

MINUTES OF THE REGULAR MEETING OF THE CITY OF CHANDLER MUNICIPAL AIRPORT COMMISSION, on Wednesday, September 12, 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:

Commissioner Jim Cullumber	Commissioner Chelle Daly
Commissioner Gary DeHoff	Commissioner Schuyler McCorkle
Commissioner Mike Wigfield	
Council Member Jeff Weninger (ex-officio)	

B. Acknowledgement of Audience

COMMISSIONER JIM CULLUMBER took on the duties as CHAIRMAN for CHAIRMAN STAN OLIVIER during his absence. COMMISSIONER CULLUMBER acknowledged the audience and the following people were recognized:

Mr. John Walkup, Chandler Air Service	Mr. Dirk Matthews, Resident
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Others Present:

Mr. Dan Cook, Acting Public Works Director	Mr. Guy, Lennon, Management Assistant
Mr. Greg Chenoweth, Airport Manager	Mrs. Gina Cassuto, Executive Assistant
Mrs. Christine Mackay, Economic Development	

C. Recognition of Mr. Les Bartlett

Former commissioner Les Bartlett was unable to attend tonight to receive recognition for service to the Commission and airport so COMMISSIONER CULLUMBER will address it at the end of the meeting.

2. APPROVAL OF MINUTES:

It was MOVED by COMMISSIONER GARY DEHOFF and SECONDED by COMMISSIONER MIKE WIGFIELD that the Meeting Minutes of July 11, 2007 for the CHANDLER MUNICIPAL AIRPORT be approved. MOTION CARRIED UNANIMOUSLY.

3. UNSCHEDULED PUBLIC APPEARANCES:

A. CALL TO PUBLIC

MR. DIRK MATTHEWS introduced himself as a Chandler resident and stated that his complaint was regarding the management of Quantum Helicopters and what they do over his neighborhood on a daily basis. He inquired if anyone took the time to stand at Germann and Gilberts Roads within the last two months to see about the concern he had. COMMISSIONER CULLUMBER replied that State Statute prohibits the Commission from responding to an item not on the agenda but can request airport staff to put his concerns on a future agenda. MR. GREG CHENOWETH asked MR. MATTHEWS if staff could address his inquiries during the air traffic and noise abatement briefing later in the meeting. MR. MATTHEWS agreed.

4. SCHEDULED PUBLIC APPEARANCES:

A. CALL TO PUBLIC

There were no scheduled public appearances.

5. ACTION AGENDA:

A. Acceptance of Three ADOT Grants

MR. CHENOWETH presented the Acceptance of three ADOT grants; E8S45 for \$186,750 to design the planned northwest apron, E8S46 for \$866,500 to construct Phase II of the Terminal Area Storm Drain and E8S47 for \$489,150 to upgrade the airport light vault. ADOT has offered these three grants for development at the airport. Grant E8S45 is for the design of the apron area that will open up approximately fourteen acres

for additional development on the airport. Grant E8S46 is for construction of Phase II of the Terminal Area Storm Drain. Phase I was completed in 1996. Phase II will complete the storm drain by linking into Phase I so storm water does not accumulate in the pipes and enable it to go to the retention basin. E8S47 for \$489,150 to upgrade the airport light vault will be used in conjunction with a prior ADOT grant to allow more of that prior grant to be used on the Airport Boulevard project. Staff recommends the Commission pass and forward to City Council a recommendation to enter into grant agreements E8S45 for \$186,750, E8S46 for \$866,500 and E8S47 for \$489,150 with ADOT as presented by MR. CHENOWETH.

IT WAS MOVED by COMMISSIONER WIGFIELD and SECONDED by COMMISSIONER SCHUYLER MCCORKCLE that the Acceptance of Three ADOT grants; E8S45 for \$186,750 to design the planned northwest apron, E8S46 for \$866,500 to construct Phase II of the Terminal Areas Storm Drain and E8S47 for \$489,150 to upgrade the airport light vault be approved as presented by MR. CHENOWETH. MOTION CARRIED UNANIMOUSLY.

6. BRIEFING ITEMS:

A. Economic Development Update – Christine Mackay

MRS. CHRISTINE MACKAY presented the Commission with an Economic Development Update. MRS. MACKAY first presented the Commission with a gavel on behalf of the Economic Development Division. She then introduced herself and briefly described her background. She briefed that there are several developments under way in the Airpark area and referenced a diagram showing various developments in the airpark area. Pointing out various aspects of the diagram, she indicated that the Rockefeller Group from New York is one of the more notable developers. Other developments include Harsh Investments that has submitted both pre-technical reviews for both 10-acre sites for the southwest corner of Ryan Road and the future Emmett Road. They also have the 10-acre parcel located at the southeast corner of Cooper Road and the southern airport boundary with approximately 100,000 square feet of light office space for both. DWO from southern California could be the very first through-the-fence project. Their pre-technical review was submitted and being looked at. OPUS is constructing two 90,000 square foot office buildings. Panatoni will have the building permits for a 150,00 square feet project within the next month. Red Rock is under construction for 130,000 square feet of industrial showroom in the front, with manufacturing of the product in the back such as tiles and shutters. In addition, 188,000 square feet of Houston's is currently under construction. Covance has their footings in place for 281,000 square feet in structures with expectations to start the vertical construction in October 2007. At the Chandler First Industrial project, noted three lots are back on the market because Waxie Sanitary Supply decided to locate to Mesa. Blackhead, a light industrial user is under construction for 30,000 square feet at the end of the runway. The UTAZ project is under full construction at the southwest corner of Cooper and Queen Creek Roads. The Carmel Village office condominiums are completely leased out and they have done a magnificent job in that area. MRS. MACKAY calculated that there are about 430 office and industrial acres left in the airpark area. COMMISSIONER DALY inquired if Council has approved Chandler Commerce Park. MR. COOK responded in the affirmative, that it is in escrow now and will close in about sixty days. COMMISSIONER DEHOFF asked if the map MRS. MACKAY provided was comprehensive. MRS. MACKAY replied everything that is allowed to be publicly discussed is on the map.

B. Airport Planning and Marketing, Regional Events – Christine Mackay

MRS. MACKAY briefed the Commission on Airport Planning and Marketing and Regional Events for MS. KIMBERLY JANES, the City's Touring & Marketing Coordinator since she was unable to attend. MR. CHENOWETH worked with MS. JANES to inquire how the airport could be better utilized for marketing and special events – specifically in reference to the upcoming Superbowl at the Glendale Arena. Although Chandler is quite a distance from where the Superbowl is taking place, that does not mean the community would not see increased activity. The website www.visitchandler.com has a Superbowl link to Chandler Municipal Airport's website so people can utilize the airport as an opportunity to land, use the surrounding amenities and attend the Superbowl. Some of the cities have bought into the Superbowl and the cost was in the tens of thousands. The Superbowl happens to be occurring at the same time as the FDR Open, so the economic impact from the Superbowl is not expected to be as strong as it is at other sites. Information about this airport will be put in hotel rooms to receive the greatest draw possible. MS. MACKAY encouraged the

Commission to bring forth their suggestions. COMMISSIONER DALY pointed out that the 202 Freeway is an advantage for people that wish to travel to Glendale, the stadium is quite large, and she inquired if the golf people were getting involved. MS. MACKAY responded that MS. JANES is on the Superbowl Committee to ensure we are getting a bit of the apple by going out to all recreational activity spots to promote us. Chandler is featured in one of the magazines as well. The City wished to be very conscientious of how the citizen's money was spent, and felt the return would not be enough at this time. COMMISSIONER DEHOFF asked if there were any updates for handling additional transient aircraft. MR. CHENOWETH replied that the airport website will contain items geared towards visiting during the Superbowl and for citizens living near the airport. Staff has also visited and spoken with TSA on this issue. COUNCILMEMBER WENINGER asked if there would be increased helicopter activity transporting people to the Superbowl. MR. CHENOWETH responded this was taken under consideration and the TSA has made the airspace within ten miles of the stadium would be sterile for two hours before the game and one hour after.

C. FAA Grant No. 3-04-0008-19 in the amount of \$2,709,244 for Armory Apron Project

MR. CHENOWETH briefed the Commission on FAA Grant No. 3-04-0008-19 for \$2,709,244 for the Armory Apron Project. The grant was taken to and approved by the City Council due to time constraints instilled by the FAA. However, staff does want to make the Commission aware of what transpired. MR. CHENOWETH pointed out the area on the map. Contract Administration is working with the contractor. While there is no start date yet, staff anticipates moving forward with this soon.

D. Lease Status

MR. CHENOWETH briefed the Commission on the Lease Status. Staff provided the Commission with a handout that depicts the area of the airport near the heliport for the Arizona Pacific lease. The two leases associated with this development have gone to Council for the first reading and the second reading will be on September 20, 2007. It will move into the thirty-day review period and the leases then executed. The developer may roll Phase II in with Phase I. Approximately 88 hangars will be built for lease and some offices. Staff is working with two other potential lessees, HDH and Southwest Aircraft Charter, to develop south and west of the Arizona Pacific development. Staff anticipates finalization of those leases within the next couple of months. There were Issues regarding infrastructure, specifically how to pay for the roads. HDH Systems is considering hangars with an association-type arrangement and Southwest Aircraft Charter is looking to build a home for their aircraft and possibly a second hangar for future development.

E. Airport Improvements and Construction Projects

Construction:

- *Airfield Signage Project* – The contractor is waiting for backordered signs.
- *Armory Apron Project* – Staff has received a grant for the construction and staff anticipates work to begin within the next month or two.

Design and Planning:

- *Airport Noise Study* – The FAA has the scope of work for this project. Staff expected their comments back this week and will make a follow up call to check the status.
- *Airport Boulevard Design* – Staff is still working with the consultant for the scope of services and the design contract.
- *Perimeter Road Design* – Staff is still working with the consultant for the scope of services and the design contract.

F. June (end of FY) and July 2007 Financial Activity

MR. CHENOWETH briefed the Commission on the June (end of FY) and July 2007 Financial Activity. The cumulative balance for the end of FY06-07 was \$171,592. Much of the cumulative balance was capital not realized through grants but some of which, have now been awarded. The cumulative balance for July 2007 was negative due to a number of annual contracts encumbered in July 2007 for the new fiscal year. The

negative cumulative balance is a normal trend and will steadily approach the zero point, which represents a fully balanced budget.

MR. COOK suggested it would be appropriate at this point to discuss the fuel sales information that COUNCILMEMBER WENINGER requested at the previous Commission meeting. MR. CHENOWETH referenced a graph provided to the Commissioners depicting City fuel sales after the fuel pricing structure changed compared to the same timeframe last year, namely February to July 2006 compared with February to July 2007. COUNCILMEMBER WENINGER inquired if the net revenue involved labor with self-service and if we are now on an even keel with Chandler Air Service. MR. CHENOWETH replied that staff looked at all costs from insurance and labor to buying the fuel. MR. CHENOWETH also remarked that staff could research how the sales between Chandler Air Service and the City's fuel sales compare for the next meeting since it is an important point. He also noted that upcoming costs for closing three of the four City tanks will be incorporated into this year's fuel pricing. COMMISSIONER CULLUMBER asked if there are any environmental issues with regard to closing the tanks. MR. CHENOWETH replied he is not aware of any issues at this time and does not anticipate any problems. COUNCILMEMBER WENINGER inquired as to whether closing the three tanks would represent any fuel supply problems. MR. CHENOWETH noted the remaining tank has a 12,000 gallon capacity and with current fuel sales volumes, there should not be any problems with supply.

G. Air Traffic and Noise Abatement Activity for July and August 2007

MR. GUY LENNON briefed the Commission on the Air Traffic and Noise Abatement for July and August 2007. For July 2007, there were 17,999 operations for a total of 261,876 operations in the last twelve-month period, a significant decrease. Chandler was the 45th busiest airport in the country and 10th busiest general aviation airport compared to 43rd busiest airport in the county for the same time last year and 7th busiest general aviation airport. There were five noise calls for July 2007, four regarding helicopters and one regarding fixed wing aircraft in the traffic pattern area. In August 2007, there were 21,400 operations and a total of 260,902 operations in the last twelve-month period. We were the 46th busiest airport in the country and 10th busiest general aviation airport compared to last year at this time when we were 48th busiest airport in the country and 9th busiest general aviation airport. There were five noise calls for August 2007. One was for a fixed wing call over Sun Lakes that was flying low.

MR. MATTHEWS pointed out that the airport web site referencing the fly neighborly program gave incorrect heliport flight directions. MR. CHENOWETH apologized for the incorrect information on the website. He noted that the information was for helicopter operations from the old helipad and that airport staff will immediately work to correct the web site. MR. CHENOWETH responded to questions and concerns about helicopter traffic around the airport and described the FAA produces as outlined in the aeronautical information manual that contains an extensive chapter on traffic patterns, arrival and departure procedures, establishing standard practice for fixed wing and helicopter aircraft, recommending altitudes and co-mingling aircraft. MR. MATTHEWS stated the helicopters are not landing and taking off but are coming across from the heliport and going in circles 80% of the time, hour after hour. He suggests they fly along the freeway and the canal to reduce noise impacts. He does not feel the helicopters use the "Fly Neighborly" program. MR. COOK remarked that the Airport Noise Study is coming up. This process addresses many of the intertwined issues and is the place to deal with the patterns. He also noted that staff would be assessing the potential of closing Taxiway C to the helicopters before the noise study is complete due to startup of an adjacent construction project. MR. MATTHEWS replied considerations should be given to the nearby neighborhoods regarding noise. COMMISSIONER CULLUMBER suggested contacting MR. MATTHEWS when the noise study comes up. MR. CHENOWETH responded that staff has already invited him to be involved. COUNCILMEMBER WENINGER asked for a copy of the Quantum Helicopter lease. MR. CHENOWETH responded he would comply.

H. Airport Manager Comments

MR. CHENOWETH commented MRS. MACKAY and he would attend the NBAA Conference in Atlanta, Georgia this month and that it is the largest civilian aviation event in the world attracting around 35,000 to 40,000 people. Each year staff has displayed at the conference, the City of Chandler has obtained at least

one new business to Chandler from a contact that can be directly attributed to that event. MR. CHENOWETH further commented that he passed the accreditation program to be an accredited airport executive and there are just over 400 people in the world that have accomplished this. He thanked MR. COOK for his encouragement in completing the process. COMMISSIONER CULLUMBER suggested it be written in the newspaper and congratulated MR. CHENOWETH.

7. COMMISSION MEMBERS COMMENTS

COMMISSIONER CULLUMBER recognized former Airport Commissioner Les Bartlett. The Commission recognized his dedication and expressed their gratitude for the valuable service and insight he provided for so many years. He recommended this be in the newspaper. Airport staff will mail a letter of appreciation and a commemorative plaque to Mr. Bartlett.

COMMISSIONER DALY commented that the City is updating their general plan for build out and the airpark is key to this. She encouraged everyone to check the Chandler website for more information.

COMMISSIONER MCCORKLE congratulated MR. CHENOWETH on his accomplishment. He also thanked MR. MATTHEWS for coming in to address his issues and hopes we can solve the noise problems with our neighbors.


COUNCILMEMBER WENINGER commented he has received many compliments from various people, whether citizens or developers in regards to MRS. MACKAY'S work. He noted that she is very much responsible for many of the businesses that locate in Chandler and hopes we do not lose her to the private sector as we have so many others. He extended his congratulations to MR. CHENOWETH as well.

8. ADJOURNMENT

Noting no other comments from Commissioners, COMMISSIONER CULLUMBER adjourned the meeting. The meeting of the Airport Commission adjourned at 8:45 p.m.

Jim Cullumber
Commissioner, Acting Chairman


Greg Chenoweth, Airport Manager
Recording Secretary


for
Jim Cullumber