

CEDAR CITY REGIONAL AIRPORT
BOARD MEETING
MARCH 17, 2016

A regular meeting of the Cedar City Regional Airport Board was held on Thursday, March 17, 2016 at 8:00 AM in the Conference Room of the Airport located at 2560 West Aviation Way, Cedar City, Utah.

PRESENT:

Jyl Shuler, Chairperson	Kirt McDaniel, Aviation
Bill McVay, Member	Chuck Taylor, Syberjet
Scott Truman, Member	Scott Jolley, ULA
Burt Poulsen, Member	J.J. McGuire, Sphere One Aviation
Dale Brinkerhoff, Member	
Mark Leavitt, Member	
Terri Hartley, Member	
Ryan Marshall, Public Works Director	
Kathy Dahl, Executive Secretary	

Shuler welcomed everyone and called the meeting to order.

APPROVAL OF MINUTES

Hartley moved, McVay seconded and motion carried unanimously that the minutes from the February 11, 2016 meeting be approved.

INFORMATIONAL ITEMS

- SkyWest

No one was in attendance.

- TSA

No one was in attendance.

- BLM

No one was in attendance.

- Upper Limit Aviation

Scott Jolley of Upper Limit Aviation reported that they are in the middle of the school semester and they are trying to deal with financing issues for the private and veteran students with caps on the amount of lifetime student debt per student. Jolley stated that the on-line program has been approved by SUU but they are still working to get it accredited. Due to the limitation of 300 labs in the Cedar Valley per semester, there is not a lot of room from growth and ULA is opening an additional location in Temecula California for private-pay students only. They are working with SUU to provide on-line training. The flight training program is part of SUU, and ULA contracts with SUU for flight services, aircraft lease, maintenance and marketing. Jolley stated he visited the fuel refining plant in Phoenix Arizona that supplies the fuel for ULA and was very interested in their refining process. He stated that ULA is saving about \$40,000 per

month in fuel costs. In answer to query from the board, Jolley stated that a normal flight program for a student runs for 2 years with 2 more years to train. It costs about \$170,000 to complete their program. A person has to have a minimum of 200 flying hours to be hireable as an instructor for ULA and 1,000 flying hours to be hired in the aviation industry. Right now he believes they have 180 private-pay students who have expressed interest in flight training working through the process of financial assistance, applications, etc. He also stated that they have about 200 military veterans in this process, though it is easier for them to work through the application and financial process. Of the 9 students that have achieved the 1,000 hour requirement, 2 have not been employed. It was discussed that the Mayor is still getting complaints about noise. Also the impact to the airport on the decrease in jet traffic and fixed wing traffic at the airport due to the helicopters was mentioned.

- FBO

J.J. McGuire of Sphere One Aviation reported that they are doing great. This is their 3rd month under the new ownership. They are gearing up for fire season and the warmer weather. She stated that she has also seen a decrease in the number of general aviation and weekend flyers at the airport, but feels it will pick up in the future.

- MSC Aerospace

Chuck Taylor of Syberjet reported to the board that the kick-off for the Aerospace Pathways Program will be held on April 21, 2016 sometime in the afternoon. He would like to have it in the foyer of the airport terminal building. Right now, the Lieutenant Governor and personnel from the Office of Economic Development are scheduled to be in attendance. Taylor will get with Valgardson to schedule this. Of the approximately 60 students that have shown interest in the program, there will only be openings for 6, so they will have to find a way to narrow down the field. Taylor also reported that his firm is making good progress on their plane manufacturing. They will be in flight test by midyear. The test flights will be conducted in San Antonio Texas, but the part manufacturing and wire harness assembly is here in Cedar City. With regard to their proposed new facility. They will start construction when they need the additional room. Their manufacturing will be here in Cedar City with research and development in San Antonio.

- Aviation

Kirt McDaniel of Aviation reported to the board that last month they delivered the 60% plans on the airport project to FAA, Valgardson and the state. FAA has assigned a new project manager for our area. After this review is approved, they will proceed with the final design.

Shuler asked that if any of the board members were interested in receiving the mailings from the agencies that report at the meeting they could let those agencies know.

AIRPORT MANAGER'S REPORT

- Airport Update

Public Works Director Ryan Marshall reported on the UAOA Conference that was held in St. George last week. There were updates from FAA on changes to their rules and regulations, plus we were able to meet with the FAA funding mechanism and discuss upcoming project for the 5 year and 10 year plan. This meeting was held here at the airport so they were able to actually look at the runways and taxiways and see what needs to be done. They were very impressed with the maintenance we do, but saw that some significant investment needs to be put into the asphalt. Our 139 inspection has been moved to the 18-19 of April, 2016. When the inspector comes out the funding people said they will also be here so we will be able to walk through all the issues with both sides of FAA. We will let the board know when the inspection is scheduled.

- Renewal of Fed Ex Lease Agreement

Marshall reported that the current lease agreement for Fed Ex expires at the end of April, 2016, and the new proposed lease agreement has been approved by Fed Ex and the City's legal counsel. The proposed lease is for a 5-year period with two additional 5-year renewal options. The new lease amount adjusted under the Consumer Price Index (CPI) is \$416.25 per month. The CPI adjustment is a standard clause in all airport leases and is adjusted every five years. Brinkerhoff moved, Leavitt seconded and motion carried unanimously that the board approve the new lease with Fed Ex as presented.

OTHER BUSINESS

Brinkerhoff stated that due to his continued complaint about the deplorable condition of the exterior of the terminal building and the lack of a sidewalk north of the north parking lot on Aviation Way, he has directed the Iron County Auditor to withhold the \$25,000 annual payment to the airport budget until these items are taken care of. There was some question as to whether this payment is a contribution from the County or pass-through tax payment. Marshall stated that the staining of the terminal building was put into last year's budget, but was not funded. It has been included again in the budget that was submitted last week for City Council approval. The sidewalk was not submitted as part of the budget because there are several unimproved properties in both the City and in the County that do not have sidewalks fronting the properties, and we can't justify its installation right now. Marshall stated that we are trying to maintain as much as we can with the revenue we receive. The staining of the building is a maintenance item and also where it is not part of the runway, taxiway, etc., is not eligible for grant funding from FAA.

Marshall reported that with regard to the allegation of someone living in a hangar at the airport, Valgardson and the airport staff have been doing random checks, knocking on the hangar door, checking at night, having the police come by at night, and it appears that at the present time, there is no one living in the hangar. Valgardson did contact the owner and tried to set up an appointment to inspect the hangar, but so far they have not been able to get together. Valgardson has taken all the necessary steps and done everything City's legal counsel asked him to do with regard to this, and we are satisfied there is no one living in the hangar. The board agreed that this is a closed issue.

As there was nothing further, Brinkerhoff moved, Poulsen seconded and motion carried unanimously that the meeting be adjourned at 9:05 AM.