

LOGAN - CACHE AIRPORT AUTHORITY BOARD MEETING
MINUTES
May 1, 2012

The Logan-Cache Airport Authority Board convened in a regular session on May 1, 2012 at 7:30 a.m. in the Cache County Council Chambers, County Historic Courthouse, 199 North Main, Logan, Utah.

ATTENDANCE

Members of the Airport Authority Board in Attendance:

John Kerr
Dean Quayle
Gar Walton
Mayor Randy Watts
Val Potter
Harry Ames
M. Lynn Lemon

Members of the Airport Authority Board Absent:

Others in Attendance:

Lee Ivie - Airport Manager
Kymber Housley – Logan City
Jeff Peterson – Logan City Fire Department
Brady Hansen – Logan City Fire Department
Sean Heiner – Utah State University Aviation
Susan Crosbie – Utah State University
Bryan Congdon – Harris Air
Kim Hull – Leading Edge Aviation
Sherm Buck - Pilot
Bill Francis – Hangar Owner
Dan Boston – Hangar Owner
Janeen Allen

CALL TO ORDER

Chairman John Kerr called the meeting to order at 7:30 a.m.

REVIEW AND APPROVAL OF MINUTES

Kerr asked for a motion to approve the minutes of April 3, 2012.

ACTION: Motion was made by Quayle and seconded by Watts to approve the minutes of April 3, 2012. The vote in favor was unanimous, 7-0.

ITEMS FOR DISCUSSION

Manager's Report – Lee Ivie (Attachment A)

AIP Projects

Ivie said in addition to the projects included in the report, we are planning on moving forward with the purchase of an ARFF truck for the airport. There is a possibility of saving some money by coupling projects up with other airports doing the same thing. Fortunately, the Ogden airport is looking for an ARFF vehicle right now, and we may be able to save some money by combining our purchases. Ivie continued that we are looking at a 1,500 gallon unit with a turret on top and on the bumper. The total budget including the \$600,000 allocation from the FAA and the state and airport match of 5% will be around \$659,000. Lemon asked why this vehicle is so much more expensive than a regular firetruck. Hansen responded that it is mainly because it carries 1,500 gallons, as opposed to 500 gallons and it is very heavy with four-wheel drive. Ivie added that it contains an induction system that mixes foam to water, as well as a dry chemical agent. Watts asked about a used ARFF vehicle maybe coming out of the Salt Lake Airport. Ivie said that a used vehicle is not eligible for federal funding.

Based Aircraft Report

Ivie said that the current number of aircraft at the airport is 148. All of the address and location information for these aircraft has been updated, as well. Kerr noted that the state allocates funding determined by the number of aircraft registered at the airport. Ivie said that the more aircraft registered, the more funding we are eligible for from the state. The majority of the aircraft are single-engine piston aircraft. There are approximately 4 jets and 3 to 4 turbo props.

Police Department Training

This training will be conducted every Wednesday and Thursday during the month of May. Cache County will train on Wednesdays and Logan City will train on Thursdays

Airport Website

Walton said that in addition to a link to the LGU Facility Directory, an updated picture and profile for Ivie should be added.

Wildlife Management (Attachment B)

Lemon asked what a Wildlife Assessment entails. Kerr replied that it is a 13-month study to assess the extent of the risk to an airport and can lead to a wildlife mitigation program. Ivie said that the main bird population at our airport consists of geese and sandhill cranes. He continued that he keeps a daily log of bird activity at the airport.

Airport Grounds, Buildings, and Fences

Ivie noted that he is waiting for the safety area to dry more before mowing it. He detailed the two areas in the fence that need repair are: 1) near the hangars where makeshift panels were put up to serve as gates, but the barbed wire was not restrung at the top of the security fence. It needs to be restrung and tightened. 2) an original corner post at the entry of the airport just before Leading Edge and Utah Jet Center was not large enough and is pulling out of the ground. A larger post needs to be installed and the surrounding fence tightened. Ivie added that he has received estimates for the requested gates for grate access and believes the cost will be around \$1,800.

Ivie said he was just informed by the FAA that we have not submitted our Disabled Business Enterprise information for a certain project. He does not know which project it is, but will contact Armstrong Consultants to find out and then submit the information to the FAA.

Discussion and Consent on Property Lease Agreement between Logan-Cache Airport Authority and Jerry Clark – John Kerr

Kerr said Clark has submitted his plans and information to Logan City for a Design Review and Building Permit at the hangar location of G9. He reminded the board that the location was approved three or four months ago.

Discussion and Consent for Allocating Funds to the Infrastructure Associated with the Terminal / Corporate Area Development – John Kerr

Kerr said he has met with Logan City's Community Development, Public Works, and Fire Department to determine the best way to complete the infrastructure improvements. Watts said that Logan City will create the loop with the fire hydrant at the end. He added that the city will provide the labor costs. Lemon asked Watts if the total cost of the project including material and labor is still estimated at being around \$300,000. Watts replied that they still need to look into the hard costs and come up with a firm estimate. Lemon said they are still looking to see if the revenue from last year is in the fund balance. He wondered about approaching both the city and the county and asking for some funding rather than depleting the reserve account. He said that the shared costs of this project should be equitable, but we need to know what the total cost is going to be before we can divide it up. Watts said we should also be looking long-term at the airport and where we want it to go in order to determine the city's and county's contributions. Lemon asked Watts how soon they would begin working if the board approves the project. Watts said it still needs to dry out, but hoped to be started by mid-May.

ACTION: Motion was made by Quayle and seconded by Walton to move forward with the infrastructure improvements for the terminal/corporate area. The vote in favor was unanimous, 7-0.

Land Lease – Kymber Housley (Attachment C)

Housley said that when he first became involved with the leases at the airport, his goal was to enforce the existing leases. However, there was no consistency in those leases and the terms varied greatly. He said that the task now is to bring the leases into FAA compliance and make them consistent across the board. He referred to a document found on the FAA website at:

http://www.faa.gov/airports/new_england/airport_compliance/media/developing_an_airport_leasing_policy.pdf

called "Developing an Airport Leasing Policy, Best Practices for General Aviation Airports." Housley also consulted with an individual who was in-house counsel for the Salt Lake City Airport for several years and later in private practice did all the transactional work including ground leases for the St. George Airport. He believes that the proposed lease has gone through an extensive vetting process and that it complies with the FAA regulations and is consistent in its terms.

Housley addressed the concern that many people have expressed about the length of the new lease being 28 pages. He said that the body of the proposed lease, itself, is only 15 pages. The other pages are attachments that the original seven-page lease should have, but doesn't including insurance requirements, descriptions of where the aircraft are located, and the types of aircraft. He added that the proposed lease is not that much different than the original, and the headers are basically the same, but it goes into greater detail in each area.

He concluded that the current seven-page lease is inadequate based on common law and FAA regulations. He said the proposed lease is not perfect but is much more acceptable than the current one, and it is certainly still open for tweaking some of the terms that have raised so much concern with hangar owners. Housley noted that under the proposed lease, the tenant is protected with the option of either relocating the hangar or having the airport purchase it. He reminded the board that the primary reason for the ground leases is to encourage private investment to generate revenue and help develop the airport. He added that the key is that whatever is offered to one should be offered to all. We don't have the luxury of negotiating the terms of each individual lease anymore.

Ames discussed several points with Housley including lease renewal terms and insurance coverage. Kerr asked what would be the best way to move forward with the proposed lease at this point. Housley said he would be willing to discuss with Ames the main concerns that hangar owners have raised with the proposed lease. Ames said he will provide Housley with a bulleted list of those concerns so he can address them.

Request for Lighting on Harris Tower – Bryan Congdon

Congdon said that Robert Harris would like to put a light strip around the square top of the tower to improve visibility and safety. He asked if there are any FAA regulations regarding the type of lights and wattage allowed, and does Harris need approval from the airport authority board in order to install them. Kerr suggested Congdon meet with Ivie to determine what steps to take in order to comply with FAA regulations. Kerr said he didn't think there would be objections from the board if the lights are FAA compliant.

Utah Highway Patrol - John Kerr

Kerr said the Utah Highway Patrol will be conducting emergency vehicle operation training exercises at the airport on June 4th, 5th, and 6th. Peterson noted that the mass casualty training exercise originally scheduled for June 2nd has been postponed a couple of months because they didn't have the budget or time to prepare for some of the exercises that need to take place.

Committee Reports

Audit & Finance – Lynn Lemon

Lemon said they will work on getting firmer numbers from the fund balance by the next meeting. He said he will pursue with the county the funding for utility improvements. He also wanted to make the board members aware that he and Kerr received a request from Bruce Bishop to renew the agreement with Fred Davis. However, based on commitments with the budget that haven't been covered, Lemon and Kerr made the decision not to renew the agreement because we don't have the funding.

Kerr said in light of last month's mention of landing fees, he found that the airport has been applying those fees and that USU has contributed approximately \$12,000 in landing fees over the last two years.

Operations Committee - Dean Quayle

No report.

Capital Improvements – Harry Ames

No report.

Economic Development / Public Relations – Gar Walton

Walton said he is working with Ivie putting together the data packages for businesses. Kerr noted that right now the airport doesn't have developable land for aviation-related businesses to come in. Ivie added that he doesn't think the airport has even been platted for purposes of development.

Commercial and Charter Air Service – Bruce Bishop

No report.

Open Items

Ivie said that Hugh VanOrden's hangar located at C6 has structural damage to the cement slab in the front of the building. He can no longer move his aircraft in or out of the hangar. Kerr asked Ivie to get a cost estimate for the repair.

Chief Peterson said it has worked out very well for his department to conduct weekend inspections. It has given them a better knowledge of what is out there and more opportunities to interact with the people at the airport.

Next Meeting

The next meeting of the Airport Authority Board will be June 5, 2012 commencing at 7:30 a.m. at the airport followed by a brief tour of the facility.

Adjournment

The meeting was adjourned at 8:54 a.m.

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ATTACHMENT A



April 2012 Manager's Report

- **AIP Projects:** The crack sealing project on runway 35-17 scheduled to take place this month was canceled due to there not being a real need for this work to be done. I met with Russell Johns from Bonneville Asphalt on April 16th, we made a thorough inspection of the runway, and made the determination that there were no significant cracks on the runway. The money allocated from the State to do this project can be saved for the fall projects consisting of fog coating, stripping, and additional signage at the airport.
- **Based Aircraft Report:** April typically is the month that the UDOT Department of Aeronautics requires an updated based aircraft count at each airport in the State, so a great portion of my time and efforts were devoted to gathering this data for submittal to their office. These numbers will provide information to the State that in effect will help them to make a determination on the amount of funding that the State will allocate towards future projects at the airport. The current number of aircraft based at the Logan Cache Airport is 148. Some aircraft may not be accounted for whereas hangar inspections were not conducted at the airport.
- **TSA Outreach Survey:** A survey from the Department of Homeland Security was sent to me earlier this month and on the 18th of April I met with Eric Romero from the TSA to go over the form and make sure that the information that was being solicited was complete. This survey addressed the number of FBOs at the airport, the number of flight schools and instructors, the number of fuel trucks, the number of A&P facilities, the number of hangars and based aircraft, security and wildlife fences, and general security practices being conducted at the airport on a daily basis. Logan Cache Airport is still under the classification of a General Aviation Airport, so our security requirements are not as stringent as they would be if we were providing scheduled air service. If we are successful in soliciting an airline in the near future, the dynamics of the airport in regards to security will be subject to change.
- **ILS Flight Check:** On April 17th the FAA conducted a flight check on our instrument landing system (ILS) at the airport, and everything seems to be operating as should be expected. This procedure went well, and no incidents were associated with the event. The aircraft used to make the approach from the north end of the field on runway 17 was a Lear jet out of Sacramento. The ILS system should be good to go for the next year before another flight check will have to be conducted.
- **Police Department Training:** Both the Logan City and Cache County police departments will be utilizing the abandoned runway at the southwest section of the airport for training exercises during the month of May.
- **Airport Website:** We probably will need to add a link to the Logan Cache Airport website that will direct the users to the LGU facility directory. This facility director contains vital information about the airport such as elevations, runway locations, weight limitations,

NAVAIDs available, suggested flight patterns, FBOs and types of fuel available, radio frequencies, etc.

- **Wildlife Management:** Every morning during the airport inspection I see an average of 12 to 15 large water fowl next to the runways and taxiways. The birds are mainly geese and sand hill cranes. Occasionally ducks and pheasants are spotted, or massive flocks of seagulls will land at the north end of runway 17. These birds create a serious threat to the aircraft operators as bird related incidents are the leading cause of aircraft accidents in the world. The current inspection form being used at the airport does not have ample space to document all of the bird activity at the airport, so I'm submitting a supplemental form to have reviewed that will help record this activity. Along with this form a grid map of the airport will be used to pin point each incident. Both the map and the form will be very useful in providing historical information if a wildlife assessment is to be conducted in the future.
- **Airport Grounds, Buildings, and Fences:** All ruts alongside of the runways and taxiways have been filled in, and gravel and FOD has been swept off of the paved surfaces with the exception of some areas in the south hangar complex. There are still some piles of sod, weeds and other debris in the safety areas of runway 35-17 that will need to be removed. Most of the trash such as paper cans, plastic bottles, etc. that accumulated over the winter has been picked up and placed in the dumpsters. Two areas of the airport perimeter fence will need to be repaired, and the water marshal has made a suggestion that we relocate one gate and modify another gate at the southwest section of fence to accommodate them in their efforts to keep two grates cleaned out in their canals. Arrangements are being made to have the gravel areas around the runway and taxiway lights, and the gravel areas around the hangars sterilized. The fuel farm owned by the airport and leased to Leading Edge Aviation needs to have the emergency shut off switch and the fire extinguisher both mounted on the outside of the fence. I will move the mounting bracket for the fire extinguisher, and solicit bids to have the emergency shut switch relocated. The first of May we will probably begin mowing operations around the main entrance to the airport and the buildings near that location. I will be utilizing our part time employee Matthew Jensen to assist in these efforts. In June as soon as the ground dries out enough I will contact Rick Wosnik for mowing operations in the larger grass areas of the field. He has met with me and brought me up to speed on his involvement in these procedures in the past.
- **Airport Lighting, NAVAIDs, and Weather Station:** All lights and lighted signs are operable. The landing systems, weather station, MALSAR, Rotating Beacon, and PAPIs are functioning properly. One light fixture is missing from the wind sock located in the center of the segmented circle; all other wind socks are OK.
- **Airport Vehicles and Equipment:** A new battery was placed in the Jeep Wagoner, and the ground frequency radio was switched from the Jeep to the GMC pickup because one radio operates better than the other. Both of these vehicles are showing signs of starter problems and the electric fan that cools the water in the radiator of the Jeep runs continually. The air compressor on the # 2 engine of the Walters Fire Truck will not build pressure to 120 psi. We are hoping that we can get by until the new fire truck is purchased, and save \$1,500.00 the cost to replace that air compressor.
- **Upcoming Events:** Every second Saturday of the month Leading Edge Aviation will host a community breakfast/fly in. The next date for this event is May 12, 2012. On the 19th of May Mountain Ridge Helicopters will be holding their annual Learn to Fly Event starting at 12 noon and it will run to 4:00 p.m.

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ATTACHMENT B

Wildlife Observation and Activity for Logan Cache Airpo

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Activity Codes: (1) Loafing on Ground (2) Loafing on Water
(3) Aerial Hunting (4) Perched on Structure (5) Flying Over
(6) Feeding (7) On/Near Runway-Taxiway (8) Surface Hunting

Habitat Code: (1) Maintained Field (2) Overgrown Field (3) Wetland	
(4) Open Water (5) Woods (6) Res./Ind. (7) Pavement (8) Agriculture	
(9) Landfill (10) Soil	

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ATTACHMENT C

Developing an Airport Leasing Policy

Best Management Practices for General Aviation Airports

Presented to: ANE Winter Conference 2009
By: Kevin C. Willis, ACO-100
Date: December 9, 2009



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Objective

- Relationship between Land-use and Leasing
- FAA's Role in Airport Leasing
- Framework for an Airport Leasing Policy
- Best Management Practices in Airport Leasing
- Basic Airport Management tools

Airport Leasing Policy
December 9, 2009



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Airport Land-Use Plan

A good land-use plan for an airport will enable an airport manager to develop efficient, compatible, environmentally acceptable, functional, and aesthetically pleasing facilities

Airport Leasing Policy
December 9, 2009



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Airport Layout Plan Title 49 U.S.C. Section 47107(a)

- Conformance to Design Standards and Plan
- Identifies proposed allocation of airport land to specific operational and support functions
- Adverse impacts on safety, utility or efficiency of airport must be eliminated

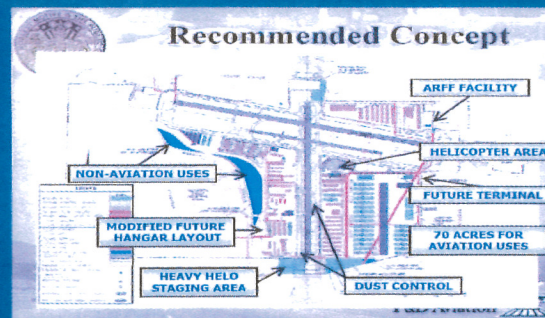
Airport Leasing Policy
December 9, 2009



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Proposed Airport Layout Plan



Airport Leasing Policy
December 9, 2009



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Airport Leasing Policy

- Supports well-organized and comprehensive approach to leasing
- Encourages transparency and consistency
- Reduces ad-hoc decision-making which leads to inadvertent noncompliance
- No policy is a policy
- FAA looks at the effects of the policy rather than sponsor's intentions

Airport Leasing Policy
December 9, 2009



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FAA Role in Airport Lease Review

- Sponsor's compliance with Federal Obligations
- Sponsor Rights and Powers to operate the airport
- Full Disclosure of Terms and Conditions that may violate Federal Obligations
- No Explicit FAA approval of lease



Types Of Leases

Space/Ground Lease

- Airport Terminal
- Hangar/Cargo facility
- Concession/Retail
- Commercial Office Building



Basic Lease Requisites

- Property Rights Transfer
- Contract for Use of the Property
- Written form
- Firm, flexible and binding



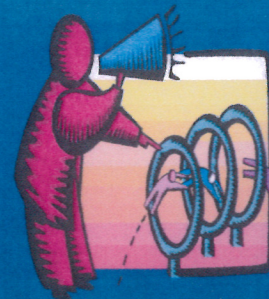
Sponsor's Leasing Objectives

- Maximize Airport Revenue
- Minimize Airport Financial Obligations in Leased Areas
- Fulfill Customer Service Goals
- Attract Private Investment in stead of Airport Debt



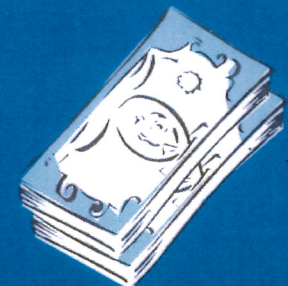
Three Leasing Relationships

- Financial
- Legal
- Operational



Leasing Policy Financial Relationship

- Rates and charges consistent with federal policy
- Rent – right to occupy and recover landlord's cost
- Retail Percentage vs. Square foot cost
- Appraisal to determine market value
- Off airport charge – cost of infrastructure needed, access fee and flowage fee



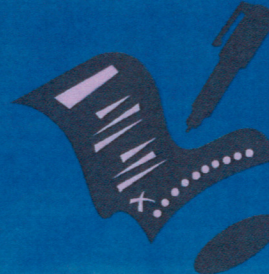
Leasing Policy Legal Relationship

- Written Agreement
- Term
- Description of Premises
- Standardized Agreement per type of user
- Lease subordinate to Sponsor's Federal Obligations
- Capital Lease Term limited to Amortization
- Non-capital leases should be 3 to 5 years
- Options/First Right of Refusal Avoided



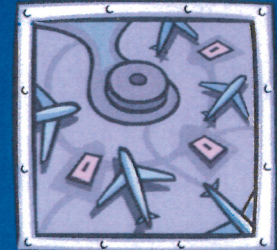
Leasing Policy(cont'd) Legal Relationship

- Assignment and Transfer on prior approval
- Subleasing on prior approval
- Rights upon Termination
- Right to Relocate the Tenant
- Federal Grant Assurance Obligations
- Subordination



Leasing Policy Operational Relationship

- Tenant's Uses of Premises, Rights and Obligations Defined
- Minimum Commercial Aeronautical Standards
- Tenant and Airport's Maintenance Obligations defined
- Utility Obligations defined



Federal Grant Assurances

- 5. Rights and Powers
- 19. Operations & Maintenance
- 22. Economic Nondiscrimination
- 23. Exclusive Rights
- 24. Fee & Rental Structure
- 29. Airport Layout Plan



Legal Relationship Term Objectives

- | <u>AIRPORT'S</u> | <u>TENANT'S</u> |
|--|---|
| • Good Dependable Service | • Good Customer Base |
| • Reliable Income Stream | • Repay all Loans |
| • Full Market Return on Invested Capital | • Recoup Invested Capital |
| • Expectation of Ownership of Improvements and charging market rates | • Profit |
| | • Options, Extension, Renew, First Right of Refusal or Assign |

Legal Relationship Term Objectives

- Airport should have a policy for minimum term without investment
- FAA doesn't generally support long term leases beyond the life of the asset.
- Ideally a new lease should support new leasehold improvements –not continuous extensions

