

Heber City Corporation
Airport Advisory Board Meeting
September 16, 2015
4:00 p.m.

REGULAR MEETING

The Airport Advisory Board of Heber City, Wasatch County, Utah, met in **Regular Meeting** on September 16, 2015, in the City Council Chambers in Heber City, Utah.

I. [Call to Order](#)
[City Manager Memo](#)

II. Roll Call

Present: Board Member Mel McQuarrie
Board Member Kari McFee
Board Member Jeff Mabbutt
Board Member David Hansen
Board Member Heidi Franco

Excused: Board Member Ron Phillips
Board Member Erik Rowland
Board Member Rob Shallenberger

Also Present: City Manager Mark Anderson
Airport Manager Terry Loboschefsky
City Deputy Recorder Allison Lutes

Others Present: Jeremy McAlister, Ryan Klassovity, Robin Hill, Kristin Brownson, Ken McCarthy, Jen McCarthy, Carl Dofelmier, Carl Penner, Nadim AbuHaidar, Dennis Corsi, Eric Trinklein, Ron Blue, Alan Robertson, Merry Duggin, and Dave Kennamar.

III. [Pledge of Allegiance](#)

IV. [Minutes for Approval: August 19, 2015 Regular Meeting](#)
[August 19, 2015 Draft Meeting Minutes](#)

Board Member Kari McFee moved to approve the minutes of the August 19, 2015 regular meeting. Board Member Hansen made the second. Voting Aye: Board Members McQuarrie, McFee, Mabbutt, and Hansen. Voting Nay: None.

1. [Airport Manager Report](#)
[Airport Manager Report](#)

Loboschefskey reviewed his report for the Board, and noted that the taxiway lighting project had been approved by the FAA. Additionally, the final inspection for the apron project, as well as the AGIS study were nearly complete.

Loboschefskey informed the Board that the Automated Weather Observation System (“AWOS”) failed on Sunday. A line operations staff member restarted the computer and the system was back online and fully functional, alleviating the need for a \$1500 service call. Loboschefskey added that he would not remove the Notice to Airmen (“NOTAM”) concerning the AWOS until he confirmed it was still operating without issues. Loboschefskey stated that the AWOS itself would continue to be supported after 2016, but it was the ceilometer that was being phased out and would no longer be supported.

Loboschefskey advised that the hangar inspections did not go forward as scheduled on September 14, as noted in the report.

2. [Q and A With Kristin Brownson, FAA Northwest Mountain Region Utah State Engineer Regarding Grant Assurances and Other Airport Development Questions](#)
[Email from Marc Miller, FAA](#)

Discussion focused specifically on Grant Assurance 5, Preserving Rights and Powers. Brownson stated that the City should ensure it had the power to control the actions at the airport. Further, she believed Marc Miller, FAA Compliance Officer, felt the FBO might have too much control. Anderson clarified that the issue related to the FBO current lease language that provided that the FBO had authority to approve modifications to the Minimum Standards; the only exception to this would be if the City found any provision was in violation of State or Federal laws.

Nadim AbuHaidar inquired whether the City's intent was to lower or raise the Minimum Standards. If the latter, then he stated the City would have the FBO's blanket approval. He expressed that the only reason the provision concerning FBO approval of Minimum Standards was in the contract was to guard against any attempt by the City to lower the Minimum Standards.

AbuHaidar heard that because the FBO controlled the entire ramp, it was not considered a public ramp, which rendered the City in violation of a grant assurance. He asked Brownson whether it indeed constituted a violation. Brownson stated it did not violate any grant assurance, because the FBO allowed transient traffic to utilize the ramp space for a fee, making it public ramp space. She added that unless the FBO denied someone use of the ramp, then it was considered a public ramp. Further, Brownson stated the FAA did not require that the FBO notify arriving pilots of a ramp fee prior to their arrival.

Board Member Franco expressed her concern with the FBO's veto power and whether it was possible for a private organization to have veto authority over an elected body. Brownson suggested the Board renegotiate this provision when the FBO lease term was up.

Discussion then turned to the plans for the future of the airport. Brownson stated when planning for the future of an airport, the FAA guidelines proscribed a threshold of 500 operations for a

certain type of aircraft, and in discussions with Loboschefskey, it was determined there were more than 500 operations of CII aircraft. Brownson indicated the FAA would encourage the City to move forward on the master plan that will be coming up within the next year. Planners and consultants would be reviewing and determining what the plan would be for the airport in the future and would provide recommendations for a safe operating environment. Brownson stated that Heber City airport was not currently the safest airport, citing two recent examples: the request by a gas station to build within the safety zone; and current landings by large CII aircraft. Brownson added that if Heber City said no to an airport upgrade, it would likely affect the future federal funds it would receive. If the City were to move forward with CII, the FAA would assist in the effort and would put together a funding plan.

Environmental, public and funding hurdles would all be addressed in the master plan. Brownson added that public meetings would be held throughout the planning process to allow the public to be a part of the process and to show them the economic growth the airport would bring to the City.

Brownson was asked whether the runway would be lengthened in the upgrade, and whether the City would need to purchase additional property. She stated some property would need to be purchased for the runway protection zone, which required 1,000 additional feet at each end of the runway. Additionally, the runway would be widened.

Board Member Franco felt a noise study needed to be completed up front. Brownson indicated the City could fund its own noise study consultant, which would be reimbursed by the FAA.

[3. Review Proposed Five-Year Airport Capital Improvement Plan](#) [Five-Year Airport Capital Improvement Plan](#)

Anderson explained that the Capital Improvement Plan ("CIP") was sent annually by the FAA and UDOT for the City's review and comment. He added that any projects and related funding proposed after 2019 would be dependent upon the City's decision whether to proceed with a CII/DII upgrade. Anderson suggested the following changes to the CIP: 1) eliminate the AGIS survey with the Master Plan Update, since it had already been included in the current runway/apron rehab grant; 2) reduce the 2017 Apron Expansion Reimbursement project budget by \$131,016, since the actual expense was approximately \$200,000; 3) consider whether the City wanted to front the money to purchase the property on Heber Parkway where the Maverik station wanted to build, and if so, add \$1.3 million to the CIP for FAA reimbursement; and 4) consider whether the FAA would provide reimbursement of funds for the funding of a public ramp and runway connector if North American Service Group was successful in locating a second FBO on the field.

Board Member McFee moved to recommend the following changes to the Five-Year Capital Improvement Plan: 1) in 2016, remove AGIS from the Master Plan Update, and add \$1,500,000 for emergency land acquisition; 2) in 2017, reduce the budgeted \$331,000 for the apron expansion project to \$200,000; and 3) in 2018, add the possible repayment of funds of approximately \$1,500,000 for an apron expansion. Board Member Hansen made the second.

Voting Aye: Board Members McQuarrie, McFee, Mabbutt, and David Hansen. Voting Nay: None.

4. [Review Request From OK3-Air to Extend the Lease of Hangar A Based on Proposed Investment](#)
[OK3-Air Request](#)
[Airport Manager Comments Regarding OK3-Air Request](#)

Nadim AbuHaidar explained that OK3-Air planned to upgrade its lobby to expand its navigation products dealership, adding that they recently acquired the dealership rights to Garmin, the largest manufacturer of navigation aids. He believed the request complied with the Lease Rates and Charges Policy and therefore qualified for a lease extension. According to the Lease Rates and Charges Policy, the lease term would be adjusted one year for every \$13,750 spent in capital improvement funds.

Anderson encouraged the Board to review each individual expense outlined in the proposed list of expenses to see whether they met the criteria outlined in the Lease Rates and Charges Policy. He stated it was discretionary whether the Board wanted to approve lease extensions for capital improvement investment. Anderson also encouraged the Board to consider the fact that this hanger would need to be removed in a CII/DII upgrade, which could expose the City to a financial loss if it was required to buy out the remainder of the lease term.

Board Member Hansen moved to recommend that the City Council grant a one-year lease extension to OK3-Air for its maintenance facility based on its building improvement expenditures, with the caveat that the City would not be held liable for any compensation should the building be removed if the airport were to convert to CII/DII.

Board Chairman McQuarrie suggested the Motion be amended as follows: to recommend that the City Council grant OK3-Air's one-year lease extension request, however said lease extension would be void if the airport upgraded to CII/DII.

Following further discussion, the Board agreed they were unable to make a recommendation to the City Council regarding the lease extension until they were able to review the actual expenses and make a determination. Accordingly, the aforementioned motion was removed.

Anderson suggested the Board employ the criteria of capital improvement: what structural addition(s) would add value to the property, and would remain with the property.

After additional discussion, Board Member McFee moved to continue the discussion on this item to the next meeting. Board Member Hansen made the second. Voting Aye: Board Members McQuarrie, McFee, Mabbutt, and Hansen. Voting Nay: None.

5. [Review Application From North American Services Group for a Fixed Base Operator License Under Chapter 3 of the Heber City Airport Minimum Standards](#)
[Letter from North American Services Group](#)
[Proposed Hangar Location](#)

Anderson explained that North American Services Group ("NASG") made a request to protect a proposed leasehold area consisting of eight acres on the field for one year until they could complete their due diligence. Some of the issues included the location of existing utilities, fire separations, fire suppression, building fire codes, feasibility of constructing on abandoned landfill. The request also included a negotiation of the associated lease fee with the City Council for the one-year reservation.

As it was currently configured, NASG's proposed reserved space would be tying up four 75 x 75 spaces. Anderson stated that while there had been some interest in those proposed spaces, the City hadn't been pursuing it pending some remaining questions, such as architectural guidelines, lease type, configuration, and whether the hangars would be individually built, developer built, or City built.

Nadim AbuHaidar expressed his understanding that pursuant to Municipal Code, if there was a large piece of land offered for lease and/or development, the City should put out an RFP, and he felt the City should do so in this case. He questioned why the City would on the one hand deny OK3's lease extension should the airport upgrade to CII/DII, but on the other hand, tie up a prime piece of land that would be subject to negotiation if the CII/DII upgrade went through. AbuHaidar expressed that if the airport did go to CII/DII, he didn't know how the City would be able to negotiate their lease if this piece of property was tied up. He directed the Board's attention to the Lease Rates and Charges Policy that detailed the RFP process. He added that if the property was put out to an RFP, then OK3 would certainly participate, and felt other big players would do so as well.

Ryan Klassovity explained the reasoning behind their request was due to many unknown factors concerning the eight acres, and they wanted the opportunity to conduct geological surveys and evaluate the area. He stated their due diligence work would start immediately.

At 6:25 p.m., Board Member Franco left the meeting.

After further discussion, the Board felt it needed additional time to explore whether to put out an RFP or to negotiate with NASG regarding its request. Anderson and Loboschefskey agreed to conduct further review of the Lease Rates and Charges Policy and report back to the Board.

Board Member Mabbutt moved to continue the discussion on this agenda item until the next meeting. Board Member McFee made the second. Voting Aye: Board Members McQuarrie, McFee, Mabbutt, and Hansen. Voting Nay: None.

6. Other Items as Needed

With no further business, the meeting was adjourned.

Allison Lutes, Deputy City Recorder