

Heber City Corporation
Airport Advisory Board Meeting
August 17, 2016
4:00 p.m.

REGULAR MEETING

The Airport Advisory Board of Heber City, Wasatch County, Utah, met in **Regular Meeting** on August 17, 2016, in the City Council Chambers in Heber City, Utah

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

II. [Roll Call](#)

Present: Board Chairman Mel McQuarrie
Board Member Kari McFee
Board Member Dave Hansen
Board Member Jeff Mabbutt
Board Member Mike Duggin
Board Member Brian Rowser (via telephone; left at 4:33 p.m.)
Board Member Michael Greenhawt
Alternate Member Heidi Franco (via telephone)
Alternate Member Ronald Crittenden (arrived at 4:04 p.m.)

Excused: None

Also Present: Airport Manager Paul Boyer
City Manager Mark Anderson
Deputy City Recorder Allison Lutes

Others Present: Jeremy McAlister and Richard Clark

III. [Pledge of Allegiance](#)

IV. [Minutes for Approval: June 15, 2016 and July 20, 2016 Meeting Minutes](#)
[June 15, 2016 Meeting Minutes \[Revised Draft\]](#)
[July 20, 2016 Meeting Minutes \[Draft\]](#)

Alternate Member Crittenden arrived at 4:04 p.m. Board Chairman McQuarrie announced that the approval of the June 15, 2016 would be tabled until the next meeting, at the request of Alternate Member Crittenden who indicated he identified further content he wanted included in the minutes and would work with Deputy Recorder Lutes prior to the next meeting to incorporate it.

Board Member Hansen moved to approve the July 20, 2016 Meeting Minutes. Board Member Duggin. Voting Aye: Board Members McQuarrie, McFee, Hansen, Mabbutt, Duggin, Rowser, and Greenhawt. Voting Nay: None.

1. [Monthly Airport Report](#)
[Monthly Airport Report - August, 2016](#)
[Firefighter Helicopters](#)

Paul Boyer reviewed his monthly report for the Board.

Discussion turned to the Airport Geographic Information System ("AGIS") Survey. Boyer noted that the City Council would be considering the additional AGIS survey items recommended by Kristen Brownson during its meeting the following night. He explained that if the Council approved the study now, the City would pay less than 5% of the cost, since discretionary funds were still available in the original grant. If the City decided to put off the survey until the Master Plan update, then the funds would come out of the City's future entitlement funds.

It was indicated that the FAA's rationale for recommending the study was as follows: it was a requirement of the Master Plan; discretionary funds were available on the original runway grant; if it were delayed until completing the Master Plan, funding would come from entitlement funds; the AGIS survey was more accurate than the existing airport survey; and the survey could help identify potential obstructions to the approach procedures. It was further noted that the additional survey would not obligate the City to anything it was not already obligated to. Jeremy McAlister of GDA clarified that while the AGIS survey did not expire, an updated survey would be required whenever substantial portions of the airport were changed or reconfigured; for example moving the runway ends. McAlister felt the biggest advantage to the City by moving forward with the survey was that it would not need to be done each time a new consultant was engaged. He thought if the airport did go through a CII upgrade, there would be an update to the survey at the tail end of the CII. Further, McAlister felt the money that would otherwise be spent on the AGIS survey during the master plan phase could be allocated for actual improvements on the site.

Boyer then briefly explained that there were two firefighting helicopters on site. After some investigation regarding what other airports charged, Boyer and the Forest Service representative agreed on \$150 per night and \$.05/gallon fuel flowage fee for one of the helicopters, and a reduced fee of \$100 per night and \$.05 per gallon for the other helicopter that was parked on the grass.

Next, Boyer updated the Board on two incidents at the airport on July 29, one aircraft ran off the south end of the runway and took out a light, and the other involved a ground loop that stayed on the runway. Mark Anderson happened to be driving by and closed the airport for two hours, and Dave Hansen assisted in clearing the runway.

2. [Airport Advisory Board Elections](#)
[City Manager Email Dated August 8, 2016](#)

[Airport Advisory Board Bylaws](#)

Chairman McQuarrie thanked the Board and the City for his tenure as Chairman. Alternate Member Crittenden nominated Jeff Mabbutt for Chairman. Mabbutt nominated Brian Rowser for Chairman.

Board Member Duggin moved to close the nominations. Board Member McFee made the second. Voting Aye: Board Members McQuarrie, McFee, Hansen, Mabbutt, Duggin, Rowser, and Greenhawt. Voting Nay: None.

Alternate Member Crittenden moved to elect Jeff Mabbutt Chairman and Brian Rowser Vice Chairman. Board Member McQuarrie made the second. Voting Aye: Board Members McQuarrie, McFee, Hansen, Mabbutt, Duggin, Rowser, and Greenhawt. Voting Nay: None.

At 4:33 p.m., Board Member Rowser left the meeting.

[3. Recommendation to Council re: GDA Proposal for RPZ Zoning](#) [GDA Proposal for RPZ Zoning](#)

Jeremy McAlister explained that he provided two schedules in the proposal and was looking for approval on either one. Schedule 2 included the expense of having GDA's Planning Department Manager travel from Cody to conduct a one-day workshop with Tony Kohler and staff. McAlister felt Schedule 1 would be a better value to the City, and added that the Planning Department Manager could be available by phone or video conference.

Following discussion concerning the proposal and the two schedules, the Board was favorable to recommending approval of Schedule 1.

Board Member Duggin moved to recommend that the City Council accept GDA's Proposal Schedule 1. Board Member Greenhawt made the second. Voting Aye: Board Members McQuarrie, McFee, Hansen, Mabbutt, Duggin, and Greenhawt. Voting Nay: None.

[4. Additional Hangar Pad Sales](#) [GDA Proposal for RPZ Zoning](#) [Hangar Pad Bids](#) [Hangar Pad Locations](#)

Boyer reviewed the results of the hangar pad bids. He explained that Tom Weaver, who was not one of the winning bids, expressed interest in paying market value for a pad. Boyer inquired whether the Board would be interested in making any other pads available, and how it wished to proceed, either via a bidding process or fixed price and whether to offer pads to the unsuccessful bidders first (Tessler and Mouro), then work down the list of interested parties. Discussion ensued, whereby the Board was in favor of offering south facing pads at \$35,000 to the two on the list who were the successful bidders on the north facing hangars. It was determined that hangars 2A through 4A and 2B through 5B were available pads. Alternate Member Franco

expressed concern with opening up all available pads at this time, however she was in favor of offering no more than two pads to the two unsuccessful bidders at the market rates.

Board Member Mabbutt moved that Hangar 4A be awarded at \$35,000 and Hangar 5A at \$31,256 and give a right of first refusal to the two successful bidders on the north facing pads (5B Tessler and 6B Marion) the opportunity to purchase one south facing pad at \$35,000. Once that is resolved, if there is a south facing hangar remaining, it would be offered at \$35,000 and one north facing hangar would be offered at \$25,000 to the two unsuccessful bidders first (Weaver, Mouro). Board Member Greenhawt made the second. Board Member Mabbutt clarified that if either bidders Tessler or Marion decided not to upgrade to the south facing hangar, then their original bids on their north facing hangars would be honored. Alternate Member Crittenden moved to amend the motion to add that the winning bids have 30 days to respond in writing to the Airport Manager to accept the terms. Board Member McFee made the second. Voting Aye to the amendment: Board Members McQuarrie, Hansen, McFee, Mabbutt, Duggin and Greenhawt. Voting Nay: None. Voting Aye to the motion as amended: Board Members McQuarrie, Hansen, McFee, Mabbutt, Duggin and Greenhawt. Voting Nay: None.

5. Proposed Hangar Row Lease Hangar Row Proposed Lease

Prior to recusing himself from the discussion, Board Member Mabbutt commented that the phrase, "at the City's discretion" was snuck back into the agreement (at page 5, Paragraph IIIA). He stated that this was discussed at length when working through the original non-reversionary leases, when they were trying to take out ambiguity. Board Member Greenhawt and Paul Boyer recused themselves from the discussion at this time as well.

It was indicated that the phrase "sole discretion" was too vague and ambiguous in both Paragraphs IIIA and XIIA. Anderson felt the provisions the Board was focusing on may be redundant and not in the proper place in the contract. He directed their attention to Paragraph XVI, Right of Cancellation. He noted there had to be a public purpose to cancel the lease. He added that the City's position in offering the new leases was that if the City determined it needed to terminate the lease, then it had a right to do so without having to pay any consideration. Additionally, Anderson thought Paragraph IIIA could be stricken since Paragraph XVI essentially stated the same thing, however it needed to be determined under what conditions could the City terminate without giving consideration.

Board Member Duggin felt the transfer fee contained in Section XII was not written the way the Board had discussed it and thought it was unclear and punitive. It was discussed that "value" needed to refer to sale value. It was discussed that the transfer fee provision was what the Council passed, and it mirrored the intent of the City to avoid providing a windfall to the hangar owners.

Anderson reviewed that Mark Smedley included "or sublease" in Paragraph XIIA, and stated that part of the goal was to keep the people on the field and not allow absentee hangar owners to

sublease. Alternate Member Crittenden felt it was included to keep owners from avoiding the transfer fees by subleasing their hangars.

Following additional discussion, Board Member McFee moved to recommend the non-reversionary ground lease agreement with the following changes: 1) unless the City Attorney finds otherwise, strike Paragraph IIIA; 2) page 15, Paragraph XIIA, the transfer fee is based on the sale or appraised value, whichever is greater; and 3) page 16, Paragraph XIIA, request clarification from the City Attorney on the meaning of "sole discretion of the City." Board Member Duggin made the second. Voting Aye: Board Members McQuarrie, McFee, Hansen, Mabbutt, Duggin and Greenhawt. Voting Nay: none.

6. [Clarification of Daniel Non-Reversionary Ground Lease, Paragraph XIV.A. Assignment Airport Advisory Board Meeting Agenda - April 13, 2016](#)
[Clarification of the Standard Non-Reversionary Ground Lease](#)
[Daniel Standard Non-Reversionary Ground Lease - Applicable Sections](#)

Chairman McQuarrie recused himself from the discussion on this item. Boyer explained that he raised this issue at the April 13 meeting. In light of the proposed sale of Hangar 2 which was now operating under the new non-reversionary lease, Paragraph XIV A "Assignment" needed to be clarified, since the transfer of this hangar could set a precedent for subsequent sales. Boyer felt the language, "the above-mentioned term and rate" was ambiguous, and he asserted the Board indicated a change to the language was necessary during its April 13 meeting.

A lengthy discussion followed concerning the language "at the sole discretion of the City." Anderson stated that the City had to have some discretion as to whether it would consider a 30 year lease, based on age of hangar and condition and whether or not it would be something the City would consider. Board Member Mabbutt argued that the Board discussed this language 2-3 years ago, when they started the lease conversion process, and at the time they wanted to eliminate ambiguity in the contract by removing that language and including qualifying events before considering another 30 year lease, e.g. hangar inspections, etc. Further, Mabbutt explained that a new buyer would be entering into a new lease at the current market rate, which would benefit the City, as would the annual CPI increases in lease rate.

Discussion then resumed on the meaning of "above-mentioned term and rate." Boyer recommended adding a reference Paragraph 2(c) in Paragraph XIV. A to further clarify the meaning of "above-mentioned term and rate." Also, he inquired whether the Board would prefer to include the appraised value of the hangar, the sale price, or something greater than that in reference to the transfer fee. As to "sole discretion of the City," Boyer suggested, "unless the City has another public purpose for the property."

Discussion again focused on the qualifying events that the Board had previously discussed including in the contract. Chairman McQuarrie noted that the qualifying events were articulated in the Lease Rates and Charges Policy. He indicated that a new lease should refer back to the current policy in place at that time. It was indicated that the Lease Rates and Charges Policy could be adjusted without having to draft a new lease. It was also discussed that the new leases

offered in the recent hangar bidding could not be changed, as the bidders submitted their bids based on the lease posted on the City website. The Board noted that leases would be clarified and refined over the years.

Board Member Mabbutt moved that the Board recommend that if the City has a request for someone to enter into a new lease with the City, that they enter into the most current lease that the City has. Board Member McFee made the second. Voting Aye: Board Members McQuarrie, McFee, Hansen, Mabbutt, Duggin, and Greenhawt. Voting Nay: None.

V. Adjournment

With no further business, the meeting was adjourned.

Allison Lutes, Deputy City Recorder

APPROVED 10.12.2016