

MINUTES OF THE REGULAR MEETING OF THE CITY OF CHANDLER MUNICIPAL AIRPORT COMMISSION, on Wednesday, August 6, 2008 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:

Vice-Chair Chelle Daly
Commissioner Stan Olivier

Commissioner Sky McCorkle
Commissioner Richard Parker

B. Acknowledgement of Audience

VICE-CHAIR CHELLE DALY acknowledged the audience and the following people were recognized:

Mr. Jim Fordemwalt, Pilot
Mr. Nelson Garrison, Pilot
Mr. Neil Jones, Quantum Helicopters
Mrs. Stacey Nichols, Tower Manager
Mr. Joe Goetz, Pilot
Mr. George Varga, Varga Enterprises
Mr. Mr. Jeff Farrar, Tenant
Mr. Rick Heumann, Resident
Mr. Guy Pepoy, Neighbor
Mr. Matt Orlando, Councilmember
Mr. Don Oliphant, DWO Enterprises
Mrs. Chris Mackay, Economic Development

Mr. Brennan Ray, Burch & Crachiolo
Mr. Tim Varga, Aircraft Engine Specialties
Ms. Anne Quigley, BXK
Mr. Jim Noble, Pilot
Mr. Mike Tragarz, Pilot
Mr. Curt Langenhorst, Chandler Air Service
Mr. Mike Pearce, M & P
Mr. Scott Wattola, Larson Assoc./Architect
Mr. Dave Olney, Dave Olney & Associates
Mr. Tim Williams, DWO Enterprises
Mrs. Lori Quan, Economic Development
Mr. Kevin Hartke, Councilmember

Others Present:

Mr. Dan Cook, Deputy Public Works Director
Mr. Greg Chenoweth, Airport Manager

Mr. Guy Lennon, Airport Management Assistant
Mrs. Gina Cassuto, Airport Executive Assistant

C. Commission Service Recognition

VICE-CHAIR CHELLE DALY postponed the Commission Service Recognition for former Commissioners Jim Cullumber and Mike Wigfield until the next meeting since they were both unable to attend this evening.

2. APPROVAL OF MINUTES:

It was MOVED by COMMISSIONER STAN OLIVIER and SECONDED by COMMISSIONER SKY MCCORKLE that the Meeting Minutes of June 11, 2008 for the CHANDLER MUNICIPAL AIRPORT be approved. MOTION CARRIED UNANIMOUSLY.

3. UNSCHEDULED PUBLIC APPEARANCES:

A. CALL TO PUBLIC

There were no unscheduled public appearances.

4. SCHEDULED PUBLIC APPEARANCES:

A. CALL TO PUBLIC

There were no scheduled public appearances.

5. ACTION AGENDA:

A. Airport Conflict Evaluation – Chandler Airpark Business Center, LLC at the NEC of Cooper and Queen Creek Roads

MR. CHENOWETH presented the Airport Conflict Evaluation for the proposed zoning change for Chandler Airpark Business Center, LLC at the northeast corner of Cooper and Queen Creek Roads from AG-1 to PAD with light industrial AP-1 and office uses within the Chandler Airpark Area. MR. CHENOWETH commented that this agenda item does not include an adjacent airport parcel as stated on the agenda. MR. CHENOWETH provided a description of the property and the planned uses as presented in the neighborhood meetings held on June 17, 2008 and a follow up of July 29, 2008. He noted several concerns the neighbors voiced during these meetings including: Relocation of the connecting taxiway to the through-the-fence project; Construction of a 20' sound wall; and concern for a fuel farm on the site. He noted it was City staff's determination that these items could not be accommodated. The residents indicated they would continue to advocate for these changes in this project to address potential noise issue.

Staff recommended the Commission present an Airport Conflicts Evaluation report to the Zoning Administration and Council with findings of no conflict with airport uses for the proposed Chandler Airpark Village Business Center, LLC development. MR. CHENOWETH remarked representatives were available to answer any questions. MR. BRENNAN RAY introduced himself and noted that they have worked diligently with various City entities to come up with a project compatible with the airport and the surrounding neighbors. MR. BRENNAN commented on the concerns expressed by residents and that the developer is willing to address their concerns wherever possible. VICE-CHAIR DALY commented she did some research on-line regarding walls and found many sound wall engineers that could manipulate the shape to minimize noise and asked if the developer would consider this. MR. BRENNAN responded he would discuss this with his clients but felt raising the wall to minimize noise is not necessary but would look into the rough faced versus the smooth faced wall. He remarked Queen Creek Road at build out will be six lanes and that would generate more noise than their development. Their buildings will be set back at 100' and in between is an average landscape set back of 30' containing a variety of trees and shrubs that will assist in mitigating noise. COMMISSIONER DALY remarked she did not want to arbitrarily pick a wall height but would like to see a study by a sound engineer that would show the least noise impact.

IT WAS MOVED by COMMISSIONER OLIVIER and SECONDED by COMMISSIONER MCCORKLE the Commission approve and forward the Airport Conflicts Evaluation for the proposed zoning change for Chandler Airpark Business Center, LLC at the northeast corner of Cooper and Queen Creek Roads from AG-1 to PAD with light industrial AP-1 and office uses within the Chandler Airpark Area to the Zoning Administrator and City Council with a finding of no conflict with airport uses as presented by MR. CHENOWETH MOTION CARRIED UNANIMOUSLY.

B. Airport Conflict Evaluation – Proposed zoning change for a Chandler Municipal Airport parcel north of Queen Creek Road from AG-1 to AP-1

MR. CHENOWETH presented the Airport Conflicts Evaluation for the proposed zoning change for a Chandler Municipal Airport parcel north of Queen Creek Road from AG-a to AP-1. This property was purchased by the airport in 1991 or 1992 and never zoned to the City Code of AP-1. The property consists of approximately 36 acres and AP-1 zoning will allow the parcel to be developed for airport uses and as required by the City's federal grant assurances. Two uses are proposed at this time; a lease with Chandler Airpark Business Center, LLC for a taxilane and staging area and a city fire station that will be used for airport rescue and community fire services. The public meeting occurred on July 29, 2008 at the same time as the Chandler Airpark Business Center, LLC. There were no comments from the attendees. Staff recommends the Commission present an Airport Conflicts Evaluation report to the Zoning Administration and Council with findings of no conflict with airport uses for the proposed change in zoning of Chandler Municipal Airport property to AP-1 uses.

COMMISSIONER RICHARD PARKER inquired if the Fire Department has estimated the number of operations. MR. CHENOWETH responded that he does not have the numbers but will get the information to the Commission at the next meeting. COMMISSIONER MCCORKLE asked if there were any contamination issues. MR. CHENOWETH responded in the negative but that north of this area there was reportedly an old landfill and a crop dusting business that operated in the 1970's. Staff will address this issue in the future through engineering and working with ADEQ. COMMISSIONER MCCORKLE asked if Twin Acres is city or county. MR. CHENOWETH responded all of it except approximately 1-1.5 acres is in the City.

IT WAS MOVED by COMMISSIONER MCCORKLE and SECONDED by COMMISSIONER OLIVIER the Commission approve and forward the Airport Conflicts Evaluation for the proposed zoning change for a Chandler Municipal Airport parcel north of Queen Creek Road from AG-a to AP-1 to the Zoning Administrator and City Council with findings of no conflict with airport uses as presented by MR. CHENOWETH MOTION CARRIED UNANIMOUSLY.

C. Public Meeting and Action Regarding Action Aviation, LLC Ground Lease on the South Side of the Airport for FBO and Aircraft Handling Services

MR. CHENOWETH presented the public meeting and action regarding Action Aviation, LLC ground lease on the south side of the airport for FBO and aircraft handling services. MR. CHENOWETH explained that as part of the direct lease process approved by Council, one of the elements required is a public meeting. MR. CHENOWETH noted the applicants from Action Aviation, LLC were present and asked them to give a presentation/briefing on the development and answer any questions to address the public meeting portion of the process. MR. MIKE TRAGARZ introduced himself and gave an overview of their project. MR. CHENOWETH asked MR. TRAGARZ to describe his operations in relation to the current helicopter operations. MR. TRAGARZ replied they would not have the repetitive operations a training facility would have, such as touch and go and flying in the pattern.

Instead, helicopters will come and then leave for their mission off the airport. Days of no operations are a possibility and on those instances, helicopter maintenance and overhauls would be performed.

MR. CHENOWETH went over the lease background, project description and the financial benefits for the airport. Staff recommends the Commission endorse the approval of a direct lease contract for Action Aviation, LLC to develop a facility to provide FBO and aircraft handling services.

IT WAS MOVED by COMMISSIONER OLIVIER and SECONDED by COMMISSIONER PARKER the Commission approve the public meeting and action regarding Action Aviation, LLC ground lease on the south side of the airport for FBO and aircraft handling services as presented by MR. CHENOWETH. MOTION CARRIED UNANIMOUSLY.

D. Public Meeting and Action Regarding a F&G Ground Lease on the North Side of the Airport for an Aircraft Storage Hangar Facility

MR. CHENOWETH presented the public meeting and action regarding an F&G ground lease on the north side of the airport for an aircraft storage hangar facility. MR. GREG HATCH introduced himself and gave a visual presentation of the project. He remarked that this is his third project at the airport located north of the new Armory Apron and just west of the National Guard Armory. The development is basic hangar space and will consist of four buildings, two will be box hangars 60' wide by 45' and two will be oversized T-hangars wide enough to hold the medium to larger twins, for a total of 28 hangars with approximately 45,000' of hangar space. The parcel is 237' deep by 437' wide for a total of 118,000 square feet of land. The estimated value of the project upon completion is \$4 million dollars. An approved fence will be installed similar to the one at his other project along Airport Boulevard to match the aesthetics along the entrance of the airport. COMMISSIONER MCCORKLE remarked there is a big waiting list for hangars right now. MR. CHENOWETH commented there is City wait list with approximately 150-160 names on it and would be glad to share the information with MR. HATCH. COMMISSIONER MCCORKLE asked if the hangars would be for sale. MR. HATCH responded initially they would be for lease since the standard airport lease does not allow them for sale at this time but there may be a potential in the future to sell them. MR. CHENOWETH went over the lease background, project description and the financial benefits for the airport. Staff recommends the Commission endorse the approval of a direct ground lease contract with F&G Enterprises, LLC for the development of an aircraft storage hangar facility.

VICE-CHAIR DALY commented that MR. HATCH'S previous project are beautiful and appreciates his consideration for the location.

IT WAS MOVED by COMMISSIONER OLIVIER and SECONDED by COMMISSIONER MCCORKLE the Commission approve the public meeting and action regarding a F&G ground lease on the north side of the airport for an aircraft storage hangar facility as presented by MR. CHENOWETH. MOTION CARRIED UNANIMOUSLY.

E. New ADOT Grant Number E8F1G in the Amount of \$3,948 as the State's Matching Share to a Federal Grant for the Paved Perimeter Access Road Project

MR. CHENOWETH presented the new ADOT Grant number E8F1G in the amount of \$3,948 as the state's matching share to the federal grant for the Paved Perimeter Access Road Project. The grant represents the State's matching share for an FAA grant already received for the access perimeter road. MR. CHENOWETH pointed out the location on the diagram. The purpose of the road was a FAA safety recommendation to provide a paved route for the fuel trucks to get from the north side to the south side of the airport so they would not cross over the taxiways. FAA give the City a grant last year for \$150,000 and the ADOT grant for \$3,948 is 2.5% of the project total. Staff recommends the Commission pass and forward to Council a recommendation for the City to enter into a grant agreement with the Arizona Department of Transportation accepting ADOT grant number E8F1G for \$3,948 as the state's matching share to a federal grant to design a paved perimeter service road on the airport.

IT WAS MOVED by COMMISSIONER MCCORKLE SECONDED by COMMISSIONER OLIVIER the Commission approve the new ADOT Grant number E8F1G in the amount of \$3,948 as the State's matching share to the federal grant for the Paved Perimeter Access Road Project as presented by MR. CHENOWETH. MOTION CARRIED UNANIMOUSLY.

F. Extend ADOT Grants E5S64 for the Master Plan Update, E6F54 for the Airfield Signs Project and E6F79 for the Noise Study

MR. CHENOWETH presented the extension for ADOT Grants E5S64 for the Master Plan Update, E6F54 for the Airfield Signs Project and E6F79 for the Noise Study. This is a request to extend the three ADOT grants due to

expire June 30, 2008. ADOT has agreed to extend the grants for one full year. Grant E5S64 was awarded in 2005 for the Airport Master Plan Update. Completion of the project is anticipated around the end of the summer. Grant E6F54 was awarded in 2006 for the Airfield Signs Project. The project is 99% complete with only a few sign faces needing to be installed. Completion is anticipated in August 2008. Grant E6F79 was also awarded in 2006 for the F.A.R. Part 150 Noise Study. The project is underway and is anticipated for completion in February or March 2009. Extending all three grants will provide enough time to complete the remaining administrative work. There are no financial implications by accepting the amendment to these grants. Staff recommends the Commission pass and forward to Council a recommendation for the City to enter into three grant agreement amendments with the Arizona Department of Transportation Aeronautics Division to extend the grant expiration dates to June 30, 2009 for grant numbers E5S64, E6F54 and E6F79.

IT WAS MOVED by COMMISSIONER MCCORKLE and SECONDED by COMMISSIONER OLIVIER for the Commission to approve and forward a recommendation to City Council to accept the extensions for ADOT Grants E5S64 for the Master Plan Update, E6F54 for the Airfield Signs Project and E6F79 for the Noise Study as presented by MR. CHENOWETH MOTION CARRIED UNANIMOUSLY.

6. BRIEFING ITEMS:

A. Chandler Municipal Airport Outreach Program – Dave Olney

MR. CHENOWETH introduced MR. DAVE OLNEY who is under contract with the City of Chandler to assist with the community outreach program that entails visits with the community and neighbors to get their impression of the airport. MR. OLNEY explained the City wished to enhance to community outreach efforts of the airport, the reason for the program to address a lack of communication and a deterioration of trust by the community with regard to what is going with the airport. Since there has never been a formal effort, the idea is to use this program as recommendations that the airport can use as a template and roadmap to create an informed community and better communication, rebuilding the trust over time. The program will research and analyze the airport complaint log, mail out a community survey to determine feedback on attitude and benchmark where to community is in terms of the airport. The program was launched on July 14, 2008 and postcards were sent out principally targeting the area approximately 2 ½ miles around the airport. MR. OLNEY explained a problem with the mailing regarding a change with zip codes. He also noted it was rectified and that the survey has been extended to ensure all input is received. Key stakeholders in the airport will be contacted to hear their concerns, interests and recommendations. MR. OLNEY has spoken with VICE-CHAIR DALY, toured the control tower and met with MR. JOHN WALKUP and MR. NEIL JONES. MR. OLNEY is also assessing the current outreach efforts of the airport, find opportunities on how to improve it and will continue to brief the Commission with his progress. MR. OLNEY commented residents could fill out the survey online.

COMMISSIONER PARKER commented he received an e-mail today telling him the airport is closing. He also asked if MR. OLNEY is communicating with other airports on their outreach practices. MR. OLNEY said he will speak to various airports and will compare their practices to this airport's efforts. COMMISSIONER SCHUYLER inquired if the Commission would receive a briefing on the final product. MR. OLNEY replied in the affirmative. A member of the audience asked how many responses have been received. MR. OLNEY responded as of last Wednesday over 600. COUNCILMEMBER MATT ORLANDO asked if another survey would be done in other parts of the City. MR. OLNEY responded the first mailing was a 2.5 mile radius from the airport. The next mailing will be including the other areas. MRS. CHRIS MACKAY inquired if a control group could be targeted that is away from the airport. MR. OLNEY replied in the affirmative. COUNCILMEMBER ORLANDO remarked the reason for his questions was that the last three elections there was a high concentration of negative or no vote, yet further out from the airport there was the positive reaction. He would like to know if it is purely geographic or are there issues that other areas are not aware of. He felt these are the types of things that need to be assessed. MR. OLNEY concurred with COUNCILMEMBER ORLANDO'S suggestion. VICE-CHAIR DALY asked if the survey would be promoted in other ways besides the survey cards. MR. OLNEY replied that can call the telephone number and to the interview over the telephone and newspaper advertisements. COMMISSIONER PARKER mentioned he was concerned about citizens on the west side mistaking Stellar Airpark with Chandler Municipal Airport. It was noted that a map showing the major cross streets are presented on the website before entering the actual survey. VICE-CHAIR DALY commented that this is a very exciting project and looks forward to the results.

B. Chandler Airport Alliance (CAA) – Neil Jones

MR. CHENOWETH introduced MR. NEIL JONES with the CAA. MR. JONES briefed the Commission on the Chandler Airport Alliance. They have been meeting about once per month and encouraged by aviation and non-aviation participants. CAA is in the process of forming into a 501.c.6 LLC and may be completed by the next

Commission meeting. The group continues to follow up on City Accounting questions/issues that originated from a meeting with the City Manager MR. MARK PENTZ and MR. DENNIS STRACHOTA, Director of Management Services for clarification. Area familiarization flights have been conducted for those involved with leadership, management and decision-making regarding Chandler Airport giving them a birds-eye view of the city and airport and how it relates to the city's economic development, existing and potential. The flights were donated by Chandler Air Service and were enlightening for the participants.

C. Lease Status

- i. Chandler Aviation – Lease Extension, first of two five-year options. MR. FRANK SETZLER, the owner/tenant exercised the first of two of five-year option of his lease. The option begins January 1, 2009.
- ii. RFP's – The last RFP proposal was in 2005. Staff has been communicating with two potential lessees, Southwest Aircraft Charter and HDH Systems. Staff is confident that a lease will come together soon for Southwest Aircraft Charter, but HDH has opted to terminate negotiations due to the state of the economy.
- iii. Direct Lease – There is one application outstanding with issues that could move forward by next month.

D. Airport Improvements and Construction Projects

Construction:

- *Airfield Signage Project* – This project will close upon final acceptance by Engineering.

Design and Planning:

- *Airport Noise Study* – August 12, 2008 at 12:00 p.m., the first public meeting will be held at the Tumbleweed Recreation Center in the north and south Cotton Room. The following day at 3:00 p.m., the Advisory Committee will meet in the south Cotton Room. The noise study is a very important aspect on how the City addresses the impact of noise aviation and what actions if any can be taken to mitigate the noise. Anticipated completion is February or March 2008.
- *Perimeter Road Design* – This project is complete and in the final stages of review. It will not go to bid until the City receives an FAA grant for construction. The project was identified by the FAA as a safety issue.
- *Light Vault Renovation* – The design is anticipated to be completed later this month. The construction is pending due to notification by ADOT that the aviation state fund has been swept by the legislature so funding is not available at this time and staff is waiting for official word from ADOT as to its status.
- *Airport Boulevard Design* – Staff anticipates completion of the design December 2008. This project was identified for bond funding in the last bond election and the majority of the funding is available through the bond. There was also funding planned for an ADOT grant but is also subject to recession due to the sweep of the Aviation Fund. Staff has asked ADOT to consider keeping some grant funding available for this project.
- *NW Apron Design* – Staff does not anticipate funding from ADOT due to the aviation state fund being swept by the legislature and expects this to be moved out several years.
- *Storm Drain Project* – This may also be a casualty of the ADOT fund issues. MR. DAN COOK and MR. CHENOWETH visited with ADOT to advise them that this project will prevent taxiway and taxiway cave-ins due to standing storm drain water. ADOT did then express understanding of the importance of the project. Status of the funding remains in question.

E. May and June 2008 Financial Activity

MR. CHENOWETH briefed the Commission on the May and June 2008 Financial Activity. At the end of May 2008, there was a cumulative year to date balance of \$63,477 and at the end of June 2008, the cumulative year to date balance was \$44,187. Detailed spreadsheets were provided to the Commission. Staff continues to work with the finance division to present the financial activity in a more appropriate manner.

D. Air Traffic and Noise Abatement Activity for June and July 2008.

MR. GUY LENNON briefed the Commission on the Air Traffic and Noise Abatement for June and July 2008. In June 2008, there were 18,860 operations and there were four noise complaints relating to the traffic pattern for

helicopters. The 12-month cumulative for operations in June 2008 was 260,019 operations compared to last year when it was 262,975 operations. The FAA reported Chandler as being the 45th busiest of all airports and 10th busiest general aviation airport in the country – the same rankings as last year. July 2008 reflects similar statistics and noise issues. There has been a change in the tracking of air operations at the airport. Our controllers used to track the number of operations including the number of over flights but now the FAA has mandates that the over flights not be included. VICE-CHAIR DALY asked if this is a national change. MR. LENNON replied in the affirmative. MRS. STACEY NICHOLS remarked that it over flights will still be counted to track for workload but will not be included in the number of operations reported.

E. Airport Manager Comments


MR. CHENOWETH commented the request by the Commission for the Noise Study Advisory Committee list has been provided to them this evening and the question on how the airport prices its fuel will be sent out to the Commission via mail.

7. COMMISSION MEMBERS COMMENTS

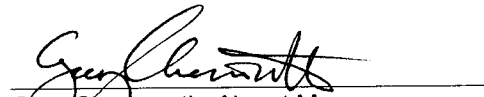
VICE-CHAIR DALY reminded everyone that the elections for City Council and the primaries are September 2, 2008. Also that she watched the City Council debate on channel 11 that included a specific question regarding the airport, found the candidates answers very interesting and encouraged everyone to view it. There will be a public meeting for the Airport Noise Study at the Tumbleweed Recreation Center off Germann Road in the Cotton Room. The meeting will be in an open house format that entails a presentation followed by a question and answer session. The next Airport Commission meeting will be September 10, 2008. VICE-CHAIR DALY remarked her family went to Mt. Rushmore for vacation and had a wonderful time. COMMISSIONER MCCORKLE expressed the importance of the Outreach Program, trying to inform everyone about what the airport means to the community and that it will be a large educational process for all. COMMISSIONER OLIVIER thanked COUNCILMEMBER ORLANDO for attending the meeting, MRS MACKAY for her endeavors in developing the airpark and MR. OLNEY for educating the public about the airport. VICE-CHAIR DALY welcomed new COMMISSIONER PARKER to his first airport commission meeting.

ADJOURNMENT

Noting no other comments from Commissioners, VICE-CHAIR DALY adjourned the meeting. The meeting of the Airport Commission adjourned at 9:00 p.m.



Chelle Daly
Vice-Chair



Greg Chenoweth, Airport Manager
Recording Secretary