

Airport Board Meeting
Provo City Public Works Conference Room
1377 S 350 E, Provo UT 84606
Tuesday, February 10, 2015
12:30 p.m.

ATTENDING: Mark Hathaway, Board Member
Mario Markides, Board Member
Larry Mendenhall, Board Member
Mark Openshaw, Board Member
Bill Prochazka, Board Member
Carol Walker, Board Member
Lonnie Woodard, Board Member
Mel Leseberg, Aviation
Kirk Nielsen, Aviation
Greg Beckstrom, Provo City
Whitney Booth, Provo City
Donavon Cheff, Provo City
Steve Gleason, Provo City
Trent Johnson, Provo City
Corey Norman, Provo City
Jeremy Valgardson, Provo City
Gary Winterton, Provo City Council
Jeff DeMille, TAC Air
Kris Whitehead, TAC Air
Gary Lemmons, Air Traffic Control Tower
Cameron Fugal, Visitor
Matt Fugal, Visitor

Welcome and Approval of Minutes

Mark Hathaway called the meeting to order at 12:30 and welcomed everyone. Thanks to Gary Winterton for bringing the gigantic box of chocolates. Mr. Hathaway asked if everyone had read the minutes of the November 18, 2014, meeting, and if there were any changes or comments. Larry Mendenhall motioned they be approved as written. Bill Prochazka seconded. Voting was unanimous.

Time was turned over to Mr. Gleason. First of all he noted the gift cards in the packets for the Board members as a small token of appreciation for their service.

Runway Rehab Project

The closures should be well-known to everyone. They will start May 1 and go through the end of June, around the 27th. The eight-day complete runway closure for intersection work is scheduled for May 21 - 29. The airport is not closed – just the runways. Helicopter traffic can still come in and out. When we

talk to pilots, let them know that they will need to make arrangements for other airports during that eight-day period. UVU will go to Nephi. Allegiant already knows when the closure is and is not selling tickets for those days. Mr. Woodard noted that Heber will also have their runway closed for rehab during that same period.

During the other days of construction they will use runway 18/36. It will create noise over the houses nearby and send jet blast noise up into the Grandview area. We will work with the Mayor's office about notifying neighborhoods that could be affected, particularly with the morning flights. The earliest flight is at 7 a.m. Allegiant can't use the MD80 on the shorter runway. They will be using the newer 319s. They are smaller, quieter aircraft, which should help with some of the noise. Mr. Gleason would like to meet with neighborhood chairs to prep them for the 58-day construction period.

Mr. Leseberg pointed out that for 30 days after the intersection closure there will be night-time closures while the runway is groomed. It shouldn't affect the neighborhoods as much, but will affect runway use. They will NOTAM when it will be closed. This work will be after dark when we don't have as many planes coming in and going out.

Both runways will be closed while the intersection is done. There is the possibility the primary runway will be opened early if the whole project goes ahead of schedule. The contractor will be doing everything they can to keep closure time to a minimum. We've built in some pretty heavy penalties for liquidated damages if the construction time goes over. They asked if they could put an asphalt batch plant at the airport to cut down on travel time, but it is not allowed in Provo.

Starting fairly soon, a little before May, there will be a significant amount of truck traffic on Center Street. There will be a lot of material being hauled in and out. The west-side connector traffic is starting to ease up a little bit, so this will make the truck traffic on Center Street about the same as what they have been experiencing for west-side connector traffic. A new road has been constructed for truck traffic to get behind the dike and enter the airport from a different direction to avoid congestion with flight passenger traffic going to TAC Air.

Mr. Markides asked if we could slurry some of the north ramp so they can still do run ups. Mr. Gleason explained that slurring isn't a problem, but the cracks are. Mr. Gleason will look at it with Jviation and see what can be done to make the run up area more viable. He thinks if the area that has already been designated is swept well and they stay on the taxilanes they will be OK. Mr. Gleason will go over the area that should be used during the 58 days with UVU and other airport users. A few other options were looked at, but the one Mr. Gleason has designated will be the one we use.

Capital Improvement Projects/Master Plan

The biggest Capital Improvement Project this summer is the Master Plan. Included with the Master Plan are a Minimum Standards update and designating the self-serve fueling location. Preliminary design of a new terminal on the south end just off runway 13 will also be included. There will be a lot of behind-the-scenes work being done this year. New things will be added to the Minimum Standards that weren't an issue the last time they were updated. Public meetings are part of the master plan process.

Control Tower Issues

Mr. Gleason received a phone call a month and a half ago telling him our control tower equipment was no longer accepted by the FAA. Because it is not listed as acceptable equipment now, there is no one

certified anymore to maintain it, nor is anyone allowed to train anyone on it anymore. We are very fortunate to have Jviation as our Engineering firm. They have two people on their staff who can work with the FAA and work their way around it. Craig Sparks, who used to be the Airport District Office Manager for the FAA and Donna Taylor, who was the head person in all of Seattle, can work with the FAA for work-arounds. Both having worked for the FAA, they know the right people to talk to and ways of working around the problem until we can get new equipment.

The tower was going to have to be closed in March when the certification runs out. Kings Avionics was fully trained and was maintaining our equipment, but the FAA won't accept their training. RVA, who installed our equipment and trained the airport staff initially, also is not qualified according to the FAA to train us on the equipment. Rather than closing, Donna has been able to work it so we have until June to come to a resolution.

We are trying to buy new equipment as our first and best option. Our tower equipment is ten years old and still working, and towers across the country with the same equipment are still using it. Our tower has been singled out at this point for this type of closure. The reason for this is that a new person has been put in charge in Salt Lake and she is interpreting the rules and regulations differently. It will cost somewhere in the neighborhood of \$300,000. We are in a continual struggle with Denver ADO whether it is AIP eligible for FAA funding. Craig Sparks is working with the Denver ADO for a solution on this. Option B would be to find a way to re-write the FAA code to train our people (who are already trained) and allow King's Avionics to be able to train on the equipment and do our semi-annual and annual certifications.

Mr. Prochazka suggested we elevate this to Washington. We have done that, and as a result, they are starting to disqualify the same equipment in other towers. Everyone we have talked to in the FAA realizes and recognizes that Provo Tower cannot go dark and are working with us to find a way to make it work. Finding a way to solve the problem will occupy a lot of people's time between now and June. Donna has been a great help in communicating with the FAA.

Mr. Markides asked, if we can't use AIP funds to buy the equipment, how will we get the money? Mr. Gleason will talk to Mr. Markides after the meeting.

Privilege Tax

Utah County charges a tax on city-owned hangars that we rent out. They say it is for exclusive use of the city-owned buildings as if the tenant owns the building. It started in other airports a long time ago, but Utah County only started doing it six years ago when the economy tanked and they were forced to find new revenue sources. They can't charge this tax unless the building is used as a business, which we don't allow. However, they say they can charge it if an aircraft is registered as or to a corporation. Mr. Gleason has explained to them why people register them as corporations, and that it is against airport policy to use hangars as a business.

We supply them a list of who is in the hangars. When hangar tenants get their tax notices, they need to take them to the county assessor's office and let them know the hangar is not used as a business. Mr. Gleason will supply a letter for them to take with them saying it is owned by Provo City and they can't use it as a business. But if the aircraft is still registered to a corporation, it will still be charged the tax. Mr. Woodard said they also need to show yearly income tax returns to show it wasn't used as a write-off.

The wording of the privilege use tax law needs to be changed so it doesn't apply to hangars. Mr. Gleason gave the example of RC Willey renting their outlet store building from Provo City. The law is intended to cover this situation since they are in the building to make money. This doesn't apply to our hangars. The county's response to this is that they could technically assess the hangar pads that no one owns and tax that as the same privileged use. Mark Openshaw is going to work on this issue. He asked who the original author on the legislation was. Mr. Gleason explained that it is a fairly old tax and just hasn't been applied to Provo. The hangar tenants at the Salt Lake #2 airport have been assessed this tax for decades and have been paying it.

Mr. Openshaw suggested we build it in to the front end of the lease and include it with hangar rental charges, then let the city pay the county so tenants aren't bothered with it. Mr. Gleason said we could set up an escrow account and charge an extra \$10/month to pay the tax. To those who all of a sudden started getting notices, it was somewhat of a surprise at the amount. Mr. Openshaw said his owed \$1500 for five years of taxes because it was going to his old address and it took that many years for them to finally get the address right. Mr. Woodard said his was \$247 per year for the city hangar he rents. The reason Mr. Gleason hasn't built it into the lease is because most people don't owe it, and there are different amounts for different hangars, so each lease would be different. We have standardized the leases so they are consistent for everyone. Anyone who gets a hangar now is told up front that this will be coming so they are not surprised when they get the tax notice.

The county has told Mr. Gleason they want to come in and evaluate and inspect every hangar and look at tail numbers. He wouldn't let them go in the hangars. We can do it for them upon request, but they aren't allowed in the hangars.

Peter Jeppson is the person at the county assessor's office that deals with this tax. Mr. Winterton suggested we talk with Kris Poulsen at the county about the issue.

Mr. Openshaw suggested we get someone who has influence with the legislature to work on this for us.

Fuel Farm/Self-Service Fuel

Planning the location for the fuel farm is part of the master plan process. A neutral, third party will help determine a location so it can be put in as soon as possible. There are three location options. One would be to put it in front of the old Jense hangar. Another is to put it in front of the airport office, or near Norm Castle's hangar. A different option would be to move it clear down to the north end. But the cracks on that end are really big for the planes that would be using it, so that is not as desirable. The tank will sit on skids so it can be moved in the future if necessary.

There are issues in proximity to buildings, tank types, etc. Mr. Gleason prefers it to be by the old Jense building. TAC Air wants it in front of Mr. Gleason's office. That poses problems because that is where the de-icing pit is. There are ingress and egress problems by Norm Castle's hangar. The old Jense hangar has issues with potential helicopter take offs and landings. We need to update the Master Plan before it can be put anywhere, because at this point, it is not included.

Personnel Changes

Jeremy Valgardson was introduced at the last Airport Board meeting. Since then he has been hired as the airport manager in Cedar City. It has been great having him here. This is a good move for him, and the Board wished him good luck there and we look forward to working with him in Cedar City.

Donavon Cheff will replace Mr. Valgardson as of February 16. We're glad to have him. He will handle all maintenance issues, as well as being an airport security coordinator for flights, and will deal with the airport certification manual. He will be training quite a bit over the next three months.

Manager's Report

During construction when both runways are closed, we will be doing a tri-annual emergency disaster exercise. It is the full-scale exercise that involves actors, the hospital, county sheriff, search & rescue, etc. May 21 is the date this will take place at the airport. We do them every three years. Last time it was done there ended up being a fire that many of the fire personnel had to attend to instead of participating with the training. Hopefully we will have everyone participate who needs to this year.

Mr. Hathaway had to leave the meeting early, so with no other business or questions to take care of, Mr. Woodard accepted Mark Openshaw's motion and Carol Walker's second to adjourn at 1:15.

Next Meeting: May 12, 2015, at UVU.