

CEDAR CITY REGIONAL AIRPORT BOARD MEETING
APRIL 11, 2019

A regular meeting of the Cedar City Regional Airport Board was held on Thursday, April 11, 2019 at 8:00 AM in the Cedar City Regional Airport Conference Room located at 2560 West Aviation Way, Cedar City, Utah.

PRESENT:

Burt Poulsen, Member	Ryan DeJong, SUU
Vaughn Montgomery, Member	Casey Nelson, SkyWest
Bill McVay, Member	Mike Mower, SUU
John Appel, Member	Glenn Deitz, BLM
Terri Hartley, Member	Kirt McDaniel, Aviation
Nick Holt, Airport Manager	J.J. McGuire, Sphere One Aviation
Kathy Dahl, Executive Secretary	

ABSENT/EXCUSED:

Jyl Shuler, Chairperson
Mark Leavitt, Member
Mike Bleak, Member

In the absence of the Chairperson, McVay nominated Appel as Chairman pro tem for this meeting, and Appel nominated Montgomery as Chairman pro tem. McVay withdrew his nomination and Appel moved, McVay seconded and motion carried unanimously that Montgomery serve as Chairman pro tem for this meeting.

APPROVAL OF MINUTES

Poulsen moved, Appel seconded, and motion carried unanimously that the minutes from the December 13, 2018 meeting be approved.

INFORMATIONAL ITEMS

- SkyWest –

Casey Nelson from SkyWest reported that enplanements have been about the same as this time last year. In the Winter of 2017-18 SkyWest de-iced only 6 times and this winter they de-iced over 30 times.

SkyWest is getting ready for the summer here in Cedar City. Right now, they have 11 employees for the regularly schedule 2 flights per day, but with the St. George Airport shutting down in May 2019 for runway reconstruction, they will be adding an additional flight to the Cedar City schedule. They have hired 5 seasonal employees and 3 agents have transferred up from St. George, so they should have 19-20 employees for this summer. The new flight schedule includes 3 departures from Cedar City - 6:40 AM,

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11:40 AM daily and 6:32 PM Sunday-Friday; and daily arrivals to Cedar City, 10:45 AM, 6:07 PM, 11:15 PM arrival Sunday – Friday and 9:42 PM arrival Saturday only.

There was some discussion about a 3rd flight becoming permanent. Nelson stated that SkyWest will look at the bookings on the 3rd flight before making a decision. That could be around April 15, 2019. If SkyWest does add an additional flight the Cedar City schedule would mirror that of St. George.

Nick Holt, Airport Manager, stated that in order to promote the new schedule within Cedar City and St. George, the St. George Airport manager is willing to use a portion of his advertising budget to advertise the 2 communities working together on the airport runway reconstruction. There is also advertising on Cherry Creek Radio and Mayor Wilson-Edwards has touted the new schedule in her monthly newsletter. The St. George Mayor will also be advertising this with the St. George residents. We are hoping that the Cedar City residents will utilize that morning flight to help justify to the airline that it is being used for business people being able to go north for business and come back the same day.

There was some discussion about the possibility of adding the larger planes. Both Holt and Nelson stated that with our Essential Air Service, right now we can only have the 50 passenger planes here, the limit has to be under 62 seats. The larger planes carry 70 passengers. Holt stated that he had talked with a representative of the Department of Transportation, this is the person who helps write our grant for Essential Air Service. Our current plan restricts us to the smaller planes, but there may be an option to increase that in the future. New developments at Salt Lake International Airport may mean they are starting to phase out the small planes over the next 4-5 years.

SkyWest enplanements for December 2017 – March 2018 = 4,517. December 2018 – March 2019 = 4,753.

Before continuing with the meeting agenda, the new Airport Manager, Nick Holt gave the board a brief biography. Holt has a bachelor's degree in Aviation Management, including 2 accreditations through the American Association of Airport Executives – one covering all 139 Airport Regulations and the other covers Certified Airport Management. Holt has worked for the last 8 years at the St. George City Airport, and 15 years ago, was a flight instructor in Cedar City. Holt is happy to be here and excited to work with the Board and staff to have good things happen at the Airport.

- T-O Engineers – No one was present.
- TSA – No one was present.

- BLM -

Glenn Deitz from the BLM reported that fire expectations are lower than normal for this year nationwide due to the many areas of the country that received over 100% snowpack, but because of the large amount of moisture, we may be dealing with a bumper-crop of fire fuel. Deitz has been working with Airport Management getting the base up and running in preparation for the fire season. There have been repairs to the lines to the retardant tank. They expect to be fully staffed this season with the air tac and single engine tankers arriving June 3, 2019, and the Forest Service helicopter June 1, 2019. Their retardant contract starts May 15, 2019.

- FBO –

J.J. McGuire of Sphere One Aviation reported that they have replaced their large AV fuel truck with 2 smaller vehicles, 750 gallons and 1,000 gallons. Because the large aircraft are no longer flying on fire, these smaller fuel trucks are easier to work with for AV gas fueling.

The FBO has been gearing up for the end of May 2019 when the St. George Airport shuts down and everyone will be here. They are already pre-reserving the transient ramp parking. Transient pilots that come here to park will have to check in with the FBO before parking because a lot of the spots have been presold.

Holt stated that all the hangars on the airfield have been sold and McGuire reported that the FBO hangars have been sold out since January 2019.

The board discussed transient aircraft parking during the St. George shutdown. It was the recommendation of the board to leave between 6-10 spaces open and available for those that might fly in, especially during the festival season. McGuire stated that there is also room in front of the FBO for transient parking for about 8 small planes for people who are coming and going on a short-term basis, and there will be room left in the FBO's maintenance hangar to park a few aircraft in the event of weather.

There are 57 spots for aircraft parking, though some of them need the tie-downs replaced. Holt said they will have them ready for use. So far 12 have been presold. McGuire said they will try and mark the presold spots using cones, the tie down chains and bungee cords to hook the cones through the nose loop.

There was some discussion on possible parking issues with the large tankers during fire season. McGuire stated that the FBO will do everything they can to keep the east end open, and they will also have the ability to put the large tankers on the commercial pad if need be. Deitz stated that if it gets too tight here, their planes can be taken to other bases during this time.

McGuire also reported that Fed Ex will be bringing a 2nd plane here, and the FBO has found a spot that will work for them. Fed Ex will have to pay for parking and landing fees this 2nd plane, unlike the regularly scheduled Fed Ex that is based at the Airport.

McVay asked McGuire about the FBO collecting the tie down fees. McGuire explained that since the majority of the traffic comes through the FBO and the City doesn't have a credit card machine on the Airport, the FBO collects all the fees and if the fees are paid by credit card they take 10% of that fee to cover the credit card costs. They do it as a service to the Airport.

In answer to query from Hartley, McGuire reported that they have a client in their new hangar now and as of May 29, 2019, they will have life flight, Mesquite Air and another client from St. George in that hangar.

Sphere One's future plans include building a 150 x 150 hangar and pulling building plans for that in August 2019. Because of its size, it will have fire suppression and it will be 30-feet away from their other hangar, so they won't have to have the firewall.

McGuire reported that on May 1, 2019 at 7:00 PM at Sphere One, there will be a midair collision avoidance course. Open to anyone and put on by the FAA from Nellis.

The board discussed the issue of people parking vehicles at the Airport. Holt felt that if all 3 flights are full the parking lot will be overflowing, and if there is a 4th flight it will definitely be overflowing. The board discussed the area south of the south parking lot that has been used in the past for overflow parking. Holt stated that there are a couple of issues with this area, one being there is not 3-feet between the fence and the curb to put a 3-foot ADA approved sidewalk; also, it is filled with mill-tailings; and there is no light there. Also, once you do get to the south parking lot, there is no sidewalk and curb all the way to the terminal. Holt felt it could be a liability. McVay felt we should take a look at the fence and if we want to utilize that area, move the fence. Hartley stated she would talk to City Management to get the conversation started to discuss the possibility of finding funding for this. Holt stated that our FAA grant assurances prohibit us from charging for parking, but we can look into charging for parking when those grant assurances are up for renewal.

- MSC Aerospace – no one was present.
- SUU –

Mike Mower with SUU reported that they held an open house last Saturday and had over 1,000 people in attendance. It was a good event with 30 different vendors and 10 airline and 10 rotocraft employers in attendance. They also held a student event the following Wednesday at the SUU hangar.

SUU has added a 2nd Baron to their fleet and now have 30 total aircraft operating. They have 17 full-time mechanics.

SUU heard back from the FAA regarding certification to start their 147 Program. Inspectors will be here sometime next month for their initial inspection. They are anticipating a Spring 2020 launch and will be the first to start under the new rules. Within a few years, they expect to have 1,000 students in that portion of the program, which will make it the largest collegiate program in the country and 1/10 of the SUU students will be in the aviation program.

SUU has opted into the FAA Volunteer Safety Program, which is the same program the 121 operators were mandated to move to. They are the first collegiate program to move into this. Right now, they are listed as participants and should be accredited member in a 3-year time span.

- Aviation –

Kirt McDaniel reported that they have been working with Holt on updating the Airport's PFC application. It has been sent into the FAA for review and hope to have it approved within the next month.

AIRPORT MANAGER'S REPORT

Holt reported to the board that the Airport Certification Manual, Airport Emergency Plan and Airport Security Plan have been updated and we have received them back the signed and stamped and are current.

Holt has met with Iron County Tourism, Airport Board Chairperson Jyl Shuler, and a representative from SUU to discuss a makeover of the Airport Terminal. The County has pledged \$20,000 toward this project and the Airport has \$5,000 that can be put toward this. They discussed changing some of the pictures, installing an electronic board (flat screen TV) as people walk in the main door and an electronic board (flat screen TV) in the baggage claim area for advertising, plus changing out some of the displays in the lobby area from paper racks to electronic. The Airport will be able to generate some revenue from the advertising on the electronic board in the baggage claim area. They also discussed changing the tables and chairs adjacent to the picture windows in the lobby area and updating the lighting and wall color in the vending machine area.

Holt reported on the Runway Project. It is scheduled for 2020. FAA has not done the apportionment of their funding yet, but we should know by the middle of June if our funding has been secured. Holt and Aviation has been in contact with the FAA working

with them weekly on this project. right now, Runway 2/20 is schedule to be done in 2 phases which will allow SUU to still operate and allow medivac to come in and out and also allow Fed Ex and smaller aircraft to fly in and out. It won't be long enough for SkyWest or tankers, but with the timeframe for the work, we hope to have it completed before fire season. Runway 8/26 is also part of this project, but it will be funding with State money. The project has been rebid, with bid coming in considerably less that the first bid round. Sunroc is the low bidder and will be doing both 2/20 and the portion of 8/26 in this project. Part of 8/26 was completed previously.

Holt updated the board on projects that have been completed.

- Taxiway Alpha & Charlie

We are in the process of finalizing the payments and getting this closed out.

- Beacon Relocation Project

The original beacon was out of compliance with FAA standards, but was grandfathered in. With Sphere One building their new hangar, the beacon would have had to be raised 4 feet, but because it was not in compliance, it had to be replaced. An agreement was made with Sphere One to pay for the new beacon and be reimbursed when the City received the federal funding, because this is an approved federal project. The beacon has been installed and accepted, and payment is being made to the contractor.

- Terminal Gate

The gate has been installed.

- Roof on Old Firehouse

This project has also been completed.

Holt updated the board on future/planned projects.

- Crack Seal & Slurry Coat in Keyhole and Part of East Ramp

Crack seal was started last week, and when the crack seal and slurry coat are finished in the Keyhole, whatever money is left in the budget for asphalt repair will be used for a portion of the East Ramp. The west half of the ramp needs to be done. The entire ramp is on our capital improvement list for FAA funding, but they have told us funding won't be available for the next 3 years, so they asked us to do what we can to make it last for 3 years, so Holt discussed this with a contractor and he suggested we would only need a single slurry coat instead of a double slurry. That would save some money and allow us to get more area done.

- Paint East Ramp Markings & Fix Tie Downs

Whenever you do asphalt maintenance, all the paint and markings need to be put back in place.

- Vegetation Removal

There is a large amount of sage brush and other vegetation growing around the hangars and on the airfield. Holt said one of his goals is to try and come up with some funding for the Airport staff to start mowing some of that down. Also, the hangar leases stated that the leasees will maintain the area around their hangars. Holt feels it is a fire hazard. In order to try and get this taken care of, a blanket letter is being sent to all tenants letting them know they have 30-days to clean up around their hangars. After that a 2nd letter will be sent to those who are not taking care of it, and if it is not taken care of by that time, we can hire someone to clear it out and make the tenant pay for it. The distance that needs to be cleared is based on the ground that is leased. The tenant is required to maintain the entire parcel. Holt said that also, the Airport staff will be focusing on areas of the Airport, such as fence lines, parking strips, etc. that are out responsibility. This won't happen all this year, but Holt would like to start on the east side and work to the west. There was some discussion about the possibility of burning the larger areas. It has been done in the past and the BLM has qualified people to conduct burns. It will depend on what FAA will allow. Holt will look into this and also discuss this with the Cedar City fire officials.

- BLM Proposed Class 1 Helicopter Parking

This has already been brought to the Board. Site 2 is the most favorable for the location and an environmental impact study has already been done on that area. Holt is reviewing the BLM lease to make sure that this piece of land is part of the lease, and if not the lease will need to be amended to include it. Deitz stated that they need to move forward on this by November 2019 and are partnering with the Forest Service.

- Update to the Airport Rules & Regulations

Some of the updates were started, but they need to be finalized.

- ❖ The setbacks on hangars fire break in between hangars was previously brought before the board.
- ❖ The change in the principal to a company that leases City-owned property. We need to have someone who is responsible for the lease, not just a blanket company. The lease can be with a company, but there needs to be a responsible party, agent or point of contact to help protect City-owned property.
- ❖ FBO requirements in our Rules and Regulations are outdated. Holt is reviewing what is already required of an FBO and what changes FAA is requiring. If someone proposes a 2nd FBO on the Airport, this is mandated to be allowed by FAA, but the Airport Rules and Regulations would mandate that the same services that are being provided must be provided by the 2nd FBO.

- Heliventures Lease Renewal

A lengthy discussion ensued regarding the lease of the dome hangar. As previously discussed, there have been several changes in the ownership of the company, Heliventures throughout the length of the lease, and we are trying to figure out who actually owns this company at this point in time. Currently, the lease on the hangar is up, but Curtis Olsen, the principal for Heliventures, LLC, is paying for the hangar on a monthly basis at the old lease rate of \$214.00 per month.

At the last meeting the board approved a motion, that contingent upon the Public Works Director checking with the City Attorney about the possibility of having to allow the public to submit a lease proposal for this City-owner hangar, that the Airport Manager will have the hangar appraised and a new 5-year lease will be prepared on the correct forms for this type of lease, with the Fair Market Value being put in as the monthly lease amount with all stipulations and regulations included in the lease, that the board would recommend to the City Council to approve the lease of this hangar to Heliventures, LLC.

Holt stated that getting an appraisal for the hangar would cost \$3,000.00, and with the monthly lease amount of \$214.00 it was not cost effective, but he did receive several emails giving amounts other potential renters would pay, and he took those to the City Attorney who said that was enough to justify fair market value and raise the monthly lease rate to \$700 per month.

J.J. McGuire with Sphere One Aviation, the airfield FBO, stated that a few days ago, Jeff Obering came in and wanted the gate code because he was moving back in to the dome hangar, that it was now his and not Curtis Olsen's.

Under the Airport Rules and Regulations a hangar cannot be sublet, but by having this in a company name, not an individual, and if the company changed principles, that is transferring the company to a different individual, that would be legal, but if the company changed ownership, that is a different thing.

The consensus of the board would be to open this hanger lease up for public bid with a new 5-year lease but would like direction from City Management and the City Legal Department.

The Board directed Holt to meet with the City Manager and City Attorney to see where this issue stands and bring their recommendation back to the next Board meeting.

- FAA Inspection

Holt reported to the board that there will be an FAA inspection of the airfield and airport documents beginning April 22-24, 2019.

- Triennial Mock Disaster Drill

Every 3 years, the Airport is required to hold a full-scale exercise. This is scheduled for August 13, 2019. Holt is coordinating the event with the assistance of the hospital emergency management, Iron County Emergency Management and the Cedar City Fire Chief.

As there was nothing further, meeting was adjourned at 9:24 AM.