

CEDAR CITY REGIONAL AIRPORT BOARD MEETING
February 08, 2024

A regular meeting of the Cedar City Regional Airport Board was held on Thursday, February 08, 2024, at 8:00 AM in the Cedar City Regional Airport Conference Room located at 2560 West Aviation Way, Cedar City, Utah.

PRESENT:

Burt Poulsen, Chairman

Jyl Schuler, Member

Scott Phillips, Council

Mike Bleak, Member

Vaughn Montgomery, Member

Maria Twitchell, Member

John Appel, Member

Mark Leavitt, Member

Tyler Galetka, Airport Manager

Ryan Marshall, Public Works Director

Anna Hernandez, PW Executive Assistant

Blaine Nay – AOPA

Kirt McDaniel - Woolpert

Angie Tom – BLM

Chris Cox - SUU

APPROVAL OF MINUTES

Leavitt moved motion to approve, Shuler seconded, and all I's were in favor, that the minutes from the January 11, 2024, meeting be approved.

INFORMATIONAL ITEMS

- SkyWest – No representation.
Galetka gave an update; They are looking at the potential of going cashless. Maybe install a machine where you can insert cash and get a card out. There are initial discussions on probably wanting some space for it.
The Enplanement numbers are still not great, they were low last month.
- T-O Engineers – No representation
Galetka gave a report; He will be meeting with T-O today at 10 AM. To discuss alternative section of the Master Plan. That will be to identify the needs of the airport and future expansion. They will be looking at setting up some dates to meet, the options are meeting virtually next month or in person sometime in April. The majority of the board preferred meeting in person for April timeframe with technical community and public meetings for the Master plan process.
- TSA – No representation
- BLM – A. Tom
Their calendar is full till May with training, hiring and meetings. Maintenance is coming up for them on some tanker items.

- FBO – No representation

- SUU – C. Cox

They have changed their departure westbound; they are no longer utilizing two six and eight for departure and arrival westbound for helicopters. It will climb downwind up to seven thousand across mid field westbound. The same thing inbound, go north over the fifteen to the water tower so that they can get away from the residents. They have to go all the way north to the water tower before turning around and coming back in now. Coming inbound from the north and the south they will still use two six.

The other thing is they only have a thousand hours left to fly and they hope that the weather clears so they can complete that.

On the temporary tower, Nick Holt has started a temporary tower service that he provides with certified controllers. SUU is going away from the one they were using previously. They are going to try Holt's tower service March 11th through the 13th. They also have a few other dates throughout the rest of the year scheduled. SUU has about one hundred students left to tower solo every semester. Getting it out to other airports does not work for them. The efficient way is to spend a little bit of funds to get a temporary tower here and complete it in about three days.

Galetka stated as it gets closer, he will get the NOTAMs and frequencies out to everyone and post it up on signs and emails to make sure to communicate that out to everyone.

Phillips asked what this all meant?

Galetka responded, Cedar City is a non-towered airport, with bringing in a temporary tower the airport will be a controlled airfield for 3 days as SUU pays for that. A temporary tower is a mobile trailer with a tower built on top to it.

- Woolpert – McDaniel

The project on north Charlie eight two six, that is scheduled for Monday to do the crack seal then in the summer come back and do the seal coat.

Woolpert will be working with Galetka on a couple of new projects. Remark the main runway 2/20, also looking at purchasing a snow blower to replace the existing one that is over thirty years old.

The Terminal project, the bid opening was last month, there was a low bidder (Bud Mahas). They will be working with them on the requirements and get it approved by the FAA then it can be forwarded to the contractor so they can get started.

- USDA – No representation.
- AirLife Utah – No representation
Galetka gave a report; AirLife Utah has unfortunately closed their operations in Cedar City. They had a very slow first year, they needed twelve flights a month to break even, and they were not getting that. It is a very competitive market. One of the other companies owned by Air Methods went through bankruptcy, which is their parent company. They had to close their newer operations that were not successful.
- Open Forum – Phillips
Is there any legislation right now that the airport is tracking that maybe a negative impact on airport operations in any way.

Galetka mentioned that there's been two things that have been on their radar the past year. The first one is, Ogden came under fire last year for their lease policies. To where at the end of their term, which lasts 45 years, the airport will take that hangar, as they had a right to in the lease agreements and release out to anybody. There was a Bill that went to legislators last year, that was going to require the airport to purchase the hangar at the end of that lease term before they can have the actual facility. It was pushed off, there has been no word about it recently. However, the airport is changing the way they are operating in Cedar City, the reversion will go to the hangar owner. They can continue to relet that hangar for a period of 10 years at a time.

Jeff Obering's lease went through the City Council, and it was approved. It's not exactly in the rules and regulations yet. However, since Obering's went through, every lease moving forward will have the same exact clause put in there and any renewal will as well.

The second one is, the FAA re-authorization Act, they are looking at EAS airports. SkyWest takes that subsidy to fly their aircraft into Cedar City. They are looking at adding an obligation of the airport to pay one hundred thousand dollars per year to have that EAS contract. Currently the operating budget is about seven hundred thousand.

There was a bill floating around to raise the PFCs (Passenger Facility Charge). What it is, the airport collects so much passenger impact fees for every person that flies in here on a charter plane. That money has to be allocated to a project. What the airport does, when they do AIPs, they list their projects on what they will be working on. That has to come in and be re-allocated back to those projects. The proposed increase will just increase the amount they can collect on.

AIRPORT MANAGER'S REPORT

- Project Report
 - Terminal Staining – The airports ops are going to each counter and doing some touch ups. Keep up with the presentation of the airport.
 - Taxiway A Light upgrades – Per previous discussion, most of the lights at the airport are still incandescent light bulbs while the main runway is halogen. Now there are LED options that the airport is looking at for future projects. Halogen bulbs are good bulbs, they last a long time, and they produce heat which helps with snow and ice. Currently Galetka ran into shortages for incandescent bulbs, GE stopped producing certain bulbs for airports. They have had to purchase cheaper bulbs at the same price as they are lower quality and burn out half the hours as the old bulbs used to. There has been a shortage, right now on Alpha which is commercial service use. The airport is going through and changing out the fixtures internally to go to halogen and they are doing it all in-house to where they are bending the metal to build the brackets. There is a difference in size between incandescent and halogen. The airport's goal is to keep continuing onto Alpha and complete the whole thing. There are about one hundred lights on Alpha to retro fit them to halogen fixtures.

As the airport moves forward with the Alpha project in the next few years, those will be replaced and remove them off the taxiway and put them in other areas that could be changed out.

The airport grounds and maintenance over the next few years will be allocating some funds to that, try to get to a current solution.

Phillips questioned if they will meet FAA standards?

Galetka answered, yes that they will. They are replicating what they can purchase through the internet that has been produced and is approved by the FAA. The conversion kit is about twenty to thirty dollars to do each light and they have one hundred lights on the airport. By doing it in-house the airport is cutting the cost down to half.

- Super Bowl Traffic – The airport did not know what to anticipate for the traffic in Cedar City. Currently there are twelve aircraft that are confirmed that are coming in to either drop off passengers that will then shuttle down to Las Vegas for Super Bowl this weekend or they will be staging aircraft once they drop off passengers in Las Vegas. Las Vegas is entirely full; St. George is full they cannot accept any more aircraft for parking. St. George has about eighty aircraft scheduled to park. There are about seventy quick turn aircraft to drop off or pick up passengers. Everyone is booked and there is no more space.

Leavitt asked what they were charging for FBO and airports both?

Galetka has had some conversations with St. George, they enacted a special use fee for events. That ranges from one thousand to three thousand dollars for aircraft. They will be making about two hundred thousand dollars this weekend.

Cox questioned that another discussion of utilizing the helipad as overflow parking, how many does the airport anticipate will be on the helipad?

Galetka stated there are a couple of G5s G280s coming in, some falcons nothing too large. On the far east side of transient apron could probably fit five jets depending how they are parked. He wants to leave the FBP apron open for quick turnarounds and non-event aircraft. Possibly fit two near the T-hangars further to the south, which puts them about seven aircraft if there are fourteen maybe put seven on the helipad. Galetka anticipates closing the helipad Friday through Monday till about noon. If the airport needs to overflow, they will look at closing down the end of eight two six like they have done in the past years.

Marshall was curious about the discussion, if it is looked at by the board that is trying to generate revenue for the airport. Would the board object to looking into implementing something similar in the fee structure for some of the events coming up. Is this something that the board would like to pursue and explore it further.

Galetka mentioned that budget season is coming up, they are going to look at the fee schedule. This would be the opportune time to add it in there. To ensure that if the board would like to pursue this, it will be ready and in place for the PGA in October. This would be for the city's special event fee that would apply to the entire airport and delineate between event aircraft, non-event aircraft based on their timeline. The airport cannot set the FBO fees.

Action Item:

Galetka will make some calls to different airports, find out what they are doing. Do a bit of investigation then maybe come back and meet to discuss before proposing budget.

Phillips mentioned that there can be some changes to the fee schedule, make a proposal and go back during the process.

- FAA Part 139 Inspection – The FAA inspection took place on the 29th, 30th and 31st of January. Galetka has not received the final inspection report yet. Overall, it was a great inspection with a couple of items that came up. The ARFF drill, there was an issue between dispatch and fire to do the aircraft rescue fire drill. There will need to be some retraining on that. With that, they were not happy with the snow berms. With the new snow blower that will be arriving in the next year or so, that will be the solution for it. Other than that, they were impressed with the airfield and paperwork.
- Airline Advisory Committee (AAC) – The committee meets every other week. They are still planning to meet with SkyWest the last week of March the 26th or 28th. It will be with the analyst that really wants to see the demand.

Marshall mentioned that the intent of this meeting is to get the message on what the airport wants across to them, they also have some needs that they need assistance with as well. To define a set of goals of what the airport is trying to accomplish and make sure everyone is on the same page and going the same direction. Have three or four different areas where they will go to, and they will meet and talk about different things. For example, going to SUU and talking about getting students out for interviews and getting people in for jobs. They will talk with IHC, about their needs for better flights and better times. Have the SUU flight school here and talk about what they are looking at and trying to accomplish. As well as talking about Enplanements, schedules and how the airport would like to see earlier and maybe over night flights.

Phillips is setting up three or four meetings for focus groups for them to divide into. To get them to get a fresh look at Cedar City, the fact that there is a lot happening here that they do not recognize. To be a positive experience and build on the partnership.

Action Items:

- ATM Concessionaire Contract – Galetka presented a copy of the contract to the board. Currently the contract is with the city attorney for his review. With the contract they are looking at renting out the terminal. On the location agreement, 10% of the gross profit which has been approved by the city council, the utilities will be covered by the city and the ATM operator will cover their own internet, maintenance, and operations. Galetka asked the board as to what terms to establish, monthly or yearly?

It was determined that a one-year lease minimum duration of contract term would be established.

As well as potentially adding a camera in that area to watch the use of it. If there is more demand in the future, then put it out to bid for a minimum two-year duration of the contract term.

Leavitt motioned to approved with Appel seconded and all I's were in favor to establish at minimum a yearly term agreement.

- TRCC Grant – The airport received their grants from the TRCC board for Iron County. The airport was awarded \$25,000 in marketing revenue, \$22,000 would be for digital advertising geo fencing which has to be spent outside of Cedar City marketing to bring in tourism. \$3,000 would go towards video production used toward advertisements. Additionally, Galetka requested \$26,000 to do a study and design implementation of a name change. The airport was awarded \$12,000 of that to perform the research for a brand change. The \$12,000 will be used to get the research done to get the studies out and get some potential name changes. If it would be ideal to do that or not, it will go out to bid for that.

The TRT board also awarded the airport \$10,000 for the same type of advertising for local advertising for the local community.

Phillips brought up how this would differentiate from the advertising that is being done by a firm in New York – Advance Media?

Galetka stated that Advance Media are an airport specific marketing company. They partner with ASM (consultant) and ACI (airport council), they are a big name in the airport marketing world. The grant funds would be used towards them for the ad placement.

When Galetka attends the TRCC boards, he presents the data that Advance Media provides him. All the click rates and the success of the campaign, that's what he uses as a reference to how successful the marketing funds are working towards the airport marketing.

Marshall asked where is the airport geo fencing that?

Galetka answered, Salt Lake, LA basin, and Seattle. They are willing to change those as they see demand or see fit. LA and Seattle are the biggest demands currently with the reasonable connections into Salt Lake City down to Cedar City. Las Vegas is not the ideal market to fly into. Adjusting as the data comes and updating it frequently.

Geo fencing targets certain areas, where your locations are and where you are based. They are demographic pop-ups, data points.

- FBO – Galetka wanted to report to the board as required that there have been some issues with the FBO and their records, inspection of vehicles and training records. The airport has been putting in a lot of time and effort monitoring their activities and inspecting their books on a daily basis due to a lot of things being missed. Between their employee turnover, there were some employees who did not know how to do things properly. The airport has been involved with them in the last month and wrote a letter of compliance in which they have not done a great job at getting into compliance. Currently they are between supervisors and the new one is being trained. The airport is working with them to ensure they come up to compliance or at least follow the minimum standards that are required of them.
- Hangar/Land lease fees – There is another company called Alta Port that has reached out to Galetka about land fee collection. They are a local Utah company based out of Provo. The airport has a landing fee imposed at a \$1.30 per thousand pounds for aircraft that are twelve thousand five hundred and above for commercial & charter. This company does not have minimums and they will only collect fifteen percent of the revenue whereas the other company wanted twenty-five percent with a minimum for enrollment. The great thing about this company is that they already have the fee imposed and the airport can leave it as is and they can collect the extra fees. They would like to serve and partner with Utah airports and expand their business.

Galetka wanted to get the board's opinion on having it approved or look at lowering the minimum from twelve thousand five hundred pounds to six thousand as discussed, exempting local traffic and adjusting that.

The fee schedule will be discussed at budget season. The fees are collected from SkyWest, Fed-Ex, Alpine, Tanker Base and football charters. The charters, NetJets, and Gulfstreams that the airport does not see often have not been charging them landing fees like they were supposed to.

Alta Port also offers other services that Galetka would be interested in looking into. That is tie-downs collections and a billing process for the tenants for leases. The main part of it is the land and tie-down fee that has not been collected. Sphere One aviation has been collecting tie-down fees for a long time. There is no documentation from them to show that tie-down fees are being collected.

There will be a preliminary discussion to talk about terms. Alta Port would want a year's contract.

Not change the current airport fee structure, allow Alta Port to start collecting what was not.

As there was nothing further, the meeting adjourned at 9:20 AM.