

January 25, 2011

CITY OF CHICO
REGULAR CHICO AIRPORT COMMISSION MEETING - JANUARY 25, 2011
Minutes

1. **REGULAR AIRPORT COMMISSION MEETING**

1.1. Call to Order - Commissioner Koch called the January 25, 2011 regular Airport Commission meeting to order at 6:03 p.m. in the Council Chamber and turned the meeting over to the City Clerk.

1.2. **SWEARING-IN OF NEW AIRPORT COMMISSIONERS**

City Clerk Deborah Presson swore in re-appointed Commissioner Bob Koch and newly appointed Commissioners Bob Michels and Tom Nolan-Gosling. The Commissioners then took their seats.

Roll Call

Present: Koch, Michels, Mueller, Nathan, Nolan-Gosling

Absent: None

Mayor Schwab and Vice-Mayor Walker welcomed the newly seated Commission and thanked them for their service to the community.

1.3. **SELECTION OF 2011 CHAIR AND VICE-CHAIR**

A motion was made by Nathan and seconded by Nolan-Gosling to select Commissioner Koch as Chair.

The motion carried by the following vote:

AYES: Michels, Mueller, Nolan-Gosling, Nathan

ABSTAINED: Koch

NOES: None

A motion was made by Koch and seconded by Michels to select Commissioner Nathan as Vice-Chair.

The motion carried by the following vote:

AYES: Koch, Michels, Mueller, Nolan-Gosling,

ABSTAINED: Nathan

NOES: None

2. **CONSENT AGENDA**

2.1. **APPROVAL OF MINUTES OF AIRPORT COMMISSION MEETING**

Approved - minutes of the Airport Commission meeting held on 10/26/10.

A motion was made by Mueller and seconded by Nathan to approve the Minutes of the 10/26/10 Airport Commission meeting with the understanding that the following changes would be made: (1) The date would be corrected in the title and in Item 1.1.; and (2) Additional detail would be added related to Mr. Aylward's comments to the Commission under Item 5.

The motion carried by the following vote:

AYES: Michels, Mueller, Nolan-Gosling, Nathan, Koch
 NOES: None

3. **NOTICE PUBLIC HEARINGS** - None

4. **REGULAR AGENDA**

4.1. **PRESENTATION - CHICO AIR SHOW 2010**

Chico Air Show Director Gayle Womack presented a PowerPoint presentation to the Commission describing the success of the Air Show and its benefits to the community. The next Chico Air Show will be held September 28-30, 2012.

5. **BUSINESS FROM THE FLOOR** - None

6. **REPORTS AND COMMUNICATION**

6.1. **THE AIRPORT MANAGER WILL PROVIDE AN UPDATE ON VARIOUS AIRPORT ITEMS**

Airport Manager Burkland

- Aero Union continues their relocation to McClellan. Although they have vacated some hangars they are still under lease with the City and are fulfilling their lease obligations. The City is partnering with Bob Lindscheid, CEPCO, on marketing of the vacated hangars.
- Governor Brown's proposed elimination of redevelopment agencies (RDA) will have an affect on the airport's ability to provide the mandatory 5% match to Airport Improvement Program (AIP) grant funded projects.
- The Air Traffic Control Manager has scheduled a Local Runway Safety Action Team (RSAT) meeting for February 10, 2011. The purpose of the meeting is to identify possible runway safety issues and to develop recommendations on how the issues may be resolved.

Management Analyst Collins

- The updated airport fee schedule will be presented to Council for review and approval after staff has completed reformatting the schedule to make it easier to follow.
- FAA approved award of a contract to Airport Wildlife Consultants, LLC to conduct a Wildlife Hazard Assessment at the airport. The assessment is mandated and funded by FAA.
- FAA closed their investigation into the vehicle/pedestrian deviation that occurred at the airport in September 2010. Based on the information provided by staff, FAA established that a violation of 14 CFR Part 139 did not occur and the investigation is closed.

- FAA Flight Standards District Office (FSDO) introduced a new procedure for conducting initial flights of experimental aircraft. In the past these flights were not allowed at Chico Municipal Airport. That restriction has been removed and builders of experimental aircraft can now conduct their initial flights from the airport after submitting documentation to the FSDO for evaluation.
- A copy of the letter that the Commission directed staff to send to Mr. Phillipson related to violations of the Airport Rules and Regulations was provided to the Commission.

Facilities Manager Parks

- The 2010 AIP project is nearly complete and the projects scheduled for 2011 include engineering design for future rehabilitation of Taxiway H and the holding apron as well as purchase of a sweeper to replace the existing sweeper that does not meet air quality control regulations.
- Drawing fro a modular building to be placed in the grassy area north of the Terminal are being developed. The modular building will accommodate Transportation Security Administration (TSA) equipment and provide increased capacity for passengers waiting to board flights after screening.

6.2. **AIRPORT LAND USE COMMISSION REVIEW OF CITY OF CHICO GENERAL PLAN UPDATE**

As required by the Aeronautics Act, the draft updated General Plan was reviewed by the Butte County Airport Land Use Commission (ALUC). ALUC voted unanimously to determine that the draft updated General Plan is consistent with the 2000 Butte County Airport Land Use Compatibility Plan. The City will no longer need to refer discretionary land use decisions to the ALUC for a consistency determination. In order to aid with this determination of consistency, ALUC voted to consolidate the C1 and C2 compatibility subzones for the Chico Municipal Airport into a single C zone.

6.3. **WORK PLAN UPDATE**

An update on the current Commission Work Plan is scheduled to be presented to Council in May. A new bi-annual Work Plan will need to be developed to be presented to Council in June.

6.4. **AIRPORT FUND INCOME STATEMENT**

The quarterly Airport Fund Income Statement was provided to the Commission.

7. **ADJOURNMENT**

Adjourned at 7:08 p.m. to April 26, 2011 at 6:00 p.m., in the Council Chambers of the Chico Municipal Center building located at 421 Main Street, Chico, California.

Date Approved: April 26, 2011


 Deborah M. Collins
 Management Analyst - Airport

CITY OF CHICO
SPECIAL CHICO AIRPORT COMMISSION MEETING - FEBRUARY 22, 2011
 Minutes

1. **SPECIAL AIRPORT COMMISSION MEETING**

Call to Order - Chair Koch called the February 22, 2011 special Airport Commission meeting to order at 6:00 p.m. in Chico Municipal Center, Conference Room 2.

Present: Michels, Mueller, Nolan-Gosling, Nathan, Koch
 Absent: None

2. **APPROVED A MINUTE ORDER - AUTHORIZING THE AIRPORT MANAGER TO EXECUTE A LEASE OF REAL PROPERTY AT CHICO MUNICIPAL AIRPORT, VARIOUS AIRPORT TERMINAL FACILITIES (UNITED STATES GENERAL SERVICES ADMINISTRATION/CITY OF CHICO)**

The United States General Services Administration (GSA), on behalf of the Transportation Security Administration (TSA), desired to continue to lease certain facilities in the airport terminal for administrative offices and/or break rooms in support of airport passenger and baggage screening services by the TSA.

Approved - minute order authorizing the Airport Manager to execute a lease of real property for the airport terminal in accordance with the terms set out in the Minute Order. *The Airport Manager recommended approval of the Minute Order.*

MINUTE ORDER - AUTHORIZATION FOR THE AIRPORT MANAGER TO EXECUTE A LEASE OF REAL PROPERTY AT THE CHICO MUNICIPAL AIRPORT, VARIOUS AIRPORT TERMINAL FACILITIES (UNITED STATES GENERAL SERVICES ADMINISTRATION/CITY OF CHICO)

Management Analyst Collins presented the report to the Commission.

A motion was made by Mueller and seconded by Nathan to approve the Minute Order.

The motion carried by the following vote:

AYES: Michels, Mueller, Nolan-Gosling, Nathan, Koch
 NOES: None

3. **CONSIDERATION OF CONSENT TO SUBLEASE, LEASE OF REAL PROPERTY AT CHICO MUNICIPAL AIRPORT, 100 LOCKHEED AVENUE (CITY OF CHICO/AERO UNION CORPORATION)**

Britt Gourley, President and CEO of Aero Union Corporation, contacted the City to request approval of a Consent to Sublease for the airport property located at 100 Lockheed Avenue that is currently leased by Aero Union from the City. Mr. Gourley advised that Digital Path, Inc. would be the sublessee and that Digital Path would in turn sublease a portion of the building to a helicopter flight training school. Approval of the Consent to Sublease requires an amendment to Aero Union's lease. The Commission was asked to review the proposed

terms of the lease between Aero Union and Digital Path and determine what recommendations to make to the City Council.

Management Analyst Collins presented the report to the Commission.

Andrew Cardin, Vice President of Digital Path, Inc. addressed the Commission. Mr. Cardin stated that Air Shasta Rotor and Wing, LLC, is the helicopter flight training and charter business that would share the hangar property with Digital Path. The primary use of the property, estimated at 75%, will be for helicopter flight training and storage of up to three helicopters and one fixed wing plane. Light assembly/manufacturing would be an incidental use, estimated at 25%, and would consist of approximately six Digital Path employees assembling wireless equipment in preparation for installation. Digital Path would also park some vehicles and equipment in the fenced vacant property north of the hangar with access being provided by the installation of a gate on the east side to eliminate vehicle travel in the Air Operations Area. Digital Path's primary business will remain at their 275 Airpark Blvd. location.

The issue regarding Digital Path having its own fuel truck to service helicopters and other equipment was discussed. Staff had recommended that the use of a fuel truck not be allowed at this time due to the regulations regarding operating mobile fueling on the airport that must be met. Mr. Cardin explained they would like the ability to fuel themselves during times that the Fixed Base Operator (FBO) is not operating, or does not have fuel. Although they do not fly at night, during the summer it is sometimes necessary for them to leave prior to the FBO opening for service. The Commission discussed the use of a mobile fuel trailer, similar to the one that Enloe Medical Center has at the airport for their helicopter. Mr. Cardin agreed that this type of trailer may serve their needs.

There was a concern expressed by the Commission that the ramp space in front of the hangar didn't appear to be included in the sublease between Aero Union and Digital Path. Frank Ross, The Group Real Estate, addressed the Commission stating this was an oversight and that he will have it corrected.

The Commission agreed that the sublease should be allowed for one year provided the incidental assembly/manufacturing use does not exceed that described by Mr. Cardin with the additional conditions that at least one of the ramp parcels be included in the lease between Aero Union and Digital Path and that a mobile fueling tank, similar to the one now used by Enloe, be allowed. The Commission will evaluate Digital Path's use prior to approval of any future extended lease terms.

A motion was made by Nolan-Gosling and seconded by Mueller to approve the Minute Order with the noted additional conditions.

The Airport Commission will make the following recommendations to the City Council.

1. That the City Council approve a Consent to Sublease between the City and Aero Union Corporation allowing Aero Union to sublease airport property located at 100 Lockheed Avenue, to include the hangar building, vacant parcel to the north of the hangar, and at least one of the two ramp areas, to Digital Path, Inc. under the following terms and conditions:
 - a) The initial term of the sublease will be for one year, beginning March 1, 2011 and terminating on February 28, 2012. The sublease may be extended for two additional one year terms only with prior City approval for each extended term;

- b) The leased property shall be used primarily for aviation related purposes to include helicopter flight training, the storage of helicopters and aircraft, light assembly/manufacturing, and other purposes incident to the conduct of Digital Path's business; and
 - c) Aero Union shall require Digital Path to carry the same general liability coverage and limits as required in Aero Union's lease with the City.
2. That the City Council approve Digital Path's use of a mobile fueling tank, similar to the one currently used by Enloe Medical Center to fuel its helicopter after hours, to fuel helicopters only when fueling services are not available from the Fixed Base Operator (FBO) and fueling is necessary for the conduct of business. The FBO will be the primary source of fueling services for fueling of helicopters, planes and the mobile fuel tank.
 3. That the City Council *conditionally* approve a sublease between Digital Path, Inc. and Air Shasta Rotor & Wing, LLC, provided that Air Shasta Rotor & Wing enter into an Operating Agreement with the City.
 4. That the City Council approve an amendment to the Lease of Real Property with Grant of Landing Privileges, Chico Municipal Airport, 100 Lockheed Avenue (City of Chico/Aero Union Corporation) to add the new proposed uses of the leased property as described in 1.b. above.
 5. That the City Council authorize the Airport Manager to execute all required and related documents necessary to execute the Consent to Sublease and the Operating Agreement.

The motion carried by the following vote:

AYES: Michels, Mueller, Nolan-Gosling, Nathan, Koch
 NOES: None

4. AIRPORT MANAGER UPDATES

A Runway Safety Action Team (RSAT) meeting was held. The ATCT expressed concerns to FAA that the RC Club had members flying their modal aircraft above the 300' maximum. FAA has determined that RC Club operations are not an aeronautical use, that the operations are out of compliance with FAA airspace rules and regulations, and that the RC Club operations on airport property must be discontinued.

FAA expressed concern that the compost facility may interfere with the VOR radio navigation equipment. The City made changes at the compost facility to reduce the chance of radio wave interference and there have been no documented incidents of interference. To address additional concerns FAA may require the City to enter into an agreement with the airport for use of the airport property and the concern that the compost site is acting as a wildlife attractant will be addressed by the upcoming Wildlife Hazard Assessment.

FAA requires that only one source of weather be available to pilots. The airport's Automated Weather Observing System (AWOS) is available to pilots 24/7 and sometimes the AWOS reports differ from those provided by the official weather observers in the ATCT. FAA owns additional equipment that is located at the airport that could resolve the issue however there are no FAA funds to install the equipment and the equipment may

February 22, 2011

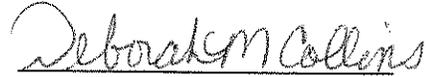
now be obsolete. Various ways to notify pilots of which weather information they should use during the Tower's operating and non-operating hours will be implemented to address this issue.

5. BUSINESS FROM THE FLOOR - None

6. ADJOURNMENT

Adjourned at 7:30 p.m. to April 26, 2011 at 6:00 p.m., in the Council Chambers of the Chico Municipal Center building located at 421 Main Street, Chico, California.

Date Approved: April 26, 2011



Deborah M. Collins
Management Analyst - Airport

CITY OF CHICO
REGULAR CHICO AIRPORT COMMISSION MEETING - APRIL 26, 2011
 Minutes

1. **REGULAR AIRPORT COMMISSION MEETING**

- 1.1. Call to Order - Commissioner Koch called the April 26, 2011 regular Airport Commission meeting to order at 6:00 p.m. in the Council Chamber.

Present: Michels, Mueller, Nolan-Gosling, Nathan, Koch
 Absent: None

2. **CONSENT AGENDA**

- 2.1. **APPROVED A MINUTE ORDER - AUTHORIZING THE AIRPORT MANAGER TO EXECUTE A LEASE OF REAL PROPERTY AT CHICO MUNICIPAL AIRPORT, VARIOUS AIRPORT TERMINAL FACILITIES (UNITED STATES GENERAL SERVICES ADMINISTRATION/CITY OF CHICO)**

Authority to execute a lease with the United States General Services Administration (GSA), on behalf of the Transportation Security Administration (TSA), for use of facilities in the airport terminal was approved by the Commission at their 02/22/11 meeting, however, GSA requested a change in the scope of services to include additional janitorial services.

Approved - minute order authorizing the Airport Manager to execute a lease of real property for the airport terminal in accordance with the revised terms set out in the Minute Order. *The Airport Manager recommended approval of the Minute Order.*

MINUTE ORDER - AUTHORIZATION FOR THE AIRPORT MANAGER TO EXECUTE A LEASE OF REAL PROPERTY AT THE CHICO MUNICIPAL AIRPORT, VARIOUS AIRPORT TERMINAL FACILITIES (UNITED STATES GENERAL SERVICES ADMINISTRATION/CITY OF CHICO)

- 2.2. **APPROVED A MINUTE ORDER - AUTHORIZING THE AIRPORT MANAGER TO EXECUTE A LEASE OF REAL PROPERTY AT CHICO MUNICIPAL AIRPORT (CITY OF CHICO/ CHICO AIR MUSEUM)**

Approved - minute order authorizing the Airport Manager to execute a lease of unimproved real property to the Chico Air Museum, a 501(c)(3) corporation, in accordance with the terms set out in the Minute Order. *The Airport Manager recommended approval of the Minute Order.*

MINUTE ORDER - AUTHORIZATION FOR THE AIRPORT MANAGER TO EXECUTE A LEASE OF REAL PROPERTY AT THE CHICO MUNICIPAL AIRPORT (CITY OF CHICO/CHICO AIR MUSEUM)

A motion was made by Nathan and seconded by Mueller to approve Items 2.1. and 2.2. The motion carried by the following vote:

AYES: Michels, Mueller, Nolan-Gosling, Nathan, Koch
 NOES: None

ITEMS REMOVED FROM THE CONSENT**2.3. APPROVAL OF MINUTES OF AIRPORT COMMISSION MEETINGS**

Approved - minutes of the Airport Commission meetings held on 01/25/11 and 02/22/11.

This item was removed from the consent agenda by Mueller who identified a typo requiring correction.

A motion was made by Mueller and seconded by Michels to approve the Minutes of the 01/25/11 and 02/22/11 Airport Commission meetings with correction of a typo on page two of the 02/22/11 minutes.

The motion carried by the following vote:

AYES: Michels, Mueller, Nolan-Gosling, Nathan, Koch

NOES: None

3. NOTICE PUBLIC HEARINGS - None**4. REGULAR AGENDA****4.1. DEVELOPMENT OF THE AIRPORT COMMISSION BIENNIAL 2011-2012 WORK PLAN**

The Commission was provided a copy of the 2009 - 2010 Work Plan and discussed the development of the 2011 - 2012 Work Plan. Charter Section 1007, outlining the powers and duties of the Airport Commission, the Commission's mission statement, and the status of the 2009 - 2010 Work Plan items were reviewed. The Airport Manager suggested that some items on the current Work Plan could be moved forward and that a potential new item could be identification of actions that should be taken to enhance airport revenue generation.

It was the consensus of the Commission to form an ad hoc committee which will work with staff to develop a draft 2011 - 2012 Work Plan which will be reviewed by the Commission at the July 26, 2011, Commission meeting. The committee will be comprised of Nathan and Nolan-Gosling with Nathan acting as chair.

5. BUSINESS FROM THE FLOOR - None**6. REPORTS AND COMMUNICATION****6.1. The Airport Manager and staff updated the Commission on various items.****Airport Manager Burkland**

- The sublease by Aero Union to DigitalPath that was approved by the Commission has also been approved by the City Council. DigitalPath is now occupying the building (100 Lockheed). Staff is continuing to work with Air Shasta on an Operating Agreement.
- There have been no further developments related to the Runway Safety Action Team meeting. The Tower received a letter from FAA advising that the RC Club's operations on the west side of the airport are incompatible and must be discontinued. Commissioner Mueller advised that FAA is requiring RC Club operations at other airports to discontinue as well.

- The airport conference attended by Bob Linscheid, CEPCO, has generated interest in the vacancies at the airport from a small jet assembly company and a company that manufactures covers for aircraft.

Management Analyst Collins

- FAA has approved the recently updated Airport Certification Manual.
- The Annual Emergency Plan review was held April 7th. Attendees included police, fire, CDF, the Tower, Northgate Aviation and airport staff. The Airport Emergency Plan is required to be updated by the end of June.
- TSA has implemented the new terror alert system replacing the color coded system with just two warning levels, existing and Elevated/Imminent. The Airport Security Program was updated to be compliant with this change.
- The Commission was provided a copy of the Annual Aircraft Based Report showing the number of aircraft based at the airport as of January 1, 2011. The report shows a decrease from 131 in 2010 to 105 in 2011 as well as several hangar vacancies.

Facilities Manager Parks

- The bid process will begin soon on the new modular screening building to be located north of the Terminal. Mead & Hunt is the architect. The modular building will be used for the TSA security screening equipment and process and passenger holding area.
- A vehicle wash rack with an oil/water separator is being installed this week to meet storm water protection requirements. The sewer fund is paying for part of the project. The wash rack will be used by Hertz to wash their rental fleet.

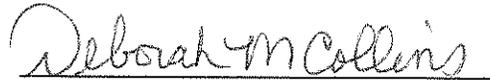
Chair Koch asked for an update on the Wildlife study. Facilities Manager Parks advised they are conducting head counts of the animals in the area, and within a five mile radius of the airport, at this time.

- 6.2. At the Commission's request the approved Minutes for the 10/26/10 meeting with requested revisions were provided to the Commission.
- 6.3. The Commission was provided a copy of the City Council Agenda Report and Resolution amending Airport Fee Schedule 90.010 to decrease the ground lease rate for hangar pads A, B, and C from \$0.80 to \$0.65 per square foot per year and implement annual adjustments to the lease rate in accordance with the increase in the Consumer Price Index (CPI). The Council adopted the Resolution at its 04/19/11 meeting. Staff advised that the process of providing hangar owners 90 days written notice of the City's intent to terminate existing leases and implement the standardized lease for A, B, and C hangar rows would now begin.
- 6.4. The quarterly Airport Fund Income Statement was provided to the Commission.

7. ADJOURNMENT

Adjourned at 6:56 p.m. to July 26, 2011 at 6:00 p.m., in the Council Chambers of the Chico Municipal Center building located at 421 Main Street, Chico, California.

Date Approved: July 26, 2011



Deborah M. Collins
Management Analyst - Airport

CITY OF CHICO
REGULAR CHICO AIRPORT COMMISSION MEETING - July 26, 2011
Minutes

1. **REGULAR AIRPORT COMMISSION MEETING**

- 1.1. Call to Order- Vice Chair Nathan called the July 26, 2011 regular Airport Commission Meeting to order at 6:00 p.m. in the Council Chamber.

Present: Michels, Muller, Nolan-Gosling, Nathan
Absent: Koch

2. **CONSENT AGENDA**

- 2.1. **APPROVED A MINUTE ORDER - AUTHORIZING THE AIRPORT MANAGER TO EXECUTE LEASES OF PROPERTY AT CHICO MUNICIPAL AIRPORT, AIRCRAFT HANGAR AREA, HANGAR PAD NOS. A-1 THROUGH A-21, B-1 THROUGH B-21, AND C-1 THROUGH C-26, IN THE APPROVED STANDARD LEASE FORM, AND RELATED DOCUMENTS AS APPLICABLE**

Approved - minute order authorizing the Airport Manager to execute leases of property at the Chico Municipal Airport, hangar pad areas A-1 through A-21, B-1 through B-21, C-1 through C-26, in the standard lease form previously approved by the Commission, in accordance with the terms set out in the Minute Order. *The Airport Manager recommended approval of the Minute Order.*

MINUTE ORDER - AUTHORIZATION FOR THE AIRPORT MANAGER TO EXECUTE LEASES OF PROPERTY AT THE CHICO MUNICIPAL AIRPORT AIRCRAFT HANGAR AREA, HANGAR PAD NOS. A-1 THROUGH A-21, B-1 THROUGH B-21, AND C-1 THROUGH C-26, IN THE APPROVED STANDARD LEASE FORM, AND RELATED DOCUMENTS AS APPLICABLE.

- 2.2. **APPROVED A MINUTE ORDER - AUTHORIZING FOR THE AIRPORT MANAGER TO EXECUTE A LEASE OF PROPERTY AT CHICO MUNICIPAL AIRPORT, AIRCRAFT HANGAR AREA, HANGAR PAD A-9 (CITY OF CHICO/MARTIN PETTER RINGVOLD)**

Approved - minute order authorizing the Airport Manager to execute a lease of property for hangar space A-9 in accordance with the terms set out in the Minute Order. *The Airport Manager recommended approval of the Minute Order.*

MINUTE ORDER - AUTHORIZATION FOR THE AIRPORT MANAGER TO EXECUTE A LEASE OF PROPERTY AT THE CHICO MUNICIPAL AIRPORT, AIRCRAFT HANGAR AREA, HANGAR PAD A-9 (CITY OF CHICO/MARTIN PETTER RINGVOLD)

- 2.3. **APPROVED MINUTES OF AIRPORT COMMISSION MEETING**

Approved - minutes of the Airport Commission meeting held on 04/26/11.

A motion was made by Mueller and seconded by Michels to approve the consent agenda.

The motion carried by the following vote:

AYES: Michels, Mueller, Nolan-Gosling, Nathan
NOES: None
ABSENT: Koch

ITEMS REMOVED FROM THE CONSENT - None.

3. **NOTICE PUBLIC HEARINGS** - None.

4. **REGULAR AGENDA**

4.1. **DISCUSSED AND APPROVED THE AIRPORT COMMISSION 2011-2012 WORK PLAN**

The Commission reviewed and discussed the proposed 2011-2012 Work Plan, that was developed by the ad hoc Work Plan Committee (Nathan, Nolan-Thomas) and staff. The Work Plan will be presented to the City Council for approval at the Council's meeting of September 6, 2011.

Recommendation - Staff recommended that the Airport Commission review the attached 2011-2012 Work Plan, direct any revisions, and request that staff forward it to the City Council for its review and approval.

Commissioner Nolan-Gosling presented the proposed Work Plan to the Commission.

A motion was made by Nolan-Gosling and seconded by Mueller to forward the 2011-2012 Airport Commission Work Plan as written to the City Council for approval.

The motion carried by the following vote:

AYES: Michels, Mueller, Nolan-Gosling, Nathan
NOES: None
ABSENT: Koch

5. **BUSINESS FROM THE FLOOR**

6. **REPORTS AND COMMUNICATION**

6.1. The Airport Manager and staff updated the Commission on various items.

Airport Manager Burkland

- Aero Union continues to honor their leases at the airport. They have expressed a desire to look at options related to the leases, however, no formal correspondence has been received.
- The City was awarded the Economic Development Administration grant to conduct evaluations of the airport facilities being vacated by Aero Union.
- An updated agreement has been entered into with FAA for the FAA owned navigational aid equipment located on airport property.

Management Analyst Collins

- The Federal Aviation Administration (FAA) was shut down on Friday, when Congress was unable to agree on legislation that would temporarily extend the agency's authority to operate. Monday and Tuesday the FAA issued "stop work orders" for projects funded with Airport Improvement Program (AIP) funding. The AIP funded projects at Chico Municipal Airport this year are not construction projects and a delayed start will not have a significant impact on the

airport. However, final reimbursement for the AIP funded construction project that was recently completed will be delayed until a FAA reauthorization bill is passed by Congress.

- The draft Airport Emergency Plan was submitted to FAA by the due date. The draft is currently receiving a final review from staff and the final plan will be submitted to FAA in the next few weeks.
- A business survey of the Airport Industrial Park is being conducted in conjunction with the City's Economic Development department. The purpose is to collect data regarding the types of businesses currently located in the Industrial Park, the number of people they employ, and whether that number has increased or decreased since the last survey conducted in 2007. Commissioner Nolan-Gosling suggested a question be included to ask the business if there is anything the airport could do to contribute to their business.
- The TSA Inspector assigned to the airport has offered to come to the next Airport Commission meeting to answer any questions the Commission may have. The Commissioner's agreed this would be very valuable.

Facilities Manager Parks

- The bids for the modular screening building came in significantly over budget and the project is now on hold until additional funding can be identified.
- The next Airport Improvement Program project includes the purchase of new sweeper equipment and design work for the future rehabilitation of Taxiway H. These projects may be delayed due to the shut down of the FAA.

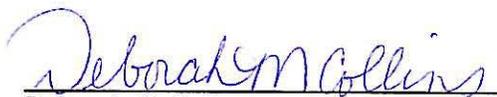
When staff reports concluded Bill Gaines, President of Transfer Flow Inc., asked to address the Commission. He expressed interest in the Airport Industrial Park business survey and advised the Commission of the unreliability he has experienced with the United Express service between Chico and San Francisco.

6.2. The quarterly Airport Fund Income Statement was provided to the Commission.

7. ADJOURNMENT

Adjourned at 6:45 p.m. to the October 25, 2011, at 6:00 p.m., in the Council Chambers of the Chico Municipal Center building located at 421 Main Street, Chico, California.

Date Approved: October 25, 2011


Deborah M. Collins
Management Analyst - Airport

CITY OF CHICO
REGULAR CHICO AIRPORT COMMISSION MEETING - October 25, 2011
Minutes

1. **REGULAR AIRPORT COMMISSION MEETING**

- 1.1. Call to Order- Chair Koch called the October 25, 2011, regular Airport Commission Meeting to order at 6:00 p.m. in the Council Chamber.

Present: Michels, Muller, Nolan-Gosling, Nathan (arrived at 6:03 p.m.), Koch
Absent: None

- 1.2. Presentation of Title 19 Land Use and Development Regulation Updates affecting the Airport by Bob Summerville, Senior Planner, and Greg Redeker, Associate Planner.

2. **CONSENT AGENDA**

A motion was made by Michels and seconded by Nathan to approve the Consent Agenda, as read, with item 2.2. removed for further discussion.

The motion carried by the following vote:

AYES: Michels, Mueller, Nolan-Gosling, Nathan, Koch
NOES: None

- 2.1. **MINUTE ORDER AUTHORIZATION FOR THE AIRPORT MANAGER TO EXECUTE A LEASE OF PREMISES AT CHICO MUNICIPAL AIRPORT, CHICO MUNICIPAL AIRPORT TERMINAL BUILDING AND FACILITIES FOR AUTOMOBILE RENTAL BUSINESS (CITY OF CHICO/THE HERTZ CORPORATION) AND RELATED DOCUMENTS AS APPLICABLE**

Approved - minute order authorizing the Airport Manager to execute a lease various premises and facilities at the Chico Municipal Airport terminal building to The Hertz Corporation for its automobile rental business in accordance with the terms set out in the Minute Order. *(The Airport Manager recommended approval of the Minute Order.)*

- 2.2. **MINUTE ORDER RECOMMENDATION THAT THE CITY COUNCIL AUTHORIZE THE AIRPORT MANAGER TO EXECUTE A LEASE OF PROPERTY AT CHICO MUNICIPAL AIRPORT, AIRCRAFT HANGAR AREA – HANGAR PAD E, HANGAR SPACE E-5 (CITY OF CHICO/ROBERT BARNES) AND RELATED DOCUMENTS AS APPLICABLE**

Approved - minute order recommending to the City Council that it authorize the Airport Manager to execute a lease of property to Robert Barnes for hangar space E-5 in accordance with the terms set out in the Minute Order. *(The Airport Manager recommended approval of the Minute Order.)*

This item was removed from the consent agenda at the request of Vice Chair Nathan in order to ask staff if the Consumer Price Index (CPI) adjustment to the rental rate should be applied annually instead of every five-years as stated in the Minute Order. Staff advised that the CPI for the D and E hangar rows is applied every five-years while the CPI for the A, B, and C hangar row rental rate is applied annually.

A motion was made by Mueller and seconded by Nolan-Gosling to approve the Minute Order.

The motion carried by the following vote:

AYES: Michels, Mueller, Nolan-Gosling, Nathan, Koch

NOES: None

2.3. **APPROVED MINUTES OF AIRPORT COMMISSION MEETING**

Approved - minutes of the Airport Commission meeting held on 07/26/11.

ITEMS REMOVED FROM THE CONSENT - Item 2.2.

3. **NOTICE PUBLIC HEARINGS** - None.

4. **REGULAR AGENDA**

4.1. **MINUTE ORDER AUTHORIZATION FOR THE AIRPORT MANAGER TO EXECUTE A LEASE OF IMPROVED REAL PROPERTY, CHICO MUNICIPAL AIRPORT, 108 BOEING AVENUE (CITY OF CHICO/SELKEN ENTERPRISES, INC., dba SEL-TECH) AND RELATED DOCUMENTS AS APPLICABLE**

Approved - minute order authorizing the Airport Manager to execute a lease of property at the Chico Municipal Airport for the 108 Boeing Avenue facilities in accordance with the terms set out in the Minute Order. *(Report – Debbie Collins, Management Analyst)*

Recommendation - The Airport Manager recommended approval of the Minute Order.

Addressing the Commission on this item was Erik Rust, General Manager, Selken Enterprises, Inc., dba Sel-Tech.

A motion was made by Nolan-Gosling and seconded by Nathan to approve the Minute Order.

The motion carried by the following vote:

AYES: Michels, Mueller, Nolan-Gosling, Nathan, Koch

NOES: None

4.2. **CONSIDERATION OF APPOINTMENTS TO COMMITTEES**

Appointments were made to the Airport Architectural Committee and to the newly established ad hoc committee that will develop recommendations related to items on the Council approved 2011-2012 Airport Commission Work Plan.

Recommendation - Staff recommends that the Airport Commission:

(1) Appoint, by majority vote, two members of the Commission to serve as the Airport Architectural Committee, which shall have the authority to approve, conditionally approve, modify, or deny the architectural design of structures within an airport zoning district; and

A motion was made by Nolan-Gosling and seconded by Nathan to appoint Commissioners Michels and Mueller to serve as the Airport Architectural Committee, with Chair Koch serving as an alternate.

The motion carried by the following vote:

AYES: Michels, Mueller, Nolan-Gosling, Nathan, Koch
NOES: None

(2) Appoint, by majority vote, two members of the Commission to serve as an ad hoc committee to research and develop recommendations on identified Work Plan items.

A motion was made by Mueller and seconded by Michels to appoint Commissioners Nathan and Nolan-Gosing to serve as the Work Plan ad hoc committee.

The motion carried by the following vote:

AYES: Michels, Mueller, Nolan-Gosling, Nathan, Koch
NOES: None

5. **BUSINESS FROM THE FLOOR** - None

6. **REPORTS AND COMMUNICATION**

6.1. The Airport Manager and staff updated the Commission on various items.

Airport Manager Burkland

- The Commission was provided a map in the agenda packet that shows the status of the Aero Union Corporation leases at the airport. The City has terminated for cause all but one of the leases for non-payment of rent.
- Digital Path, Inc., will remain in the 100 Lockheed hangar through February 29, 2012. Air Shasta has not moved into the hangar as planned. If Digital Path wants to continue to lease the hangar after February 29th the matter will be brought before the Airport Commission at their January 31, 2012, meeting for consideration.
- The 77 Piper hangar has been leased to Aircraft Deconstructors International until the end of the year. They are completing work on two aircraft that had originally been contracted to Aero Union. If they decide they would like to enter into a long term lease of the hangar the matter will be brought before the Airport Commission at their January 31, 2012, meeting for consideration.
- Twenty military helicopters will arrive at the airport and remain overnight.

Management Analyst Collins

- The transition of the A, B, and C hangar row leases to the new standard lease is almost complete. There are a handful of leases that still need to be terminated and new standard leases executed but all should be completed by June 2012.
- The mid-year progress report for the Wildlife Hazard Assessment was held. The assessment is progressing well. The FAA is beginning to question whether cattle grazing is compatible near airports so the consultant will be determining the effects, if any, of the current cattle grazing activities on the number of birds in the area.
- The Phase I Environmental Site Assessments have begun on the airport properties vacated by Aero Union Corporation to ensure there is no contamination on the properties attributable to Aero Union's operations.

Facilities Manager Parks

- AIP 31, the engineering design for the reconstruction of Taxiway H and the holding apron has begun.
- The FAA is working on a plan to change the location of the ILS and Localizer moving them out of the Runway Safety Area.
- The modular building will be re-bid when additional revenue has been identified.

6.2. The quarterly Airport Fund Income Statement was provided to the Commission.

Due to Aero Union Corporation's non-payment of rent and the termination of their leases the airport revenue for this fiscal year will be below the expected amount.

6.3. The 2012 Airport Commission Meeting Schedule was provided to the Commission.

In calendar year 2012 the Airport Commission will meet on January 31st, April 24th, July 31st, and October 30th.

7. **ADJOURNMENT**

Adjourned at 6:55 p.m. to the January 31, 2012, at 6:00 p.m., in the Council Chambers of the Chico Municipal Center building located at 421 Main Street, Chico, California.

Date Approved: January 31, 2012