and staff support as needed.*
- D. *The terms of office for the seven appointed Airport Advisory Board members shall be four years. The initial appointments shall be for, three positions two years, two positions three years, and two positions four years from January 1, 2005. Any vacancies in these positions shall be filled by a recommendation from the Mayor and confirmation by the City Council. The appointment will be for at the remaining time of the member whose vacancy is being filled.*

E. Improper conduct and non-performance of duties shall result in a recommendation to the Heber City Council for removal of said member. Members may be removed after a public hearing, by a majority vote of the City Council.

Currently, the Board is one member short as Tom Melville was not re-appointed.

DISCUSSION

The Airport Advisory Board discussed the following points:

- Chairman Rowland proposed that the Board's composition be looked at because right now the bylaws are fairly vague. Other than the requirement of residing in Wasatch County there are no other requirements. The bylaws do not address education or other factors. He proposed that this be clarified so that there is an efficient board structure. He proposed that they do have City Council representation so that they can convey needs more appropriately to the City Council.
- Chairman Rowland explained his reasoning for recommending the composition of the Board to be comprised of two City Council Members, two Heber City residents, two at-large members and one representative from the FBO. He indicated he thought the majority of membership should be from Heber City.
- The position of alternate is not addressed in the bylaws;
- It is not necessary but is helpful for Board Members to have some level of aviation expertise. This is important in order to give technical advice; conflict needs to be addressed clearly and not be allowed to influence;
- All recommendations provided to City Council need to address whether the individual has aviation experience; any interest in the Airport should be disclosed;
- Would two City Council members be intimidating?
- Chair should be the person who represents the recommendations of the Board;
- Council member should not serve as the Chair;

Chairman Rowland read aloud the proposal that the Boardmember requirements for the bylaws to state the composition of the Board should be comprised of;

- Two City Council Members
- Two Heber City Residents
- Two at-large Members
- And one position reserved for the FBO Representative;
 - A decision needs to be made as to what does the FBO seat mean. Is this position only exclusively referring to Nadim AbuHaidar or a representative designated by Nadim as proxy such as Alan Robertson who is an FBO Employee? Boardmember AbuHaidar noted that defining this would be helpful;
- The members themselves when their names are given for recommendation must include whether or not they have aviation experience and any conflicts that may exist with the Airport such as hangar ownership or other property interests.

MOTION

Board Member McQuarrie moved to approve this with the exception of the two City Council members would be, you know, one minimum and up to two could be appointed. Chairman Rowland stated, we have a motion to take the composition as stated with the exception that rather than two mandatory City Council members, would be mandatory with the second upon the... Boardmember McQuarrie interjected, so in other words, somebody, a member at large could be appointed alternate or another City Council Member so they can have the authority to appoint two on there if they wish but if they select one they should put another at-large or, a, for instance I mean, I guess that is up to Council. Board Member McFee seconded the motion.

Discussion: Chairman Rowland indicated the only issue he would have is he thought because this is a Heber City asset the majority of membership should be Heber City residents if we left that second one to at-large this could potentially be taken away as a majority; to have a majority we need to have at least four. Board Member McQuarrie indicated he was willing to modify (his motion) to that to be a Heber City resident. There was discussion between Boardmember McQuarrie and Chairman Rowland at this point on the distinction between Heber City resident and a second City Council Member; which also would be a Heber City resident. Chairman Rowland noted that if the Mayor wanted to appoint two City Council Members if it was worded as Heber City resident then he would not be able to do this. Boardmember McQuarrie indicated he thought the latitude should be left in and that he would keep his motion as originally proposed. Boardmember AbuHaidar asked Boardmember McQuarrie for clarification on the motion; did he modify his motion? Boardmember McQuarrie answered I did not modify; I am going to keep it as originally proposed. Boardmember AbuHaidar asked, as proposed in this document? Boardmember McQuarrie answered, as proposed in this document except instead of requiring two members of Council to be on, the latitude is given to minimum; one required Council Member and the option to appoint a second if so desired or they can appoint somebody else at-large or in the City. Boardmember McQuarrie indicated this gives latitude to the Mayor and City Council to appoint the second position as they desire.

Chairman Rowland stressed strongly his opinion that the Board consist of a majority of Heber City residents. He noted that this was very important after speaking with the rest of the City Council.

Boardmember McQuarrie amended his motion to, "Heber City Council Member or another Heber City resident." He stated, I will modify my motion to that.

The vote was taken at this time. Voting Aye: Board Members McQuarrie, AbuHaidar, Rowland, McFee, and Hansen. Voting Nay: none. The motion carried.

Bylaws were to be given to Mark Smedley for review and Karen Tozier was to email this out to the Boardmembers for review.

Item 4 **Election of Chairperson and Vice Chairperson**

Chairman Rowland indicated he would like to relieve himself of any nominations as a Chairperson and for that to be extended to another board member. Two potential seats are open. Board Member McQuarrie voiced his opinion that he thought the Chair needs to report to the City Council for purposes of communication. The composition of the Board was discussed briefly.

Board Member AbuHaidar re-nominated Chairman Rowland until such time as he was not on the Board. Board Member McQuarrie nominated Board Member Hansen for Chairman. Board Member McFee nominated Board Member McQuarrie. Board Member McQuarrie moved to close nominations. Voting was taken on these nominations and the motions died as there were not enough votes to carry the motions.

MOTION

Boardmember McQuarrie made a nomination, he said, "I'll take the seat and he (Dave Hansen) can be the vice".

Chairman Rowland summarized the motion; we have a motion to accept Mel as the chair and Dave as the vice chair. Voting Aye: Board Members McQuarrie, AbuHaidar, Rowland, McFee, and Hansen. Voting Nay: none. The motion passed.

Item 5 **Review of 2013 Airport Board Actions and approval of the 2014 Annual Regular Meeting Schedule**

There were no proposed changes to the schedule and no comments were made on the Board actions of the past year.

Other Items as Needed

Chairman Rowland invited the public to comment on any items the Board had discussed.

Tracy Taylor, a Heber City resident expressed that in listening to the composition of the Board that she thought it is better to disperse power than consolidate power. She indicated she would prefer the Airport Advisory Board not be comprised of City Council Members. They are welcome to come to these meetings, and should come to the meetings whether they sit on a Board or not. Taylor spoke of using technology for communication and requested video taping the meetings and placing them on the website so City Council Members can watch and noted that podcasts were also a way of getting information out to the public and City Council Members. She also commented on the scheduled time of the meetings preferring that the meetings be later in the day when she thought more people could attend instead of at 4:00 p.m. She reiterated her preference that City Council Members not be on this Board. She also thought the members should have airport experience and that they know how to read a contract and decipher what you are held to and what you are not held to. She thought the City had grown enough that individuals could be found to sit on the Board who had these traits.

Chip Turner, resident and Mayor of Daniel, thought that having one councilmember on the Board was okay but that having two members was a huge conflict of interest.

Mayor McDonald indicated he wanted to publicly express his appreciation to the members of the Board. He thought that the experience that they have on this Board is tremendous and that the issues go very deep which may be the reason why a City Council Member has sat on this Board. He read the purpose of the Board from the bylaws which was to advise the City Council and Mayor in matters pertaining to the operation of the Heber City Airport. He thought the intent of the Board was to advise the Council, not to have Council Members on to this Board. Mayor McDonald advised the Board on the Codes of Conduct and Conflicts of Interest and then spoke about communication between the two groups. He commented that the Chairman and any Board Members are welcome to attend the City Council Meetings. He thought they could bridge the communication gap together without having two City Council members on the Board at this time. Mayor McDonald concluded that the Airport has to be viable for investors to come into it and recommended non-reversionary leases; that the City should look out for their interest. He recommended that the Board continue to follow the pursuit of non-reversionary leases.

Chairman Rowland commented that in regard to City Council representation it had been unanimous from the City Council that they felt there should be at least one City Council Member on the Airport Advisory Board.

Boardmember McQuarrie moved to adjourn the meeting. Board Member Hansen seconded the motion. Voting Aye: Board Members McQuarrie, AbuHaidar, Rowland, McFee, and Hansen. Voting Nay: none. The motion passed and the meeting adjourned at 6:12 p.m.