

SANTA YNEZ VALLEY AIRPORT AUTHORITY, INC.
REGULAR MEETING MINUTES
August 3, 2017

Called to order by President Knight at 7:05 P.M.

Directors Present:	President Knight	Secretary Fischer
	Treasurer Zimmerman	Director Romero
	Director Marchi	Director Murphy
	Director Bollay	Director Vrastil
	Director Peternel	

Directors Absent:	None
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Asst. Manager: Dave Romero – present

Consultant: Kim Joos - absent

Reading of the last minutes: Director Zimmerman moved to approve the minutes as corrected from the Regular Board meeting of July 6, 2017. The motion was seconded by Director Vrastil and carried.

Report from Closed Session: There was no Closed Session during the July 6, 2017 Board meeting.

Treasurer's Report: Treasurer Zimmerman reviewed the financial summary sheet with the Board. There is currently \$996,209 in cash (\$540,945 unrestricted, \$455,264 restricted), accounts payable of \$54274 and accounts receivable of \$95539. It was noted that approximately \$330,000 of the unrestricted funds have identified commitments.

President's Report: President Knight reported the Whittier fire and its impact on the airport. 29 helos were on field with 23 fuel trucks and 16 support vehicles and 364 people for a period of 18 days. With regard to progress of AIP 15: Airfield Electrical grant, the project work had to be suspended due to the fire activity for 18 days. Work is now ongoing. The electrical building, boring under the runway and taxi lights are complete. Bids were opened on the next grant project and a bid for \$898,000 was accepted. The low bidder (Souza) requested to be relieved of his bid in accordance with Public Codes due to clerical error. The new low bidder is G. Sosa Construction at \$1,194,828. In response to questions received, President Knight clarified that a financial budget developed and in place each year and an audit is conducted and reported to the membership each year. Additionally he noted that County Fund 52 receives \$10,000 per year from Cal Trans which will not cover continued 10% obligations on grants (which amount to approximately \$100,000 per year on current and planned projects). The website is now fully operational and has all updates for current documents. The dead trees on the entry road were cut down and are being disposed of. The "old oak tree" has now died and will be removed solving an ongoing FAA audit issue.

Manager's Report: Dave Romero reported the staff did an exemplary job during the fire. The fuel truck now has new decals. Even though the dead trees have been removed, tree trimming will be continuing to avoid other issues. A report for complete fuel numbers was not available at

meeting time but Jet A sales were noted at 3799 gal. last year and 5000 gal this year for current month. A list of airport improvements and/or maintenance items was presented.

Public Comments: (limited to items not on the agenda): In response to the airport improvements and/or maintenance items list it was noted that the current office restrooms are not accessible to handicapped individuals. Many audience members were present with intent to comment on Agenda Item 1.

Agenda Items

1. Master Lease Committee Report & Recommendations: County Rental Hangars – President Knight elected to recuse himself from participation in discussion or action on this topic and chairmanship of the meeting was assumed by Secretary Fischer. Members of the public were granted the floor for discussion.

Don Noonan requested confirmation that the board members had received the memo from county counsel regarding recusal based on the hangar wait list. It was noted that the memo had been received and Janette Pell, Director of General Services, noted that the memo was an opinion of county counsel and not a directive.

Karen Jones cited the letter presented by Don Thompson and suggested that fuel prices, tie down prices and other services should be considered in addition to hangar rent increases.

Don Thompson requested that his letter be distributed to the board members and it was confirmed that the letter had been distributed. Mr. Thompson requested access to a copy of the Master Lease.

Director Murphy confirmed that the Master Lease was available in hard copy at the airport office desk and was or would be posted on the website. He additionally noted that he had reviewed Mr. Thompson's letter in addition to the analysis previously provided by Lloyd Sorrenson. Mr. Sorrenson's analysis was very informative and new information was obtained for additional airports within the 70 mile radius for consideration. Mr. Murphy noted the concern over intended use of funds generated by any hangar rent increases and noted that the approximately \$211K of uncommitted unrestricted funds would not meet the estimated costs of the current maintenance items list. The increase as passed would only generate \$56,000 in additional revenue. While the SYVAA is a "non-profit" public benefit corporation the issues of sufficient funding for future obligations as well as the mandate of the Master Lease provide the basis for rent increase not a "profit motive".

Several members noted that all "relevant factors" had not been considered. Concerns of affordability for long term users or "gentrification" of the airport were noted.

It was noted by public speakers that SB airport has significantly more services and it, and other large airports, should not be included in hangar pricing analysis.

Director Murphy discussed a revised analysis based on the specific requirements of the Master Lease. Data has been updated to the hangar rental survey with Signature and Atlantic FBOs added and information for all available airports. However, judgement is still required since all data cannot be exactly precise. Standard deviation had been proposed as a method of determination and an alternative of data correlation (available as a standard EXCEL function)

was offered as one method of considering the data. Distance from SB has a definite correlation, as well as age and condition, and availability. An example trend line using data correlation was provided as an example.

Data for consideration

SB City hangars are new (2009, 2007) however,
Atlantic WWII era no electricity, Signature WWII era - 1978
SLO hangers (2007-2009)
KIZA row A 1963-65, row B 1965-67 and row C 1974-75.

Director Zimmerman noted that the hangar waiting list is a significant indicator of pricing stagnation.

Director Peternel indicated a concern regarding using pricing as a means for opening hangar availability to new users and necessity for maintenance and or new hangars.

Karen Jones noted that raising hangar rents would drive out long time users.

Concerns that the membership had not been given adequate notice of the pending change were noted and it was noted that the agenda topic had been present for 2 months and discussed at 2 meetings prior to action.

Shy Bourgeois noted that SB ordinance 3310 provided requirements for review.

Janette Pell noted that the ordinance would take precedence but also noted that the wording of the current ordinance was not consistent with the Master Lease and status of revisions to the ordinance to be consistent with the Master Lease were not clear.

Don Noonan asserted that non-aviation use of hangars was using hangar space that would be otherwise available to meet waiting list reduction.

Several members made suggestions for building additional hangar space to address the waiting list issue. Mike McCann noted he had been on the waiting list for 14 years and questioned estimates presented for new hangar construction.

Jim Kunkle noted that hangars used in the analysis were newer than defined in the analysis and suggested alternative financing techniques should be considered for projects.

Fred Rice indicated that demographics needed to be reflected in pricing and the timed increases based on specific maintenance or other projects should be considered.

Alan Jones requested identification of the Master Lease committee – noted as Murphy, Knight, Romero as board members and Jim Kunkle. Mr. Jones questioned data on hangar conditions and asserted that supply and demand were not necessarily a price driver. Financial need should be primary consideration.

Shy Bourgeois suggested that additional members should be added to the committee.

Lloyd Sorenson asked that his memo be distributed to the board and committee (confirmed).

Don Noonan asserted that consideration of Santa Paula was inappropriate since hangars are privately owned. Mr. Noonan additionally presented two scholarly papers in which standard deviation was mentioned as a method of mathematical analysis in economics.

No further action was taken by the board.

President Knight resumed the chair.

2. Website Maintenance Vendor Update: President Knight reported that the website vendor had accomplished all necessary updates and all platforms were operational. All board meeting minutes and agendas have now been loaded and are available for review on the website.

3. ABC Hangar Extension – Director Peternel noted that additional contractor input is being sought.

4. Membership – Secretary Fischer reported that no new applications for membership had been received.

5. Trailer Office Rental – President Knight reported Sun West Aviation counter offer was made but not accepted. A request for placement on the agenda for November was requested.

6. J Row Asphalt Rejuvenation – A recommendation for possible incorporation in a new grant proposal was made for consideration..

<i>Advisory Committees:</i>	
Document Review: (Fischer)	None.
Finance:	None.
Flight Ops: (Romero)	None.
Grants: (Peternel)	None.
Membership: (Fischer)	None.
Personnel/Safety: (Peternel)	Oak tree was coned off.
Public Relations: (Knight)	None.
RealEstate/Deferred Maintenance: (Zimmerman/Peternel)	Ceilio meter for AWOS is nearing end of life and needs to be added to maintenance list – approx.. \$36K.
Special Events: (Bollay)	None.
Website: (Bollay)	None.
<i>Ad Hoc Committees:</i>	
Hangar Extension (Peternel)	None.
AC Maintenance Facility (Knight)	None.
Land Acquisition (Knight):	None.

Land Lease Review (Joos, Knight, Kunkle)	None.
Master Lease Review (Murphy, Knight, Kunkle, Fischer)	County ordinance 3310 current version is being investigated by the county.
FAA Compliance	None.
CUP Effectuation (Joos, Kunkle, Knight)	Letter of confirmation of application for extension was received..

Next Meeting: The next meeting will be September 7, 2017.

Meeting Adjourned: Regular Session adjourned at 10:17 P.M.

**Respectfully Submitted,
Felix Fischer, Secretary**

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