

MINUTES OF THE REGULAR MEETING OF THE CITY OF CHANDLER MUNICIPAL AIRPORT COMMISSION, on Wednesday, July 11, 2007 at 7:00 p.m. at the Chandler Municipal Airport, 2380 South Stinson Way, Chandler, Arizona.

1. CALL TO ORDER / ROLL CALL

Meeting called to order at 7:00 p.m.

A. The following Commission Members answered Roll Call:

Chairman Stan Olivier	Commissioner Gary DeHoff
Vice-Chairman David Church	Commissioner Chelle Daly
Commissioner Jim Cullumber	Commissioner Schuyler McCorkle
Council Member Jeff Weninger (ex-officio)	

B. Acknowledgement of Audience

CHAIRMAN OLIVIER acknowledged the audience and the following people were recognized:

Mr. Tom Baker, Venture Aviation	Mr. Dirk Matthews, Resident
Mr. Jim Fordemwalt, ex Airport Commission Chairman	Mr. John Irvine, Resident
Mrs. Beth Fordemwalt, former Airport Tenant	Mr. John Walkup, Chandler Air Service

Others Present:

Mr. Dan Cook, Acting Public Works Director	Mrs. Gina Cassuto, Executive Assistant
Mr. Greg Chenoweth, Airport Manager	

C. Recognition of Mr. Jim Fordemwalt

Chairman Olivier recognized former Airport Commission Chairman Jim Fordemwalt and thanked him for his many years of dedicated service and leadership. COMMISSIONERS DAVID CHURCH AND CULLUMBER expressed their appreciation to MR. FORDEMWALT FOR his vast knowledge and guidance. MR. DAN COOK stated that it was a pleasure working with MR. FORDEMWALT and thanked him on behalf of the City and airport staff. MR. FORDEMWALT was appreciative of the kind comments and the plaque that was presented to him.

2. APPROVAL OF MINUTES:

It was MOVED by COMMISSIONER JIM CULLUMBER and SECONDED by COMMISSIONER GARY DEHOFF that the Meeting Minutes of June 13, 2007 for the CHANDLER MUNICIPAL AIRPORT be approved. MOTION CARRIED UNANIMOUSLY.

3. UNSCHEDULED PUBLIC APPEARANCES:

A. CALL TO PUBLIC

MR. JOHN WALKUP inquired if the City of Chandler tax department has earmarked the funds from the fuel sales tax paid by the airport and Chandler Air Service that is going to the general fund since October 2006. MR. COOK responded staff is working with Management Services' staff to identify this. He anticipates resolution by this summer in terms of reporting it in the airport financial report and the ability to determine what the income is on a monthly basis. Staff researched last fiscal year and found the City is still putting more money into the airport than what the sales tax is generating but the gap is closing. MR. WALKUP commented that federal grant assurances require sales tax collected from fuel go to the airport. MR. COOK replied staff is monitoring this. MR. WALKUP mentioned Chandler Air Service has paid an additional \$16,000 in fuel tax since last November. COUNCILMEMBER JEFF WENINGER requested staff provide a report in theory that as the aviation sales tax revenues develop will the revenue provided by the City to the airport and other airport revenues be adjusted down accordingly with the aviation sales tax revenues being returned to airport uses. He also asked for a briefing on and how the change in the fuel pricing methodology has affected fuel sales and airport revenues. MR. CHENOWETH responded that he does not have the figures available but his understanding was that despite the fact the airport is

selling less fuel, revenue is about the same as it was last year in terms of dollars and profit margin. MR. COOK noted staff would provide a detailed briefing at the next meeting.

4. SCHEDULED PUBLIC APPEARANCES:

A. CALL TO PUBLIC

There were no scheduled public appearances. MR. DIRK MATTHEWS, a Chandler resident stated he is not familiar with the protocol but wanted to know what action could be taken to relieve some of the helicopter noise. COMMISSIONER CHELLE DALY asked if MR. MATTHEWS if he could hold his issue until the briefing on Noise Abatement was done later in the meeting. MR. MATTHEWS agreed.

5. ACTION AGENDA:

A. Request from Venture Aviation, Inc. to sublease office space to Wings270 LLC for aircraft rental, flight training and associated activities.

MR. CHENOWETH presented the request from Venture Aviation, Inc. to sublease office space to Wings270 LLC for aircraft rental, flight training and associated activities. The sub-lease would include office space and some apron area. There are no direct financial implications to the airport, only the required annual business permit fee. Staff recommends that the Airport Commission approve the request by Venture Aviation to sublease a portion of their facility to Wings270 LLC for conducting aircraft rental, flight training and associated activity as presented by MR. CHENOWETH.

The commission asked the types of aircraft and the quantity. MR. TOM BAKER responded the aircraft would typically be two-place trainers and since it is a start up business, the quantity has not yet been determined. COUNCILMEMBER WENINGER clarified this would be for fixed wing activity and not helicopters, and further asked if there was room for or plans for expansion. MR. CHENOWETH replied there is not enough room at Venture Aviation to do a large expansion, but Wings270 LLC could address a separate ground lease for development of their own facility if they see growth to make it appropriate. COUNCILMEMBER WENINGER inquired if there were any parameters as to how much Venture Aviation would charge for this sublease and the length of the lease. MR. CHENOWETH stated charges not in the master underlying lease contract. MR. BAKER replied the sublease term would be for 1-2 years.

IT WAS MOVED by COMMISSIONER CULLUMBER and SECONDED by COMMISSIONER SCHUYLER MCCORKCLE that the request from Venture Aviation, Inc. to sublease office space to Wings270 LLC for aircraft rental, flight training and associated activities be approved as presented by MR. CHENOWETH. MOTION CARRIED UNANIMOUSLY.

6. BRIEFING ITEMS:

A. Lease Status

MR. CHENOWETH briefed the Airport Commission on the status of current lease negotiations. Staff anticipates the first of several major leases for the south side of the airport to be presented to the City Council on August 9, 2007. This will be two leases for one large development. One was through the RFP process with the other through the Direct Lease process. The development will entails approximately 88 hangars, some office space and connections to the runway systems.

COMMISSIONER DALY asked if this would shorten the hangar wait list. MR. CHENOWETH replied the wait list is for City hangars but staff will send out notification that a private entity is building hangars and can negotiate with them to obtain one if they wish or remain on our list. COMMISSIONER DEHOFF asked how long the wait list was. MR. CHENOWETH responded there are 150 + people on this list. COMMISSIONER MCCORKLE asked if the proposed hangars for lease and if there would be any commercial use. MR. CHENOWETH replied it would be offices and hangars for lease and the developer is speaking with one company that would do engine overhauls. COMMISSIONER DALY inquired about

the procedure for accepting this lease. MR. CHENOWETH responded this lease came before the Airport Commission in December 2006. Extensive negotiations regarding infrastructure issues have been addressed since the Commission agreed to the lease concept. With those issues now resolved, the lease will now go before Council. COMMISSIONER MCCORKLE inquired what the proposals and restrictions for the rest of the construction phases on the south side of the airport would be. MR. CHENOWETH pointed out several areas that are still undeveloped and what has been determined should be there pertaining to aviation related use. COUNCILMEMBER WENINGER asked if staff looked at other private vendors to provide fuel services and if the airport would continue to capture the fuel flow fee. MR. CHENOWETH responded in the affirmative. MR. WALKUP provided more information on the plans of the developer associated with this lease and the revenue potential of this development to the airport. MR. MATTHEWS asked if there would be a barrier such as a noise wall between the business and residential properties for noise abatement. MR. CHENOWETH replied that business development between the airport and residential would form the primary noise barrier, but that on-airport development would be similar to existing development. He also noted that something such as a noise wall on the airport is not feasible. MR. MATTHEWS disagreed. COUNCILMEMBER WENINGER asked if there would be more amenities in the hangars for the price. MR. CHENOWETH responded in the affirmative. COMMISSIONER DALY asked how much the City charges for their hangars and does the lease allow for rate increases. MR. CHENOWETH replied this development would open some debate on public hangar rates. He noted the City currently charges approximately \$200 per month on a month-to-month lease and once per year, the rate is escalated according to the Consumer Price Index. As additional private hangars appear, the question of whether the City rates meet market rates. COUNCILMEMBER WENINGER would like to revisit this issue.

B. Airport Improvements and construction projects

Construction:

- *Airfield Signage Project* – The project is still on hold as the signs have a long lead-time and are back-ordered. Staff anticipates construction to commence in August 2008.

Design and Planning:

- *Airport Noise Study* – The scope of work is almost finalized and will then be reviewed by the FAA. When this has been completed, it will go before City Council for approval.
- *Perimeter Road Design* – MR. CHENOWETH is meeting with the design consultant later this week.

C. May 2007 Financial Activity

MR. CHENOWETH briefed the Airport Commission on the May 2007 Financial Activity. The cumulative balance year-to-date was \$161,033. There was significant activity in May 2007 with regard to an aviation fuel purchase.

D. Air Traffic and Noise Abatement Activity for June 2007

MR. CHENOWETH briefed the Airport Commission on the Air Traffic and Noise Abatement for June 2007. Total operations for June 2007 were 20,009, about 2,000 less than May 2007, and a 10% decrease. There were 262,975 total operations for the current 12-month period. Total operations for the previous 12 months was 260,054. Our national ranking this month was 45th busiest airport in the country and 10th busiest general aviation airport as opposed to last year when our standing was 48th busiest airport in the country and 10th busiest general aviation airport. There were seven calls from seven different residents regarding noise and low flying aircraft concerns. Six calls were regarding helicopter noise from the aircraft in the Traffic Pattern Airspace and one call concerned a Med-Evac helicopter and Media helicopters over a neighborhood south of the airport. Staff visited with the tower to monitor operations and found normal altitudes for aircraft in the Traffic Pattern Airspace. The other call was

regarding aircraft noise north of the Traffic pattern Airspace due to a fire south of the South Mountain area.

MR. MATTHEWS addressed the Commission with concerns for helicopter overflights above his neighborhood. He noted disappointment in obtaining a copy of the "Fly Neighborly" policy as he had made several requests for one. MR. CHENOWETH replied the policy is more of a concept where pilots are asked to observe a number of practices intended to help reduce noise impacts to those on the ground. MR. MATTHEWS was provided a copy of the pilot awareness brochure. MR. MATTHEWS then noted he was seeking to find out what protections he has as a homeowner. He then explained his understanding of helicopter traffic patterns and suggested that helicopter flight patterns could be rotated so that one area does not receive all of the overflights. COMMISSIONER DALY inquired if the issue was just helicopters. MR. MATTHEWS replied mostly helicopters. MR. CHENOWETH noted that MR. MATTHEWS lives very close to a very busy airport and that various aircraft are using both runways at the same time using standard traffic patterns that must be adhered to maximize safety. In addition, for safety reasons, helicopters fly a pattern inside of the fixed wing traffic pattern to keep dissimilar aircraft types from being in the same pattern and altitude. He then briefed the Commission and audience on the basic principles of airport traffic patterns. MR. MATTHEWS felt the helicopters should fly over the commercial areas northeast of the airport instead.

COMMISSIONER DALY noted that an airport website dedicated to these issues would help to educate on these types of issues. She also asked if this issue will be addressed in the Noise Study and inquired about traffic pattern altitudes. MR. CHENOWETH replied that all aviation noise activity would be addressed in the noise study. He also noted that FAA is planning to raise the Class B airspace shelf that extends above our airport. This action might provide some opportunity for increased airport traffic pattern altitudes and the potential for noise impact reduction.

COUNCILMEMBER WENINGER inquired if the Quantum Helicopter School is on private or City property. MR. CHENOWETH replied they lease the land from the City. MR. COOK invited MR. MATTHEWS to be a participant in the Planning Advisory Noise Study Committee and commented only the FAA has authorization once the aircraft leaves the ground. MR. MATTHEWS stated he only wishes consideration and responsiveness to his request.

COMMISSIONER CHURCH inquired if Quantum Helicopters could be invited to the next meeting. MR. CHENOWETH replied he would extend an invitation. MR. CHENOWETH also noted that despite the prior discussion this evening, Quantum Helicopters is performing within all FAA criteria and aviation safety standards. He noted that alternative helicopter traffic patterns to the north of the airport have been suggested, but Quantum and the air traffic control tower do not deem that pattern as safe as the current south patterns. Changing a traffic pattern has a domino effect and requires discussion and input from staff, users, operators, businesses, air traffic control ADOT and the FAA. COMMISSIONER CHURCH inquired if MR. MATTHEWS signed the disclosure statement that he was moving next to an airport. MR. MATTHEWS replied in the affirmative. MR. COOK concurred by adding that a consensus must be reached and the Noise Study process will work to incorporate this.

MR. WALKUP stated pilots follow strict traffic patterns and Quantum Helicopters has not changed their flight patterns for 15 years. He further commented that in his opinion, the owner of Quantum Helicopters, MR. NEIL JONES would not appear before the Commission regarding this issue. COUNCILMEMBER WENINGER remarked that MR. MATTHEWS presented his views respectfully and reasonably. He also inquired if there will be so much growth in operations that there will be a safety conflict between airplanes and helicopters. MR. CHENOWETH replied in the negative, the anticipated growth could be easily accommodated with the current traffic patterns. The fixed wing and rotary wing aircraft are easily separated and that the traffic could possibly double with this pattern without creating safety issues.

COMMISSIONER CULLUMBER expressed appreciation for MR. MATTHEWS' acknowledgment that he lives next to an airport, his approach to the noise issue and urged staff to strive for a solution benefiting

all. COMMISSIONER DEHOFF and CHAIRMAN OLIVIER remarked the website is a good thought as well as pamphlets to keep residents and visitors informed. MR. CHENOWETH replied staff will work to update the airport website. COMMISSIONER DALY inquired about the safety regarding raising the altitude. MR. WALKUP explained the altitudes for the helicopter safety to her and that increasing altitudes would not be feasible.

E. Airport Manager Comments


MR. CHENOWETH commented that staff anticipates a new construction report for the apron by the armory and that former airport commissioner MR. LES BARTLETT will be present to accept his recognition plaque at the September 12, 2007 meeting since he is in Europe at this time. He reminded the members that there is no meeting scheduled for August 2007.

7. COMMISSION MEMBERS COMMENTS

COMMISSIONER DALY asked about the progress for the Super Bowl. MR. CHENOWETH responded he is working with the City Visitors Bureau and the Communication and Public Affairs Department with regard to plans for the event, as well as working with other airport groups on various issues. He will keep the commission apprised and has asked the City representative for the Visitors Bureau to attend a future Commission meeting to provide a briefing. CHAIRMAN OLIVIER wants a positive image for this airport projected to the public and remarked that MR. CHENOWETH takes the time to make presentations to various groups to make this happen.

8. ADJOURNMENT

Noting no other comments from Commissioners, CHAIRMAN OLIVIER adjourned the meeting. The meeting of the Airport Commission adjourned at 8:36 p.m.


Star Olivier
Acting Chairman
JAMES Cullumber


Greg Chenoweth, Airport Manager
Recording Secretary