

**MINUTES
AVIATION ADVISORY COMMISSION
GLENDALE MUNICIPAL AIRPORT
6801 N. GLEN HARBOR BLVD - SUITE 201
GLENDALE, ARIZONA 85307
AIRPORT CONFERENCE ROOM
OCTOBER 10, 2012
7:00 P.M.**

I. CALL TO ORDER

The meeting was called to order at 7:00 p.m. by Chair Ron Cohoe with the following Commissioners present: Walt Chaney, Victoria Rogen, Carl Duggins and Robert Irons.

Also present were Walter Fix, Airport Administrator; John Padilla, Luke Air Force Base; Jamsheed Mehta, Interim Assistant City Manager; Kim Larson, Public Information Officer; Brent Stoddard, Intergovernmental Programs Director; Diane Goke, Finance Director; R. Goldman, Glendale Airport Pilots Association (GAPA); J. Madson, GAPA; R. Rivet, GAPA; R. Kruger, GAPA; D. and G. Nelson, GAPA; Bob Stratton, GAPA; and Paul Blair, Glendale Flyers.

II. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Commissioner Rogen motioned to approve the September 14, 2012 meeting minutes with the following changes:

- On Page 5, paragraph 4: The word “fall” should be changed to “Fall”.
- On Page 5, under item 7: “Mr. explained that the lease...” should be changed to “Mr. Fix explained that the lease...”
- On Page 7, under Commissioner Comments: “Chair Cohoe announced Commissioner Cable...” should be changed to “Chair Cohoe announced that Commissioner Cable...”

Commissioner Duggins made the second. The motion carried 5 - 0

III. REQUEST FOR CONTINUANCE OR WITHDRAWAL OF ITEMS.

None.

IV. AIRPORT BUSINESS

The following business was discussed:

1. Renew Commissioner and Loyalty Oath
Chair Cohoe announced that he was re-appointed by Mayor and Council as the Chair of the Committee and signed his Loyalty Oath.
2. Presentation by Glendale Flyers

Mr. Blair of Glendale Flyers gave a presentation regarding their business and operations at the Airport, which included the following highlights:

- The business specializes in aircraft rental and flight training. High-time instructors are on staff.
- Glendale Flyers performs their fleet maintenance in a hangar they rent.
- Glendale Flyers strives to provide upscale service in a professional manner.
- The business operates under FAR Part 61 but has lots of experience with FAR Part 141. The school follows the FAR Part 141 syllabus.
- Safety is a major focus of Glendale Flyers.
- Generally, when a person obtains a pilot's license, they go to another airport with better airplanes and better equipment. The company would like to keep pilots at the Glendale Airport.
- The company has various aircraft including Cessna 172's, a turbo-charged Beechcraft Bonanza and a 260HP Piper Comanche. Plans are in the works to purchase a Cessna 421, some cabin class aircraft and possibly a Cessna 401.
- The company has no desire to be in the charter business or bring in international business.
- The goal of Glendale Flyers is to make flying fun.
- The company offers package trips. For example, a trip to Flagstaff which includes aircraft rental along with a stay in a corporate house and a day at the Arizona Cardinals practice. Or, aircraft rental to the White Mountains with a golf outing.
- The owners and staff try to work with other businesses at the airport to develop relationships.

Mr. Blair stated that he would like to see the Glendale Airport grow and prosper. Mr. Blair felt that the University of Phoenix Stadium was a tremendous asset to the area, which would boom again.

Chair Cohoe asked Mr. Blair where his business was located prior to the Glendale Airport. Mr. Blair replied that it was in Scottsdale.

Chair Cohoe thanked Mr. Blair for his presentation.

3. Information on City Sales Tax

Mr. Stoddard provided information on the proposed temporary City sales tax and what City services could be cut without the temporary City sales tax. Mr. Stoddard gave a PowerPoint presentation which included the following information:

Know the Facts:

- History

- Growth Since 1993 – New Infrastructure
 - 1 Library
 - 32 Parks
 - 1 Recreation and Aquatic Center
 - 5 Fire Stations
 - 1 Police Precinct
 - 1 Adult Center
 - Miles of Streets, Sewer Lines, Water Lines and Other Infrastructure Was Necessary
- What Has Glendale Reduced Already to the General Fund?
 - Since 2009
 - 25% decrease to departmental budgets (\$40.20 million)
 - 22% decrease to city workforce – 307
 - Saving approximately \$5.5 million with 3 years of mandatory employee furloughs
 - Minimal service impact
- Current Economic Conditions
 - Lingering effects of the recession
 - Less revenue from all sources of city revenue – sales taxes, licenses, development services
 - Less revenue from the state of Arizona – “state shared revenue” – 33% drop from \$66 million in FY2007-2008 to \$44 million in FY2011-2012
 - Planned private developments went into bankruptcy, housing market collapse, foreclosures, high unemployment – includes Westgate and Main Street Development
- General Fund Examples
 - Police and fire protection and City court
 - Libraries and pools
 - Books and the operation of the City’s libraries
 - Code compliance
 - Planning and economic development
 - Festivals
 - Paint to cover up graffiti
 - Operations of the City’s facilities and parks – mowing and irrigation
- Sales Tax History
 - Population 1993: 160,155
 - Population 2012: 226,721
 - The last time the City increased the general sales tax rate across most categories was in 1993
 - Voters approved tax increases for police, fire and transportation initiatives in 1994, 2001 and 2007 – which were dedicated only to those specific services

- Total Sales Tax on Purchases
 - Glendale's share is 2.9%
 - State, county and others receive 7.3%
- How much is the Difference?
 - 35 cents on a \$50 item
 - The temporary sales tax sunsets after 5 years
 - Began in August 1, 2012 and automatically ends August 1, 2017
- Background
 - June 2012 Glendale City Council approved:
 - Temporary increase to City sales tax
 - Tiered system with single-purchase, large ticket times of \$5,000 or more taxed at the previous rate
- Is Glendale Alone?
 - During the economic downtown, 30 Arizona cities and towns have increased their sales tax, including:
 - Phoenix, Mesa, Tempe, Peoria, Paradise Valley, Buckeye, Cave Creek, Goodyear, Litchfield Park, Queen Creek, Tolleson, Wickenburg, Youngtown, Sierra Vista, Flagstaff and more
- The state of Arizona as well
 - City Obligations
 - Required to provide core services
 - Public safety, water, sewer and sanitation
 - 63% of the City's general fund is for public safety
 - Legally required to balance the budget
 - Legally required to pay debt services
 - Must operate and maintain City-owned Arena:
 - With or without a tenant
 - Costs to operate and maintain facility
 - Sales tax increase needed with or without City obligations to Jobing.com Arena
 - What Could be Eliminated if There is No Temporary Sales Tax
 - \$20 million in proposed cuts:
 - Closure of 2 libraries and a pool (Rose Lane)
 - Reduction in response to park maintenance
 - Slower code compliance response
 - Police officers, jail staff, CAT teams, crime prevention programs
 - Firefighters, fire investigators, Crisis Response program
 - Eliminate all festivals: Glendale Glitters, Glitter & Glow, Chocolate Affaire, Jazz & Blues, Summer Band, downtown holiday lights

- Substantial reduction in services and programs
- More City Financial Information
 - The City’s website: www.glendaleaz.com
 - Budget information: www.glendaleaz.com/budget
 - Financial reports: www.glendaleaz.com/finance
 - “Follow Your Money” for daily transactions for any City of Glendale department on a line item basis: www.glendaleaz.com/FollowYourMoney
 - Know the Facts: www.glendaleaz.com/knowthefacts

Chair Cohoe wondered if the increase in sales tax would be enough to cover all of the City expenses. Mr. Stoddard replied in the positive but added that the budget will still be very tight. Mr. Stoddard explained that five years of the increased sales tax will give the City enough financial breathing room.

Chair Cohoe wondered if the budget cuts would have an effect on the Airport. Mr. Stoddard explained that the Airport is a unique facility in that it has not realized the type of budget cuts as the other City departments. Mr. Stoddard noted that this is because of commitments due the federal government and the FAA. Mr. Stoddard explained that if the Airport was closed, the City would have to pay back to the FAA all of the money that the FAA has invested which is approximately \$35 to \$38 million.

Mr. Mehta stated that the Airport operates under the Revenue Fund and at the end of the year; most of the expenses have been recovered from revenue. Mr. Mehta added that leases and contracts keep the Airport afloat.

4. Airport Rules & Regulations and Minimum Operating Standards

Chair Cohoe stated that the Airport Rules & Regulations have been posted for public comment and constructive comments have been received.

Chair Cohoe noted that the first draft of the Minimum Operating Standards has been completed and were distributed to the Commission this evening. Chair Cohoe asked the Commissioners to review the document and bring comments and suggestions to the November Commission meeting. Chair Cohoe announced that the draft of the Minimum Operating Standards will be posted for public comment this week.

Mr. Fix added that completion of the documents is still on track with the original timeline. Mr. Fix explained that once the draft documents are finalized, they will be sent to Council for a study session and then for approval. Mr. Fix noted that the Airport Rules & Regulations and the Minimum Operating Standards are codified, meaning part of City Code.

Mr. Fix commented that the Leasing Policy will be drafted soon.

Chair Cohoe praised the stakeholder group for its efforts and announced the participants as follows: Himself, Mr. Fix, Roger Whittier and Mr. Carl Brandenburg, FBO Manager.

5. Airspace Preservation

Mr. Fix briefed the Commission on the procedures that occur to protect the airspace around the Airport and building height restrictions.

Mr. Fix stated that businesses like to build vertical and to be close to the Airport.

Mr. Fix explained that the Airport Administration, the Local Planning Department and Developers all need to work together when structures are planned to be built that can affect the airspace.

Mr. Fix displayed a graphic of the Airport layout, the Airspace and the Airport approach.

Mr. Fix provided information regarding CFR Title 14, FAR Part 77 which states that any person/organization who intends to sponsor any of the following construction or alteration must notify the Administrator of the FAA:

- Any construction or alteration exceeding 200 feet above ground level
- Any construction or alteration within 20,000 feet of a public use or military airport which exceeds a 100:1 surface from any point on the runway of the Airport with its longest runway more than 3,200 feet.
- Any construction or alteration within 10,000 feet of a public use or military airport which exceeds a 50:1 surface from any point on the runway of the Airport with its longest runway more than 3,200 feet.

Mr. Fix distributed the Airport Impact Overlay from the City of Glendale Planning Ordinance which describes keeping in check what developers would like to build that has an impact on airspace. Mr. Fix stated that the FAA can take from 45 to 60 days to study the impact of any building or other structure.

Mr. Fix stated that he keeps close track of any proposed developments near the Airport.

V. SUMMARY OF CURRENT EVENTS

Mr. Fix made the following announcements:

- Mr. Mehta was promoted to Interim Assistant City Manager last week.
- On Saturday, November 10th, a Fly-In Pancake breakfast will be held from 7:00 a.m. to 1:00 p.m. Some classic cars may be displayed at the Fly-In.

Mr. Fix discussed the following:

1. Update on Wi-Fi at the Airport

Mr. Fix has been working with the City's IT staff and has found out that Wi-Fi can be installed for \$800.00. A satellite Wi-Fi will originate at the Emergency Operations Center and will be beamed to the Airport. Cox will be paid \$98.00 a month for Wi-Fi that will be free to the public. The FBO has its own Wi-Fi set up through their telephone service and would not need to be part of this service. The budget will be reviewed to find the funding for the project and a determination will be made by the end of December. Mr. Fix has cut \$300 to \$400 a month in telephone costs so believes there may be a budget for the Wi-Fi.

2. Runway Safety Area Project update

Mr. Fix stated that the contractor was late in getting submittals to the engineers. The new Notice to Proceed date is October 29, 2012. This is a 60-day program and should be completed by year end with the punch list stretching into 2013.

3. Runway Pavement Preservation Project update

The project has been approved by Council and will require a check for the City's portion from the GO Transportation Fund upfront. The project will be coordinated with the State engineers and will begin after the Runway Safety Area Project.

4. Status of Airport's FAA Corrective Action Plan

The appraisal of Fair Market Value for the APS Solar site has been received. It has been submitted to Mr. Tony Garcia of the FAA for review. This process had to be done in accordance with the FAA Compliance Manual. The Commission will be advised of the FAA response when received.

Chair Cohoe inquired about the follow-up hangar inspections. Mr. Fix stated that on October 14th, the annual inspections will begin with the FBO, Airwest and the south box hangars. Mr. Fix noted that a general reminder was sent and specific notices will follow.

VI. CALL TO THE PUBLIC

Chair Cohoe made the Call to the Public.

Mr. Kruger addressed the Commission with the following comments:

- It is imperative to increase the business activity at the Airport.
- In 2004/2005, there was a lot of activity at the Airport.
- Airport activity and revenue go together.
- Pilots used to gather at the hangars and at the coffee shop, but this no longer happens.
- The FAA does not care if the Airport shuts down.
- In California, Mr. Kruger was part of a group who saved an Airport. The FAA did not care about the Airport, but the group at the Airport saved it and the Airport is thriving today.
- Some people are staying away from the Airport due to the new restrictions.
- People are keeping hangar doors closed because they do not want others looking into their hangar.
- The new Rules & Regulations are horribly restrictive.

Mr. Richard Goldman made the following comments:

- The stakeholder group does not represent the hangar owners or the pilots at the Airport.
- Mr. Goldman discussed the Mammoth Lake Acquisition Company versus Mammoth Lake, California. The Airport in Mammoth Lake made an agreement with a developer to build a hotel, filling station and shopping area on off-site Airport property. The FAA said this development would affect grant assurances and so the City of Mammoth Lake would not honor the agreement with the developer. The developer sued the City of Mammoth Lake and won \$2 million a year for 30 years. Mr. Goldman explained that this situation could happen at the Glendale Airport.
- Mr. Goldman has two letters from the City of Glendale stating that the hangar owners can keep other things in the hangars besides aeronautical items and now the City says this is no longer possible because of what the FAA says.
- The FAA only makes suggestions and the FAA is not regulatory or controlling. The Airport Administration needs to stand up to the FAA.

Chair Cohoe thanked the attendees for their comments.

VII. NEW BUSINESS REQUESTS (Future Agenda Items)

No new business items were suggested.

VIII. NEXT MEETING TIME

The next meeting will be held at 7:00 p.m. on the second floor Conference Room of the Airport terminal building on Wednesday, November 14, 2012.

IX. COMMISSION COMMENTS AND SUGGESTIONS

Commissioner Chaney requested the following:

- Copies of previous Airport Rules & Regulations to verify the changes that have been made
- Copies of agreements that the City of Glendale made with the developers of the hangars
- Copies of the letters that Mr. Goldman has referred to from the City of Glendale regarding the hangars.

Chair Cohoe thanked everyone for attending the meeting and for their comments.

X. ADJOURNMENT

The meeting adjourned at 8:30 p.m. by consensus.