

**REGULAR AIRPORT COMMISSION MEETING – JANUARY 25, 2005**  
**Minutes**

1. **CALL TO ORDER** - Chair Sherwood called the Regular Meeting of the Airport Commission to order at 7:30 p.m. in Conference Room 1 of the Chico Municipal Center, 421 Main Street.

1.1. **ROLL CALL** - Present: Bellin, Gustafson, Moran, Sherwood, Silva  
Absent: None  
Staff present: Airport Manager Robert A. Grierson, Assistant City Attorney Alicia Rock and Administrative Analyst Karen Main

2. **ELECTION OF 2005 CHAIR AND VICE CHAIR AND DISCUSSION OF COMMITTEES**

A motion was made by Commissioner Moran and seconded by Commissioner Bellin to nominate Commissioner Sherwood for Chair. The motion carried 5 in favor, 0 opposed.

A motion was made by Chair Sherwood and seconded by Commissioner Silva to nominate Commissioner Moran as Vice Chair. The motion carried 5 in favor, 0 opposed.

Committee assignments were discussed, and the following assignments were made to the Committees:

Chair Sherwood:	Architectural Review (alternate), Budget (alternate), Planning
Vice Chair Moran:	Airport Management, Planning, Lease Review
Commissioner Bellin:	Architectural Review, Lease Review
Commissioner Gustafson:	Airport Management, Budget
Commissioner Silva:	Architectural Review, Planning

3. **CONSENT AGENDA**

3.1. **APPROVAL OF MINUTES - MINUTES OF OCTOBER 26, 2004**

3.2. **RESOLUTION OF AIRPORT COMMISSION OF CITY OF CHICO EXPRESSING ITS APPRECIATION TO CRAIG SANDERS FOR HIS SERVICE AS AIRPORT COMMISSIONER FROM JANUARY 2003 THROUGH OCTOBER 2004**

The motion to approve the Consent Agenda carried by the following vote:

AYES: Bellin, Gustafson, Moran, Sherwood, Silva  
NOES: None

4. **HEARINGS** - None.

5. **REGULAR AGENDA**

5.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** - None.

5.2. **CONSIDERATION OF DR. ROY GROSSMAN'S REQUEST TO EXTEND THE LEASE FOR HANGAR SPACE E-2 AT THE CHICO MUNICIPAL AIRPORT**

Chair Sherwood introduced the item by stating that all of the Commissioners have spent a great deal of time studying not only the issue of Dr. Grossman's lease, but all lease issues in general. Airport Manager Grierson read from a prepared statement which included background information

on Dr. Grossman's lease, and the steps he has taken to renew the lease. He also emphasized that the City is not interested in taking ownership of Dr. Grossman's lease.

Vice Chair Moran commented that he is encouraged by the large number of people in attendance, and confident that Dr. Grossman's issue can be resolved tonight. Vice Chair Moran responded to some of the comments made by the Airport Manager, and pointed out that one of the major factors in not resolving the lease issue is because the Airport Manager's view is that the City owns the hangar, and Dr. Grossman is not prepared to concede that fact. He also stated that it is misleading that Dr. Grossman has not paid his rent since July 3, 2003, since his rent payments were made one year in advance which means the hangar was paid to July 2004.

Vice Chair Moran stated that he read the lease and did not find a forfeiture clause, but did find language that addressed end of term requirements and holdover provisions. It is the Airport Commission's duty to follow and advance the position of the City expressed by either the City Manager or the City Council. He spoke with former City officials and Airport Commissioners and it was not their intent for the hangars to be forfeited at the end of the lease term.

Vice Chair Moran noted that Airport Manager Grierson is making every effort to keep the City in compliance with FAA policy and requirements. He outlined the requirements of the AOPA Guidelines for hangar tie-down agreements and various FAA orders. There is a requirement that encourages airport proprietors to make reasonable efforts to make their airports self-sustaining when reviewing leases or establishing fees. Vice Chair Moran commented that it appears that the self-sustaining requirement and the self-sustaining assurance to be given by the City Manager and City Attorney is subject to interpretation. A major factor in the interpretation has to do with reasonableness and all of the circumstances of the airport at the time.

The short term solution, according to Vice Chair Moran, would be to continue Dr. Grossman's lease on a month-to-month basis as provided for in the lease agreement, or offer him a relatively short term lease. He suggested a workshop meeting be scheduled to discuss the leases.

In response to Chair Sherwood's request for any comments from the public, Dr. Grossman provided background information on his ownership of the hangar and his discussions with the Airport Manager regarding the lease issues. Dr. Grossman stated that he recently received a lease which he would be happy to sign except for the clause stating that the hangar reverts back to the City upon termination of the lease, and because there are blank spaces for the monthly rent amount. Chair Sherwood asked the Airport Manager if he had any comments, and responded that he would like to see the issue resolved tonight, and if Dr. Grossman is happy with the lease that he was sent, the dollar amount calculated by the Finance Office for CPI adjustments would be \$1,210.66 per year.

Vice Chair Moran stated that there were other issues with the lease in addition to the dollar amount owed, and he did not think that Dr. Grossman would accept it as it is currently written. He indicated that the better approach would be to have a workshop to come up with one lease rather than three separate leases for rows A & B, C, and Custom Built or E-row hangars. Vice Chair Moran commented that there was no difference between the hangars, and there should be one standard lease.

In response to Vice Chair Moran's question if the lease issue could be resolved in the interim by continuing the existing lease until a new lease has been produced, Dr. Grossman indicated that he would like time to think about it before making a decision.

Chair Sherwood indicated that he would like Dr. Grossman's issue resolved at tonight's meeting if at all possible. He asked for comments from other Commissioners. Commissioner Bellin

commented that she thought that after the October meeting this issue would have been resolved. She noted that there is a difference between the term "not allowed" as the Airport Manager stated in his letter to Dr. Grossman, and the term "not provided for" as stated in the lease. She assured Dr. Grossman that the Commission is not pressuring him to make a decision at tonight's meeting, but they want to make sure that he does not go away feeling that he is still in jeopardy of losing his hangar.

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The Commission recessed at 8:40 p.m. and reconvened at 8:55 p.m.  
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Following the break, a motion was made by Vice Chair Moran and seconded by Commissioner Gustafson to offer Dr. Grossman a one year extension of the existing lease which expired on June 30, 2004, with the new expiration to be June 30, 2005. The lease rate will be \$1,210.66 annually which reflects a CPI adjustment as allowed for in the lease. The motion is subject to Dr. Grossman's acceptance of these terms at tonight's meeting, and writing a check for \$1,210.66. Dr. Grossman indicated that he would need some time to consider the offer.

After a brief discussion, it was the consensus of the Commission to hold a workshop meeting on February 22, 2005, at 6:00 p.m. Vice Chair Moran indicated that he was inclined to use the existing standard City Attorney lease forms for hangars A&B, C, and E as a framework from which to start discussion of the leases. Airport Manager Grierson said that he would leave copies of the leases on the 3<sup>rd</sup> floor of City Hall and at Chico Aviation, or they could be obtained by e-mail if anyone would like copies before the workshop.

Chair Sherwood stated that a public forum on the general lease issue cannot be held at tonight's meeting because it is not on the agenda. He commented that if there are people present that wish to speak on the issue they can come to the workshop meeting or they can bring it up during Business from the Floor at tonight's meeting, but there will be a three minute time-limit for speakers.

Stan Gungl expressed disappointment that he would not be allowed to speak on the lease issue at tonight's meeting. Chair Sherwood responded that he could speak during Business from the Floor.

After considering the offer, Dr. Grossman said that he would be willing to accept the lease terms previously discussed, provided that he is allowed to continue the lease for an additional year to June 30, 2006, if he does not have an acceptable signed lease at the end of one year.

Vice Chair Moran amended the motion to include the stipulation that the lease would be for a term of one year with the option of extending the lease for an additional year only if the lease issue has not been resolved. Commissioner Bellin seconded the amendment to the motion.

The motion carried by the following vote:

AYES: Bellin, Gustafson, Moran, Sherwood, Silva.

NOES: None.

### **5.3. DISCUSSION AND DIRECTION TO STAFF REGARDING JOHN AND LINDA PATRICK'S LEASE OF HANGAR SPACE B-20**

This item was removed from the agenda because the issue was resolved prior to tonight's meeting.

### **5.4. DISCUSSION OF TENANT ISSUES AT THE CHICO MUNICIPAL AIRPORT**

Vice Chair Moran indicated that this item had already been covered under discussion of item 5.2.,

and would be discussed further at the workshop meeting.

**6. ITEMS ADDED AFTER POSTING OF THE AGENDA - None.**

**7. REPORTS AND COMMUNICATIONS**

A memorandum dated 1/19/05, from the Airport Manager forwarding a memorandum from the City's Economic Development Specialist to the Economic Development Committee regarding the sale of agency-owned land in the industrial park at Chico Municipal Airport was provided to the Commission.

**8. BUSINESS FROM THE FLOOR**

Bob Barnes commented that when the Airport Commission workshop is held, he would like to discuss the issue of performing routine airplane maintenance in hangars.

**9. ADJOURNMENT - The Commission adjourned at 9:15 p.m. to an adjourned Airport Commission Workshop meeting on Tuesday, February 22, 2005, at 6:00 p.m. in Conference Room 1 of the Chico Municipal Center building located at 421 Main Street, Chico, California.**

**SPECIAL AIRPORT COMMISSION MEETING – MARCH 22, 2005**  
**Minutes**

1. **ROLL CALL** - Present: Gustafson, Moran, Sherwood, Silva  
Absent: Bellin  
Staff present: Airport Manager Robert A. Grierson and Administrative Analyst Karen Main

2. **RECOMMENDATION THAT THE CITY COUNCIL AUTHORIZE THE AIRPORT MANAGER TO EXECUTE LEASE OF PROPERTY AT THE CHICO MUNICIPAL AIRPORT WITH GRANT OF LANDING PRIVILEGES AIRCRAFT HANGAR AREA - T-HANGAR PAD AREA D T-HANGAR SPACES. 1-10 (CITY OF CHICO/GUILLON, INC., AND DANFORD A. JAY)**

Doug Guillon stated that his project will include approximately 12,000 square feet of hangars that will house ten airplanes. He indicated that he has entered into a contract with a steel company that specializes in T-hangars. His main concern with the lease agreement is the lease rate because there is approximately 21,000 square feet of land that needs to be compacted, graded, and paved if he wants to be able to build the T-hangars, and he will be responsible for doing the work.

Mr. Guillon also stated that he will not sign an agreement that has a reversion clause, unless it is due to a default on his part. His expectation would be that at the end of the term, the City will negotiate in good faith to renew the agreement.

In response to Chair Sherwood's question, Mr. Guillon stated that it will take approximately 60 days to construct the hangars, and they will be probably be built in sets of ten.

In response to Vice Chair Moran's question, Mr. Guillon stated that in addition to the reversion clause, he also has a problem with the amount of the rent, and the maintenance and storage provisions of the lease.

Stan Gungl stated that some of the major issues the tenants would like to discuss include different rental rates for different tenants, the reversion clause, the length of the term of the leases, standardized lease agreements for all tenants, and the fact that many items in the lease agreements are aged.

Dan Jay stated that with respect to his project with Doug Guillon, he does not believe that the lease numbers are that far off. He does have a concern that the site preparation cost could be significant, and he asked the Commission to take into consideration the cost of the additional expense to prepare the site, and perhaps offset some of the cost when the rental rates are calculated.

Vice Chair Moran indicated that if the Guillon/Jay lease is approved, it perpetuates the problems with the leases that the Commission is seeking to avoid. He said that the lease should have been forwarded to the lease review committee before going to the Commission.

Vice Chair Moran moved that this item be tabled until the next Airport Commission meeting, and it will be discussed following the workshop item regarding T-hangar leases. This will allow for a review of the rate structure and other items of concern to the tenants before entering into another lease agreement.

Commissioner Gustafson said that he would have to disqualify himself from voting because Mr. Guillon is a client of his employer.

The motion carried by the following vote:

AYES:	Moran, Sherwood, and Silva.
NOES:	None.
ABSENT:	Bellin
ABSTAIN:	Gustafson

**3. DISCUSSION OF DATE FOR RESCHEDULING THE WORKSHOP TO DISCUSS LEASE ISSUES**

In an effort to resolve the T-hangar lease issue quickly, it was the consensus of the Commission to schedule the workshop to discuss T-hangar leases at the Chico Municipal Airport for the Commission's next regular adjourned meeting scheduled for Tuesday, March 29, 2005.

Chair Sherwood asked Stan Gungl if he would be willing to contact hangar owners and have three or four speakers at the workshop to discuss the T-hangar leases. Chair Sherwood indicated that he did not want to hear the same comments repeated over and over. Mr. Gungl said that he would try to get a group together, but he said that he thought he would need at least ten days.

Vice Chair Moran said that there is a need to review how the rental rates are calculated. He stated that this analysis will be integral to establishing a rate structure that will meet the federal requirements for leases at the airport and satisfy the tenants. He asked if Mr. Guillon would be willing to meet with him and possibly Commissioner Bellin before the next meeting to discuss this issue from a developer's standpoint to establish a methodology for calculating rental rates.

The Commission also directed staff to agendize an opening discussion regarding minimum standards at the Chico Municipal Airport based on a letter submitted by Les Sousa.

**4. ADJOURNMENT**

The Commission adjourned at 5:30 p.m. to the adjourned regular meeting of Tuesday, March 29, 2005, at 6:00 p.m. in Conference Room 1 of the Chico Municipal Center building located at 421 Main Street, Chico, California.

**ADJOURNED REGULAR AIRPORT COMMISSION MEETING - MARCH 29, 2005**  
**Minutes**

**ROLL CALL** - Present: Chair Sherwood, Commissioners Bellin, Gustafson, and Moran.  
Absent: Commissioner Silva.  
Staff present: Airport Manager Grierson, Assistant City Attorney Alicia Rock

**REGULAR AGENDA**

**WORKSHOP TO DISCUSS LEASE AGREEMENTS FOR T-HANGARS AT THE CHICO MUNICIPAL AIRPORT**

Chair Sherwood called the meeting to order at 6:00 p.m. Airport Manager Grierson stated that the hangar leases are consistent with what other airports have in place. They all address indemnification, term, use, dollar amount, CPI adjustment, and every one had a reversion clause.

Vice Chair Moran said that he attended a meeting at Stan Gungl's house last night that included many airport tenants. He created a list of nine issues from comments received from the tenants along with his own comments. He passed out a copy of the list to the Airport Commission.

**Uniformity of Leases**

The hangar leases are very similar, but there are some differences. To avoid disparity, the tenants desire to have a master lease for general aviation tenants at the south end of the field.

Airport Manager Grierson noted that the reason the leases are not consistent is because of the differences between the hangars for A & B row, C Row, and E Row.

Vice Chair Moran said that an addendum can be used for any differences that need to be reflected in a particular lease. He believes that any changes that may need to be made by the tenant such as putting down ground cover which would normally require a different lease, can be addressed in the rate structure.

Stan Gungl said that the Commission should take the opportunity to do a complete job so issues like this will not come back later. He suggested keeping it simple and making it the same for everyone.

Vice Chair Moran suggested the City Attorney office work with the contract committee to develop a uniform master lease.

Vice Chair Moran moved that the Airport Commission have an objective for uniformity of leases at the general aviation south end hangar area. Commissioner Gustafson seconded the motion and it passed 4-0-1 with Commissioner Silva absent.

**Reversion of Asset at End of Term/Forfeiture**

Vice Chair Moran reported that the consensus of tenants at the meeting was that at the end of the lease term they want to be able to negotiate a new lease agreement. Commissioner Bellin said that the City will require some discretion in the event of default.

Vice Chair Moran responded that the lease could have language in it that the tenant will maintain the

hangar according to a reasonable standard, if the tenant failed to do what the lease required that would be a violation for which the City could initiate an unlawful detainer action based on a violation of a lease term.

Jim Fletcher said that if you want someone to make an investment in a hangar, they have to have an ability to transfer ownership of their hangar. If in 15 years the City is going to own that hangar, it diminishes the market value of the hangar and discourages people from making that kind of investment.

Stan Gungl said he does not think that the hangar owners would take exception to the City putting a clause in the contract that the hangars have to be maintained in a safe condition.

Henry Roberson suggested that the leases should include language that spells out exactly what would cause a person to lose their hangar or a non-renewal of the lease. Commissioner Gustafson agreed that there needs to be major triggers spelled out in the lease if the City were to take ownership of a hangar. He noted that the changes should be substantial, such as a major change in direction for construction at the airport, or moving the runways, or a policy change from Council.

Airport Manager Grierson said that airports traditionally have difficulty being self sufficient. Virtually every building you find at the airport is built by a tenant. At the end of the term, the reversion clause goes into effect, and the building becomes the property of the City, and the City is then able to lease the building at market rate. If you look at just leasing out dirt indefinitely the City will never have an airport that is self sustaining. The airport only makes money by leasing out facilities. That is the basic reason for having the reversion clause.

Commissioner Gustafson said that the standard lease terms should be significantly longer, and that thirty years should be the standard. He thought this could help to amortize the equity in the hangar if the lease term is longer.

Stan Gungl indicated that he felt the majority of hangar owners would only favor a reversion clause for major changes at the airport. Dan Jay stated that aviation brings a lot to the community and the reversion clause is an impediment to future development of the airport.

Assistant City Attorney Rock stated that this has been discussed at staff level and staff will not support a complete stripping of the reversion language out of the lease. Some sort of language has to be in the leases in order to address the ownership of fixtures which are attached to public property to protect the City.

In response to Commissioner Bellin's question, Assistant City Attorney Rock responded that this will be Council policy so it will be a recommendation that the Airport Commission will make to the Council and then staff will review, and make a recommendation based on what is in the best interest of the City of Chico.

Vice Chair Moran moved that the master lease reflect that the City has not waived or in any way abrogated any remedies provided to it as landlord as provided by California statute. The motion was seconded and passed 4-1-0 with Commissioner Silva absent.

Vice Chair Moran moved that the Airport Commission policy will be to offer renewals of leases to the



current tenants at end of term, except for a change in master plan that would substantially effect tenants at the south end of the airport. Vice Chair Moran modified his motion to use the term “offer a new lease” in place of “to offer renewals of leases” to the current tenant at end of term. The motion was seconded and passed 4-0-1 with Commissioner Silva absent.

Vice Chair Moran moved that the Airport Commission’s policy does not favor forfeiture of the lease at end of term.

In response to Commissioner Bellin’s request for a definition of the word “forfeiture” as used, Vice Chair Moran stated that the Airport Commission’s policy would be to offer a new lease at end of term.

Vice Chair Moran’s motion was seconded and passed 4-0-1 with Commissioner Silva absent.

**Term**

Vice Chair Moran said the issue of term of lease was discussed at the meeting with tenants, and the consensus was that a five year term with two five year options to extend was acceptable.

Airport Manager Grierson stated that he did not think that people that want to build hangars now would find this acceptable, they usually want a minimum of 25 years. Vice Chair Moran said they would need to come to the Airport Commission and ask for more time.

Jim Fletcher commented that most people would want more than a 15 year lease before they would invest in the airport. He also noted that port-a-ports are designed to be moved and should not be considered as permanent improvements.

Assistant City Attorney Rock said that staff can work out the language to show ownership of fixtures and also include a time period within which the tenant can remove the property.

Vice Chair Moran moved that the Airport Commission’s policy for the master lease will be for an initial term of five years with two five year options to extend without prejudice for tenants to ask for a longer or shorter term based upon their individual needs. The motion was seconded and passed 4-0-1 with Commissioner Silva absent.

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THE COMMISSION TOOK A FIVE MINUTE BREAK

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**RECOMMENDATION THAT THE CITY COUNCIL AUTHORIZE THE AIRPORT MANAGER TO EXECUTE LEASE OF PROPERTY AT THE CHICO MUNICIPAL AIRPORT WITH GRANT OF LANDING PRIVILEGES AIRCRAFT HANGAR AREA - T-HANGAR PAD AREA D T-HANGAR SPACES. 1-10 (CITY OF CHICO/GUILLON, INC., AND DANFORD A. JAY)**

Vice Chair Moran asked to call item 2.2 out of order. Vice Chair Moran moved to continue this matter to the next regularly scheduled Airport Commission meeting. The motion was seconded and passed 4-0-1 with Commissioner Silva absent.

The Commission continued to discuss item 2.1 from the agenda.

### **Lease Rates**

Vice Chair Moran said his recommendation for lease rates is that the rates reflect the differentiation between City improved surface and tenant improved surface and also that it be determined by ground lease rate multiplied by the square footage represented by the footprint of the hangar so as to get uniform lease rates.

Vice Chair Moran moved that with respect to the master lease it is the Airport Commission's policy that lease rates be determined based on a multiplier taking into consideration the footprint of the hangar and whether or not the hangar will be erected upon landlord improved surface or tenant improved surface. Th motion was seconded and passed 4-0-1 with Commissioner Silva absent.

### **Fire and Liability Insurance Issues**

Vice Chair Moran stated that the master lease needs to reflect an insurance requirement, but the requirement needs to be reasonable and available on the market. He indicated that his recommendation will be that the Airport Commission require liability on aircraft and automobiles used on airport property but will rewrite language.

Vice Chair Moran moved that the lease have an insurance clause that reflects a requirement for vehicle and operational aircraft to have a minimum liability policy for reasonable rates and reasonable risks.

Airport Manager Grierson said that he has examples of insurance language from other airports, and he will discuss these with the Risk Manager.

Vice Chair Moran's motion was seconded by Commissioner Bellin and passed 4-0-1 with Commissioner Silva absent.

### **Restrictions on Activities**

Vice Chair Moran said that this issue comes up because of non-uniformity of leases. There were three areas discussed at the tenant meeting: a) owner maintenance on aircraft, b) storage of owner assets, and c) storage of vehicles.

For owner maintenance on aircraft, Vice Chair Moran reported that tenants would like to do their own maintenance, or to hire someone else to do the work. For storage of other assets, Vice Chair Moran reported that the consensus at the tenant meeting was that it should not matter what is being stored in the hangars. For storage of vehicles, he does not believe that tenants should be micromanaged.

Airport Manager Grierson stated that the Fire Department does not want hazardous materials stored in the hangars, and vehicles parked on the taxiway can be a hazard.

Dan Jay encouraged the Commission to state that the primary use of the hangar is for storage of aircraft, but make it subject to fire marshal's review and inspection of facilities, and make restrictions as to flammable materials. Mr. Jay stated that he would also like to see some architectural standards implemented.

Vice Chair Moran's motion to allow owner maintenance on aircraft in the hangar, as long as it is not in violation of the contractual restrictions with the fixed base operator, was seconded and passed 4-0-1 with Commissioner Silva absent.

Vice Chair Moran moved that with respect to the storage of property other than an aircraft, the lease will remain silent, except in the case of storage of flammable hydrocarbons in anything other than approved containers of a particular size to be determined. Chair Sherwood made a friendly amendment to include that the storage of other materials will be consistent with recognized safety policies. Commissioner Gustafson seconded the motion, and it passed 4-0-1.

Vice Chair Moran moved that with respect to the storage of a tenant's vehicle in a hangar, the lease will remain silent, except in the case of storage of flammable hydrocarbons in anything other than approved containers of a particular size to be determined. Chair Sherwood made a friendly amendment to include that the storage of other materials will be consistent with recognized safety policies. Commissioner Gustafson seconded the motion, and it passed 4-0-1.

### **Non-Renewal at End of Term**

Vice Chair Moran moved that it is the Airport Commission's policy to have language in the master lease that provides for a 120 day notice in the event the City elects not to renew the lease at end of term. The motion was seconded and passed 4-0-1 with Commissioner Silva absent.

### **Rates**

Vice Chair Moran stated that this item will need to be taken up at another meeting to determine what the reasonable rates are consistent with the FAA requirements of aircraft leases. The rates will reflect whether there is landlord improvement or tenant improvement.

### **Other Issues**

Another issue that was discussed was periodic inspections of the hangars. It is not unreasonable for the landlord to have reasonable access with reasonable notice to inspect the hangars. Vice Chair Moran stated that there may be other issues that come up from a procedural standpoint that will be addressed at the time of drafting the master lease.

In response to Vice Chair Moran's question, Assistant City Attorney Rock stated that she does not think a draft lease will be available for review at the next Airport Commission meeting as it will have to go through the internal review process.

It was determined that Assistant City Attorney Rock would prepare the initial draft of the master lease, and then meet with Vice Chair Moran and Commissioner Bellin, if available, to review the lease. If possible, the draft master lease will be provided to the Commission at its next meeting.

### **OPENING DISCUSSION REGARDING REVISION OF THE STANDARDS FOR CONDUCTING AERONAUTICAL ACTIVITIES AT CHICO MUNICIPAL AIRPORT**

Airport Manager Grierson reported that Les Sousa would like the ability to work as an inspector and a mechanic at the Airport. The minimum standards, as currently constructed, precludes maintenance performed outside of the fixed based operator. Airport Manager Grierson suggested a workshop at the next meeting to discuss minimum standards. The Commission was provided with a copy of the current minimum standards and a letter from Les Sousa dated March 28, 2005. He noted that Mr. Sousa was unavailable to attend tonight's meeting because he is out of town.

In response to Vice Chair Moran's question, Airport Manager Grierson responded that the current fixed base operator's agreement has expired and he is currently working with them to prepare a new lease. It was the consensus of the Commission for the Airport Manager to provide the Commission with any comments prior to the next meeting regarding minimum standards.

**ITEMS ADDED AFTER POSTING OF AGENDA** - None

**BUSINESS FROM THE FLOOR**

C. W. Chase stated that a standard is needed for the type of materials that can be stored in a hangar.

**ADJOURNMENT**

The meeting adjourned at 9:00 p.m. to the Airport Commission's regular meeting of Tuesday, April 26, 2005, at 7:30 p.m. in the City Council Chamber.

**REGULAR AIRPORT COMMISSION MEETING – APRIL 26, 2005**  
**Minutes**

**CALL TO ORDER** - Vice Chair Moran called the Regular Meeting of the Airport Commission to order at 7:30 p.m. in Conference Room 1 of the Chico Municipal Center, 421 Main Street.

**ROLL CALL** - Present: Gustafson, Moran, Silva  
Absent: Bellin, Sherwood  
Staff present: Airport Manager Robert A. Grierson,  
Assistant City Manager Greg Jones  
Housing and Economic Development Specialist Dave  
Burkland  
Administrative Analyst Nancy Raimer

**CONSENT AGENDA**

**APPROVAL OF MINUTES - MINUTES OF JANUARY 25, MARCH 22, & MARCH 29, 2005.** Vice Chair Moran advised that none of the commissioners had received copies of the above mentioned minutes, but that the minutes of January 25 were approved at the meeting on March 22, and, that the March 22 minutes were approved at the meeting of March 29, 2005. Vice Chair Moran suggested to table the minute approval until the next regular scheduled meeting, and since Commissioners Sherwood and Bellin were absent, he motioned to look over the minutes of March 29 and today's minutes prior to the next meeting. Commissioner Silva seconded the motion.

The motion carried by the following vote:

AYES: Gustafson, Moran, Silva.  
NOES: None.

**REGULAR AGENDA - CONTINUATION OF DISCUSSION OF MINIMUM STANDARDS FOR CONDUCTING AERONAUTICAL ACTIVITIES AT CHICO MUNICIPAL AIRPORT.**

Commissioners opened to the floor for discussion. Vice Chair Moran stated that it has been the policy of the City of Chico to abide by the previous minimum standards, which there has been criticism of. Prior FBO tenants have also articulated some lack of enthusiasm in having to meet all of the current requirements. He stated that they were written a long time ago and that he believes it is time to discuss what the community wants to change about them, and, if so, to what extent. He then opened the discussion to the floor. (He also stated that he was not inclined to use the three minute rule tonight, but, asked those talking to be mindful of the time).

**Les Sousa - Chico CA 95973**

Mr. Sousa requested to do maintenance on aircraft at the airport, but, stated that he is unable to do so with the requirements listed in the current minimum standards. He stated that he has a lot of clientele that end up going elsewhere for services that he could provide. Commissioner Gustafson asked if Mr. Sousa would be providing services that are not currently provided at the Airport? Mr. Sousa stated that he works on helicopters. Airport Manager Grierson added that Mr. Sousa had previously worked at the airport and continues to have a lot of clientele that wish

to have him work on their planes. Vice Chair Moran ended by asking if Mr. Sousa would like the minimum standards to be relaxed so that he could perform maintenance at the airport? Mr. Sousa replied “YES”.

**Sigurdur Arnarson - General Manager Chico Aviation** - Mr. Arnarson welcomed Mr. Sousa doing maintenance at the airport and welcomed competition, but asked that all of those allowed to do work at the airport also have the same requirements as he (Chico Aviation) does. He didn't have any other comments other than to ask that whatever is decided is fair and equal for everyone. Vice Chair Moran asked Mr. Arnarson to give his opinion on what part of his business he would like to do without? Arnarson said “NONE”. Vice Chair Moran asked if it would be his recommendation that persons be allowed to do maintenance at the airport as long as they are required to also provide a couple of the other requirements listed within the current standards? Mr. Arnarson stated “YES”.

**Henry Roberson** – Mr. Roberson wanted to add that because of how the current minimum standards are set, the normal method of growing a business has been stifled. Additionally, he stated that there has also been a lack of space at the airport. Therefore, Mr. Roberson recommended that a good model would be to have a fuel operator be required to perform at least a couple of the other requirements. He stated that each situation will be unique, and that the City will have to deal with each differently. Vice Chair Moran asked if Mr. Roberson gets his own fuel? Mr. Roberson answered that he gets it from Chico Aviation. Vice Chair Moran also asked that if the minimum standards were relaxed, could he see himself buying fuel from a small fuel truck, or mobile fuel station and, Roberson answered “YES”.

**Dan Jay -(tenant of the airport)**. About 50% of planes at the airport are maintained in other places, so the revenue is leaving Chico. Chico Aviation is doing a good job, but, he doesn't foresee them handling all the maintenance that is needed here at the Airport. Mr. Sousa has helicopter experience, and, he would like to see the standards relaxed so that Mr. Sousa can operate there and he agreed with the general manager of Chico Aviation. Vice Chair Moran asked Mr. Jay if the minimum standards were relaxed, would he envision it would be in a walk in truck, mobile truck, etc. or do you envision air-conditioned waiting rooms, parts on hand, etc?? Mr. Jay stated that he saw the potential for someone like Mr. Sousa to benefit especially in the area of parts, but the overnight parts would be good. I've never favored the mobile van approach, I would probably leave it up to the people that would be doing it. I don't think that is what Mr. Sousa has in mind. I know that there is not the facilities at the airport to deal with what he would like to do. Vice Chair Moran added that he would like to get information that is beyond what we have on the table.

**Stan Bach - (tenant at the airport)** Mr. Bach stated that he's been in the big hangar for over 11 years during which he's had four mechanics, all of which he's had to train himself. He stressed that he wants to know and trust his mechanic, not keep changing mechanics. He also stated that he's spent a lot of time and money elsewhere (Redding, Hayward, etc...) for maintenance on his plane, because it is no longer offered here in Chico, and that he believes that it's no fault of Chico Aviation. Also, he believes that the airport has shrunk since he's been here. He suggested that the City should build bigger, better hangars at our airport. Mr. Bach also believes that the City is sitting on a “goldmine” here being the only towered airport between Redding and Sacramento and that there are many flying clubs out there that fly somewhere every year in the US to meet. He believes that if we were to contact those groups and bring them to Chico, it

would bring a lot of additional funds to our town.

**Tom Louis - Chico CA.** Mr. Louis doesn't think that changing the minimum standards should be limited to just one person. He stated that allowing more than just one person to do specialty work at the airport should be allowed because no one could provide all the parts or work necessary for an airplane. Mr. Louis believes that it's all about invigorating the business at the airport because in his opinion and experience there's a lot of interest for airplanes, as seen at the Chico Museum where he has volunteered. He suggested to create another activity, such as independent, floating, or mobile maintenance. He also added that there are other specialty things that are not provided for on the field that he would like to see provided, but the current standards hinder that. Vice Chair Moran noted that Mr. Sousa is just trying to bring the standards issue to light, so that they can be changed for himself and others in the future. He also stated that we're not trying to create a special exemption only for Mr. Sousa, but that we would like to do whatever is available for us to do that would better both the airport and the community.

**Tony Nassar - (plane owner in a hangar for about 5 yrs).** Mr. Nassar stated that he has always done his inspections elsewhere and he believes that it's a great opportunity in what Mr. Sousa is asking for. Commissioner Gustafson asked Mr. Nassar why he brings his plane elsewhere and Mr. Nassar answered that currently what he has done to his plane couldn't be performed at the Airport currently.

There were no other speakers for this discussion.

Vice Chair Moran asked Airport Manager Grierson what his recommendation be from here? Airport Manager Grierson suggested to close the public comments, schedule for the next meeting on May 31 to finalize the minimum standards. He also suggested to set up a committee (including City employees) to put together a final change to the minimum standards. Vice Chair Moran asked Grierson if the committee would be limited to only commissioners? Grierson replied "No" and, gave the example of the City's Planning Committee for the Master Plan for the City where we pulled people from throughout the community. Vice Chair Moran suggested that we should include the current FBO and those that perform specialty work at the Airport, since it's impacting them. He also stated that there should be a cross section of those that would be affected by it, together with members of the commission. Airport Manager Grierson suggested keeping the members to a group under 10 for scheduling purposes. Vice Chair Moran respectfully suggested to keep this as a standing agenda item, until it's resolved.

Vice Chair Moran added one more question asking if the committee would be subject to the Brown Act, or, if it would be considered to be a subcommittee? Airport Manager Grierson suggested to call it a Volunteer Committee? Vice Chair Moran stated that this Volunteer Committee would not have power to make decisions, thus he thought it would not be subject to the Brown Act, and asked Airport Manager Grierson to clarify that with the City Attorney. Commissioner Gustafson volunteered to be on the Committee.

Commissioner Silva made a motion to establish a Citizen's Advisory Volunteer Committee to make recommendations to the airport commission w/respect to the minimum standards. Commissioner Gustafson seconded the motion.

The motion carried by the following vote:

AYES: Gustafson, Moran, Silva.

NOES: None.

Vice Chair Moran asked for volunteers? Commissioner Gustafson (from the Airport Commission) was appointed as Chair of committee, Mr. Sousa (interested party), Mr. Arnarson (FBO), Mr. Roberson, Mr. Louis (tenant), Mr. Jay (Sales at the Airport), and Mr. Bach were all listed as committee members.

Vice Chair Moran asked when and where the committee would like to meet? Mr Arnarson offered a conference room at Chico Aviation, on Tuesday, May 3<sup>rd</sup> @ 5:30pm. Vice Chair Moran requested each member get a copy of the minimum standards. Airport Manager Grierson asked that all committee members provide their names, email, and addresses to the clerk.

**BUSINESS FROM THE FLOOR** - Mr. Jay commented that he expected that an update of the renewed hangar contract would be on the Agenda tonight because of his plan to put 27 new hangars at the airport. It was not on the Agenda. Vice Chair Moran requested a Special Meeting as soon as possible for continued discussion and possible resolution to this item.

**ADJOURNMENT** - The Commission adjourned at 9:00 p.m. to a Special Airport Commission Meeting not scheduled as of yet at Conference Room 1 of the Chico Municipal Center building located at 421 Main Street, Chico, California.



## SPECIAL MEETING AIRPORT COMMISSION

May 26, 2005

ROLL CALL - The meeting was called to order by Chair Allen R. Sherwood at 4:30 p.m. in Conference Room 1 of the Council Chambers at the Chico Municipal Center. Present at roll call were Chair Sherwood, and Commissioners Gustafson, Moran, and Silva. Absent: Commissioner Bellin. City Staff: Assistant City Manager Greg Jones, EconDev/Housing Specialist Dave Burkland and Administrative Analyst Nancy Raimer.

APPROVAL OF MINUTES - Minutes of January 25, March 22, March 29 and April 26, 2005  
A motion was made by Chair Sherwood to accept all of the minutes. Commissioner Moran noted that in the Minutes of January 25, page two in the second paragraph down, after date of July 3, 2003, it should read "since his rent payments were made", and, for the minutes to be so corrected. Commissioner Silva motioned to approve. Commissioner Moran seconded the motion and it passed four in favor, one absent.

MINUTE ORDER 05-02 - Recommendation that the City Council Authorize the Airport Manager to execute consent to assignment lease of Real Property Chico Municipal Airport (City of Chico/Douglas J. and Deborah M. Guillon and David O. Jeffries) to Danford A. Jay and Sandra R. Jay. EconDev/Housing Specialist Burkland talked about the ground lease, and noted that because the term exceeded 15 years it requires approval from the Council. Commissioner Moran wanted clarification that what was being approved was the actual underlying lease, not a sublease. Burkland advised that it was the underlying lease that went into effect in 1988. Commissioner Moran stated that he didn't disapprove, but, wanted to discuss a similar assignment that occurred years ago, where an assignment, assumption, and a consent form wrapped into one document was created. He wanted to note that those changes were made and requested that, in the future, the form be included in the Agenda packet. Also, Commissioner Moran discussed a subcommittee that the commission assigned (called a contract committee), where anything having to do with a contract was discussed among the contract committee prior to the meeting. The committee consisted of Commissioners Moran and Bellin. He stated that the contract committee had not had an opportunity to review and approve the document that would be given to the City. Commissioner Moran stated that he was not disapproving the Minute Order, but that he was recommending that the assignment, assumption and consent form should be used for this. And, subject to the City approval and use of our new form, Commissioner Moran motioned to accept Minute Order 05-02. It was seconded and by Commissioner Silva and passed being approved by Commissioners Sherwood, Silva and Moran. Commissioner Gustafson abstained.

CONSIDERATION OF REVISIONS TO THE AIRPORT FEE SECTION OF THE CITY'S MASTER FEE SCHEDULE - EconDev/Housing Specialist Burkland explained that the Finance Committee referred the Airport Fee Schedule to the Commission for review and recommendation for City Council approval. Burkland reviewed staff recommendations for revisions of current Airport fees and indicated that a summary of fees was attached as item "B" to the staff report. Burkland also included the entire fee schedule. Chair Sherwood wanted to know if this item needed to be accepted today, or if it could be accepted at a subsequent meeting? Burkland answered that they would like it approved at this meeting. Commissioner Moran had questions

about the minimum landing fee of \$10 on the second page of fee schedule. Commissioner Moran believes that a raise from \$6.25 to \$10 is a pretty substantial jump and doesn't want to set the wrong idea. Commissioner Moran noted that most of the aircraft that lands in this area is in the 7,000 to 8,000 lb range, and that the increase suggested is disproportionate considering the size of aircraft common to Chico Airport. He added that if we had aircraft that approached the 12,000 lb range, the raise would be more appropriate. He suggested that the minimum landing fee be raised to \$8. Chair Sherwood questioned where the reasoning behind the raise to \$10 came from?

Burkland answered that Bob Grierson had done this research before he left the City based on Fees from similar airports. Commissioner Moran moved to raise the current landing fee from \$.50 per 1,000lbs to \$.80 per 1,000lbs, with the minimum landing fee raised to \$8. Chair Sherwood asked if there were any questions? Chair Sherwood asked how often the City looks at this fee schedule? Burkland answered that it is reviewed yearly. Silva seconded. The motion carried four Commissioners in favor, Bellin absent.

Commissioner Moran also suggested combining items four and five (hangar ground leases) on the second page of the fee schedule. He stated that it seemed that everyone was accepting of the fact of coming up with a square footage rate. He suggested for the City to consider which rows had to put down their own pads, and which rows that had the City put down the pad for them, and for the price to reflect the difference. Commissioner Moran stated that he was not in favor of upping the per unit rate, or, just raising the flat fee from .24 cents to .37 cents. He suggested to use the same methodology for both sets of rows. Jones asked if these fees were already in the fee schedule? Burkland answered yes.

Chair Sherwood asked if there were any other comments, and, asked if Commissioner Moran could voice a motion in this regard? Commissioner Moran wasn't quite sure how to word a motion yet.

Commissioner Gustafson agreed that the City needs to look at the rates, and, with respect to item five, needs to look at whether Airports in other cities charge fees according to whether their city or the tenant placed the pad. He suggested to carry this item to the next meeting. Jones said that we could leave the current rates on the fee schedule as they are for now, and then evaluate and adjust them at the time the master leases are made.

Commissioner Moran motioned that with the respect to items four and five, to leave the current rate schedule as it stands until it is addressed in the master lease project, where it can be re-addressed. Gustafson seconded the motion and it carried unanimously.

Chair Sherwood stated that he didn't think that the rate in item seven (gate access card fees) was user friendly either. Burkland said that this was put in place by Bob Grierson, due to increased costs of the gate upgrade. Commissioner Moran asked why we needed to change the old gate system? Jones explained that the TSA is being much more aggressive in terms of access issues. Chair Sherwood asked who paid for the new gate upgrade? Jones answered that part of it was paid for with a grant, and that the rest was paid for by the City...and, that there are additional costs for hardware and staff also. Chair Sherwood said that he still thinks that the suggested increase is too high for an annual basis. Commissioner Moran agreed that such a large increase sends the wrong message, especially since we've just come off tenuous times at the Airport. He stated that he thought an increase should occur, but that he didn't want to "lose ground" that we've made. Jones said that the logic for the fee hike, came from an audit from the TSA where there was no tracking

of, or recovering of the gate cards, and that annual contact with users requesting payment of a gate fees will provide reasoning behind and indication that they still need a card. Commissioner Moran asked if the cards could be electronically deactivated? Jones said yes. Commissioner Moran stated that he wasn't opposed to some sort of increase, and, that he was all for security and asked Jones if \$15 would be a drop in the bucket? Jones replied that \$15 sounded good, but, said that he wanted to review it in a year. Jones also stated that he thought the City should be able to accrue some of the fees this year. Commissioner Silva asked why the fee can't be included in the lease? Jones answered that it's too hard to incorporate because of the additional costs of employees, hardware, etc. Commissioner Silva stated that this would be a great job for an intern. Commissioner Gustafson requested better data next year on costs. Commissioner Moran said that a possibility would be to include one gate card in each lease, and, to build the gate card cost into the annual fee. He thinks the tenants would accept that and be more willing to pay that, and if they wanted more than one card, a \$25 fee might work for that. Commissioner Gustafson stated that he was against putting more than one card into a lease.

Commissioner Silva made a motion to increase the gate card cost from the current \$10 to \$15 a year. Commissioner Moran seconded the motion. It carried unanimously. Bellin absent.

DISCUSSION OF MINIMUM STANDARDS FOR CONDUCTING AERONAUTICAL ACTIVITIES AT THE CMA - Commissioner Moran stated that at the last Airport meeting there was an excellent turnout and cross-section of Airport users for this discussion. He also noted that there really were no negative comments made. He reminded those present what precipitated this discussion (an individual that wants to open a business at the Airport, but is prohibited because of the way that the current minimum standards are worded). As a result of that discussion, Commissioner Moran suggested to form a committee to look at the current minimum standards and make suggestions to change them. Commissioner Moran appointed Commissioner Gustafson as the Chair, and included others present that were interested in serving as committee members, and that, the meeting took place. At that meeting, it was the consensus of committee members to use the current minimum standards as a reference. The committee went through the current standards page by page and made minor changes throughout. Commissioner Moran said that he had gone through the sample packet provided tonight and that the changes are in harmony with what the committee suggested, with minor flaws. He suggested to go through the packet tonight and note where the flaws were located. Dave Burkland explained that previous Airport Manager Bob Grierson had written the changes prior to his leaving, and that Burkland utilized the WordPerfect compare program in order to obtain the document shown in the packet.

Commissioner Moran pointed out that in II, section E, take 1, 4 & 5, and add those to section F. Moran went on to explain why. And, the other change was on page 5 of the packet - section I, it was agreed that instead of a general operator, be required to 4 of 5 of the activities. Sherwood asked if FAA would require to do all 5? Commissioner Gustafson replied no. Paragraph J is deleted in the packet. But, that's not what I remember. Only 1 sentence would be removed. Period after F above & Delete the rest of that sentence. Leave para J in the min standards as previously set forth in 90-6. Then add to VB and other minimal changes. Also, on page 8, the 2<sup>nd</sup> 5 (engine, aircraft & ot/accessory Maintenance.) The last sentence of e. (If not restored to airworthy condition, within ninety days) was removed. And, there are some Aircraft on the Airport that might not be flight worthy, but, they are being worked on, or may be useable....so, if this was in effect, those would have to be removed. Gustafson asked if the committee wanted to change it

to 180 days? Moran said NO that he didn't think so. Burkland said that we would have to look at individual leases and that he could do that. Jones asked if there was any discussion on #5 about the offices, waiting rooms, can we change it to "have access to". Moran actually said that it was actually deleted. We wanted to change it minimally, but we did take out things that we think would make it more friendly. Jones thought that adding the words "access to" to #5 would be good. The entire commission said that they thought that would sound good. Sherwood asked if this was a work in progress. Moran said that he wanted to go ahead and accept it.

Mr. Jay asked if he could comment on page four, item J, IV. He thinks ONLY should be in there. That part was deleted. Commissioner Moran said that he would like to think that as we are moving along with this revision that we be allowed to make small changes. Mr Jay commented that the FBO also attended the last meeting. Chair Sherwood thanked Commissioners Moran and Gustafson. Jones reminded the Commission that this all had to be approved by Council. Jones wanted to insert "access to" to the next draft. Burkland said that he would bring a DRAFT to the next meeting. And, removing Page eight, 2<sup>nd</sup> section 5 (e). (REMOVE: remove such aircraft from Airport premises, if not restores to airworthy condition, within ninety days). Jones also wanted to add a duration to the first sentence of the same paragraph.

Burkland said that we'd have to return to this item at next meeting.

STAFF UPDATES - Assistant City Manager Jones introduced himself and EconDev/Housing Specialist Burkland to the Commission. He wanted to assure the Commission that they will both be committed to keeping the Airport a high priority for the City. Jones stated that they have both already met with the tenants, and that they are planning an Open House with the businesses at the Airport. Jones also mentioned that there will be a transition period, where they will both be learning and asked for patience on the part of the Commissioners. Commissioner Sherwood said that the Commissioners are looking forward to working with them. EconDev/Housing Specialist Burkland added that Assistant City Attorney Alicia Rock is still working on the Master Lease and should be finished in June, and that in addition to that, he is working on three land purchases for the industrial portions at the Airport. Burkland also added that he is working with Mr. Jay on the new T-hangar project, and that in July he expects to receive a draft of the market feasibility study for the west side of the Airport.

Commissioner Sherwood wanted to thank former Airport Manager Bob Grierson for his time and diligence, and wanted to convey appreciation on behalf of all of the Commissioners for all of the work he did for the Airport.

Commissioner Sherwood asked all in favor of cancelling next weeks meeting of May 31<sup>st</sup>. All commissioners in favor. Motion carried.

#### ADJOURNMENT

The Commission adjourned at 5:45 p.m. to the regular adjourned meeting of Tuesday, June 28, 2005, at 4:30 p.m. in Conference Room 1 of the Chico Municipal Center building located at 421 Main Street, Chico, California.

**ADJOURNED REGULAR AIRPORT COMMISSION MEETING - JUNE 28, 2005**  
**Minutes**

**ROLL CALL:** Present: Chair Sherwood, Commissioners Gustafson and Silva  
Absent: Commissioners Bellin (Chair Sherwood commented that Commissioner Bellin was excused from the meeting due to a scheduling conflict) and Moran  
Staff present: Assistant City Manager Greg Jones, EconDev/Housing Specialist Dave Burkland, Assistant City Attorney Alicia Rock, Senior Planner Claudia Stuart and Administrative Analyst Nancy Raimer

**APPROVAL OF MINUTES - MINUTES OF MAY 26, 2005**

A motion was made by Commissioner Silva to approve the minutes of May 26, 2005. The motion was seconded by Commissioner Gustafson. The motion carried unanimously.

**USE PERMIT - Use Permit 05-04 (North Valley Building Systems/Gaines) 1444 Fortress Street** Chair Sherwood read the permit request and location and then asked for staff comments. Senior Planner Claudia Stuart requested a few items be added to the record as follows:

The Airport Commission may issue a use permit for uses not included in Table 4-10 if the Airport Commission finds in addition to the required findings in Session 19.24.040 (Decision and findings):

- A. That the proposed use would not be incompatible with the other existing or allowable uses in the district;
- B. That the proposed use would enhance the economic vitality of the airport area and further its continuing development;
- C. That the proposed use would not create any adverse parking problems adjacent to the site of the proposed use;

Stuart read the complete Memorandum to the Commissioners. Chair Sherwood stopped her and asked for her to point out the location of the property at the Airport. Stuart indicated the location on the chart provided by the Planning Department. Chair Sherwood asked if there was a building to the east of the proposed building, and Stuart replied "YES." She then continued reading the staff Memorandum, and when finished asked if there were any questions from Commissioners. She also commented that the applicant for the proposed property was present at this meeting. Commissioner Gustafson asked if City staff had given permission to change easements in the past. Stuart replied that she is not aware that there were any in the past, but, stated that it is clearly something that can be accommodated. Chair Sherwood said that he believes the permit provides for appropriate use of the land, and is consistent with what the Airport Commission views as moving towards growth at the Airport. Chair Sherwood asked if there was anything to be added from the audience? There were no further comments from the commissioners or audience. Commissioner Gustafson made a motion to approve, and Commissioner Silva seconded. The motion carried unanimously.

## **REVIEW OF FINAL DRAFT OF MINIMUM STANDARDS FOR CONDUCTING AERONAUTICAL ACTIVITIES AT THE CHICO MUNICIPAL AIRPORT.**

It was noted that the correct date of the last Airport Commission meeting was May 26, 2005, not May 25<sup>th</sup>, and that the Agenda should be amended to reflect that. EconDev/Housing Specialist Burkland stated that a draft of what was recommended had been provided. There were no comments from the Commissioners or audience. Chair Sherwood asked if there was a motion to accept? Commissioner Silva made a motion to accept, and Commissioner Gustafson seconded it. The motion carried unanimously. Staff subsequently determined that the Commission has the authority to approve the Standards and City Council approval was not required.

## **MASTER LEASE REVIEW**

Assistant City Attorney Rock explained that she is developing a lease that would hopefully be both useable for staff and understandable for tenants. She stated that there were five areas that she wanted to discuss, which included the BOLDED items on her Draft. Two sections (descriptions and easements) would be to be put in an EXHIBIT, because they will be different depending on where they would be located at the Airport. RENT was the first area she wanted to discuss. Rock said that the City wants to incorporate language in the lease that would reference rental rates in the master fee schedule, where rental amount and CPI adjustment costs would be administered through Council. Assistant City Manager Jones said that staff was asked to work on a standard square footage rate, looking at outside market trends at other airports. Therefore, the fee schedule would establish the rent structure, and would mean that cost could not be negotiated, and would also insure that the fees are modified in a timely manner. Rock said the second area she looked at was INSURANCE. Rock said they would be talking with the City's Risk Manager in order to put certain language into the lease itself, including language regarding insurance for property hazards. IMPROVEMENTS were the third area Rock wanted to discuss. She wanted to confirm what the commission wanted included in this section regarding what triggers should be established in the lease, regarding the City's right to acquire the improvements. Chair Sherwood said that he thought this would be the biggest item of contention from the current owners, and asked if the City's position had changed at all regarding this because he didn't want to see that the City acquires the improvements. Rock explained that the problem is that when you are building on someone else's property, you have to determine what you will be doing with the improvements at a certain point. Chair Sherwood asked if we can deal with it in the future. Rock stated that the problem is that the rules are created by the FAA. The City must retain the right to remove the improvement. We need a clear understanding from you about this. Jones added that the City wants to make clear, and communicate up front to the lessees what reversion means, and, what will happen should that come up. The City's position has not changed, we own the land, we have restrictions from the FAA on lease terms, and we have concerns about improvements on City property. Chair Sherwood said that THAT is what is most important to tenants too - they don't want to be surprised, they want to know up front. Rock added that the people need to read their leases.

Commissioner Silva wanted to know if Commissioner Gustafson was on the contract committee, and asked if Commissioners Moran and Gustafson could meet with City staff to move this along. Commissioner Gustafson said that he would be willing to meet with City staff and that he agreed with Rock saying that the leases cannot be written any other way other than to just "Spell it Out". Rock said that she wants to sit down with the Commission and do this. Chair Sherwood

asked to give the Commission a list of what the City wants, and added that he would like to see Commissioner Moran involved because he is a lawyer, and that maybe we could discuss this again when he returns. Chair Sherwood said that it's clearly a work in progress, and asked if there were any further comments? Commissioner Silva said that this issue was not on the agenda, but, he believes that the EconDev Specialist shouldn't be the one to sign Airport documents, and that instead someone should be designated Airport Manager. Jones said that we can address that if the Commission feels that we need to change this item. Chair Sherwood agreed with Commissioner Silva, and said that the public would probably also appreciate that. Rock wanted to make sure that there is no public comment.

Jesse Smyth (Airport Maintenance Supervisor) wanted to make a comment. Smyth wanted to point out that the FAA is pretty specific about the rules at the Airport. Smyth stated that the City's basic agreement is with the FAA, so when we have to take that into consideration for all decisions made at the Airport.

### **AIRPORT MANAGER UPDATES**

Jones gave the Commission an update on the FAA's 139 inspection out at the Airport a couple of weeks ago. He stated that the FAA commented that they believed things were going well at our airport, and they were also very positive about the maintenance performed there. Jones stated that we should be receiving a written report including their comments. The FAA also evaluated the safety, the runway and lighting at the Airport, and Jones said that we are also expecting a report on those issues. Burkland added that the apron project which will begin in July sometime, should be concluded by the end of October, and that this is just the first phase of three. Chair Sherwood asked how this project was funded? Jones answered that 95% was funded by the FAA, and the other 5% was provided by the City. Chair Sherwood then asked if there was anything else from the staff and Jones replied "No."

### **ADJOURNMENT**

The meeting adjourned at 5:05 p.m., to the next Regular Airport Commission meeting scheduled for July 26, 2005 at 7:30pm in the Council Chambers, if there are enough items to discuss. This will be determined by Chair Sherwood, which all commissioners agreed with.

## Regular Adjourned Airport Commission Meeting September 27, 2005 Minutes

### **ROLL CALL:**

Commissioners Present: Chair Allen Sherwood  
Vice Chair Michael Moran  
Georgie Bellin  
Damon Gustafson

Commissioners Absent: Al Silva

City Staff Present: Assistant City Manager Greg Jones  
Assistant Community Services Director David Burkland  
Administrative Analyst Nancy Raimer

(Chair Sherwood requested to add discussion about possibility of an Air Show to the Agenda.)

### **APPROVAL OF MINUTES - MINUTES OF JUNE 28, 2005**

Commissioner Gustafson made a motion to accept the Minutes of June 28, 2005. Commissioner Bellin seconded the motion and it carried unanimously.

**UPDATE ON MASTER LEASE** - Dave Burkland said that following the June 28<sup>th</sup> meeting, the Contract Committee met with Assistant City Attorney Rock, and discussed various provisions that came up with the master lease process, including putting exhibits in the lease, reviewing the insurance requirements, and disposition of improvements. Burkland also noted that the City Attorney's Office is currently down one staff position, and that this is the reason that the master lease has not been completed. Chair Sherwood asked if there was any time frame for completion that the City could give. Assistant City Manager Greg Jones answered that the goal is to have it completed prior to the next scheduled Airport Commission meeting in October, but, the City would report back to the Commissioners on the progress of the Master Lease. Jones indicated that it may take until January to complete it. Chair Sherwood asked if there were any other comments. Commissioner Moran asked who was on the Contract Committee, and who met with the Attorney's Office. Commissioner Gustafson answered by saying that he showed up to the Committee meetings in Commissioner Moran's place while he was out of town, but that now that he had returned they would be happy to have him involved from now on. Commissioner Moran said that he would be happy to be involved.

**UPDATE ON AIR SERVICE DEVELOPMENT STUDY** - Burkland explained that the City has been working on the study since 1999. The City received a total of four proposals to conduct the study, and selected InterVistas Consulting from Vancouver. They are currently working on a passenger leakage survey. Chair Sherwood stated that the Commission would like to stay informed and to be involved in this process. Commissioner Gustafson asked if Butte Community Bank had been contacted because they do a lot of traveling. Dave Burkland checked the list and confirmed that Butte Community had been contacted by InterVista to complete a survey. Jones said that the City would provide the list of businesses surveyed and copies of the surveys to the Commissioners. Commissioner Moran suggested that the City utilize people from the University on any of these projects. Chair Sherwood asked if there was anything further and



there was not.

**GPS WAAS** - Commissioner Moran wanted to add discussion about the GPS WAAS system. Greg Jones reminded the Commission that this would need to be voted on prior to discussion. Commissioner Moran made a motion to add a discussion regarding an GPS WAAS system to today's agenda. Commissioner Bellin seconded and the motion passed unanimously. Chair Sherwood asked Commissioner Moran to update everyone on it. Commissioner Moran said that he heard that the City had turned down an offer to get a new GPS WAAS system for our Airport, and he wanted to know why. Commissioner Moran went on to say that GPS is the newest technology and that a third satellite will soon be put into affect.

Burkland explained that the City received a letter regarding GPS, and the City was told that Chico wasn't eligible. Greg Jones added that the first round of Airports that will get the system are Airports that don't have an instrument approach landing system in place already, but that we would check into it. Chair Sherwood agreed with Commissioner Moran and said that he wanted the City of Chico to make sure that our Airport was on the list to get it installed. Commissioner Moran made a motion to direct staff to do more research on the GPS WAAS approach and to make sure that Chico has an application on file for adding it to Chico Airport. Commissioner Gustafson seconded, and the motion carried unanimously.

**AIR SHOW** - Chair Sherwood said that he was approached by the Chico Air Museum about the possibility of having an air show. He wanted to know the City's position on this. Burkland said that staff had a meeting with the City's Risk Manager, and he said that Chico could provide insurance coverage for a static Air Show, but, if we had the Blue Angels, we would need to get an outside agency to provide the insurance. Chair Sherwood asked if we needed insurance for military fliers. Jones said that he was assuming that we would still need it. Commissioner Moran asked that if the insurance issue could be addressed, would the City want to have the Air Show? Jones said yes....but, that the City Council would have to determine how much the City would be involved, and that the Air Museum should also be looking into other funding options. Commissioner Moran mentioned that other cities such as Redding, Marysville and Grass Valley put on such events and that they have tremendous turnouts, and that he strongly supports such an event in Chico. Commissioner Bellin asked when the Air Museum was thinking of having the Air Show and Jones replied that he thought that they were looking at an early Fall event. Chair Sherwood asked if we could make sure some representatives would be at the next meeting, and, to put this item back on the agenda again. Chair Sherwood asked if there was anything else to add, and, there was not.

**STAFF UPDATES** - Burkland wanted to let the Commissioners know that the City is still working on the Market Feasibility study for the west side of the Airport. The consultant has completed the demand study to determine how much industrial/commercial land will be needed over the next 15 years. Burkland said that the consultant has been to Chico several times, and the report should be done in November and given to Commissioners then. Burkland also posted a map of the apron project at the airport and described the project to the Commissioners. Burkland said that the first Phase is scheduled to be completed sometime in November and that the next phase would start in 2007. Jones added that it is an AIP project and was funded primarily by the FAA, and we're also working on the Fire Station 3 renovation, and getting a new fire vehicle that are both very much needed. Burkland added that the City is including

improvements to “Row D” in the apron project, and, that should be complete by the end of the year. Commissioner Moran wanted to know if the improvements would be included on the new lease. Burkland replied that the cost of the improvements would be included in the new lease. In addition, the improvements will include installation of water, sewer and electrical utilities.

**BUSINESS FROM THE FLOOR** - Commissioner Moran wanted to confirm that the Minimum Standards were approved at the last meeting that he did not attend. He also wanted to know if the new Minimum Standards were in written form. Burkland answered that they were, and that copies were distributed to all of the tenants. Commissioner Moran also wanted to know about the Master Plan and if we needed to make it an Agenda item. Chair Sherwood concurred with Commissioner Moran to add the Master Plan as an Agenda item. Commissioner Moran said that until the Master Lease is completed, we should also keep it on the Agenda. Moran said that the goal of all of the Commissioners is to make the Airport a viable Airport. The Minimum Standard issue showed that the Commission cared, and completion of the Master Lease will also demonstrate the Commissioner’s concern. In response to Commissioner Moran’s question, Burkland said that staff will prepare a ground lease for proposed hangars on Row D when the final costs for the pad improvements are determined. Jones commented that staff wants to base all ground lease rates on square footage which will be included in the City’s fee schedule.

**ADJOURNMENT**: The meeting was adjourned at 5:15 to Tuesday October 25<sup>th</sup> at 7:30pm.

# Regular Airport Commission Meeting

## October 25, 2005

### **ROLL CALL:**

Commissioners Present: Allen Sherwood  
Michael Moran  
Georgie Bellin  
Damon Gustafson

Commissioners Absent: Al Silva

City Staff Present: Assistant Community Services Director Dave Burkland  
Administrative Analyst Nancy Raimer

### **APPROVAL OF MINUTES - MINUTES OF SEPTEMBER 27, 2005**

Chair Sherwood asked if we could approve the Minutes, Commissioner Gustafson motioned to accept. Commissioner Bellin seconded. Approved unanimously. Commissioner Moran made one clarification. The heading on page two of the Minutes, the title of the system should be changed to GPS WAAS, rather than ILS. Chair Sherwood also wanted to add that topic to tonight's Agenda. Burkland said that it would be discussed during the staff updates.

**MINUTE ORDER** - Recommendation that the City Council Authorize the City Manager to Execute 1) Agreement of Consent to Deed of Trust; and 2) Ground Lease Estoppel Certificate to Amended Lease Agreement (McCain Associates) - Chico Municipal Airport.

Chair Sherwood asked for discussion. Commissioner Moran said that he read both documents closely and that they were obviously prepared by the lender, with the best interest of the lender in mind. Commissioner Moran reviewed each document point by point with suggested revisions. Moran emphasized that he was not opposed to the request but he was suggesting revisions that are in the best interests of the Airport. Burkland explained that the City Attorney's Office had briefly reviewed the documents to determine if the City could agree to the terms but they had not reviewed them for final approval. Commissioner Moran offered to make himself available to work on it with City staff, but that he is not willing to recommend approval. Chair Sherwood asked the tenant - Karl Hall of Fortress Independence if he had any comments. Mr. Hall stated that he agreed with Commissioner Moran's comments. Commissioner Bellin suggested that the Commission could pass along the proposed revisions to the City Attorney and have that office create another one including the Commission's revisions. Commissioner Bellin suggested that City staff could contact the lender, and discuss the changes. Commissioner Moran made a motion to deny the recommendation as presented for the reasons articulated. Gustafson seconded the motion and, everyone it was accepted unanimously. Sherwood suggested that a special meeting be convened on this issue, if required.

**CHICO AIR SHOW** - Burkland said that there has been quite a bit of interest in the possibility of having an Air Show. Chair Sherwood asked Jim Goodwin, Director of the Chamber of Commerce to come to the microphone and explain his plan for this event. Mr. Goodwin explained that the Chamber had sponsored a Chico Expo in the past which did not work, and that the Chamber has been seeking out a new event to sponsor for the Fall. The topic of an Air Show

came up, and, created a lot of interest. Mr. Goodwin said that it would be a great way to bring interest to the Airport. He explained that he's already talked to their insurance agent, and that they have set up a meeting with Bill Meiers (another insurance agent) to discuss the possibility of an Air Show and answer more questions about the insurance required for one. Mr. Goodwin also explained that he is envisioning a community event that people would want to attend with food, entertainment, air show displays, activities in the air, etc. He mentioned that this would be consistent with their mission to promote awareness of community/Airport services. Chair Sherwood asked if there was any problems with having corporate sponsorship of an Air show. Burkland said that he would discuss sponsorship with the City Attorney's Office and report back at the next meeting. Mr. Goodwin said the Chamber always looks for sponsors for events. Chair Sherwood discussed how this worked in San Francisco, by the Mayor asking for the Blue Angels, and how it build a life of it's own. Chair Sherwood also said that he thought that it has great potential, and, we have the right mix here in the community. Commissioner Bellin said that it's all about planning for the future, and, looking at the calendars to see where it can fit. Mr. Goodwin recommended that staff approach the Council for seed money, with the Commission's recommendation, and that he would like to put this item on the Agenda for the November 15 meeting. Burkland said that this particular meeting had been changed to November 10. Chair Moran asked to clarify about the word Air Show, which would limit people's idea of what this event would be and said that he preferred "Air Fair." Cris Rock from the audience suggested that staff contact the City of Auburn, who just had an Air Show/Car show. Commissioner Moran added that other cities have had these types of events also and moved that the Commission recommend City Council support of an Air Show/Air Fair.....Commissioner Bellin seconded and all approved.

**AIRPORT MASTER PLAN UPDATE** - Burkland said that the Master Plan was submitted to the FAA in 2004 and they have subsequently approved the apron and Fire Station 3 projects. The FAA has not accepted the Master Plan to date. Staff met with the FAA in July to discuss the requirements for acceptance of the Plan and to determine when the FAA would accept it. Burkland assured the Commission that the City is pursuing this matter. Burkland stated that the Plan includes \$31 million in projects which are proposed during the term of the plan. The FAA will only certify the environmental clearance for projects that will be completed within a five year period. Burkland said that we will keep this on the Agenda as the Commission has asked.

**UPDATE ON MASTER LEASE** - Burkland reported that the Master Lease elements are in place, however, the City Attorney's Office has been short staffed and have not completed the draft lease. He also explained that he met with the City Attorney today and was informed that the update of the Master Lease is "rising in priority". Commissioner Moran suggested that staff be aware that the City Attorney's office should involve the Contract Committee before it is brought to the Commission for the first time.

**STAFF UPDATES** - 1) Burkland announced that the owners of Northgate Aviation (Siggi Arnarson and Cris Rock) were in the audience tonight, and stated that Staff is working with them to get a lease in place and discussing some of the issues that they have with the facilities. Commissioner Moran asked why it wouldn't it be an assumption? Burkland replied that the current lease is from 1988 which has been assigned and amended multiple times and it would be prudent to develop a new lease. Moran suggested that the City should think about using this as a

means to write a new FBO lease.

2) Burkland explained that there was an electrical failure on the ramp at the Airport last night and that it was caused by a generator that went out. Staff and Chico Electric have been working on it all day, and the City is looking at into replacing the generator.

3) Burkland advised that staff and Commissioners discussed generating a newsletter, and that he has had an intern from Chico State University working on one. Burkland passed out a DRAFT of the newsletter. Chair Sherwood asked what the distribution was on it. Burkland said that this was just a DRAFT, but that it would probably be distributed to Council, Airport tenants, etc. Chair Sherwood suggested that staff put a stack of them out at the Airport. Burkland requested paragraphs or contributions from the Commissioners for the next quarterly newsletter.

4) GPS WAAS - Burkland reported that he has spoken with Reinard Brandley (City consultant) about the letter that the City received about our eligibility for this. Mr. Brandley is looking into how to get this system for Chico, and, how to get FAA to pay for it. Burkland said that he would keep the Commissioners updated on this issue.

Commissioner Moran said that developing the west side of the Airport has been discussed over the past 3 months, and, he thinks it would be a real asset to the City of Chico.

**ITEMS ADDED AFTER POSTING OF THE AGENDA** - None

**BUSINESS FROM THE FLOOR** - Siggie Arnarson and Cris Rock (owners of Northgate Aviation, previously Chico Aviation) informed the Commission that they took over the FBO last Tuesday. They have already shifted to Chevron for fuel. Commissioner Bellin asked if they are keeping the same name, and Arnarson replied that they are not, and, are changing it to Northgate Aviation. He also invited everyone to come to the Airport and visit their new office.

Dan Jay (audience) added that he has seen more positive things happen in the last seven days, than he's seen in the last seven years, and, that he will be working with the new owners of Northgate Aviation as much as he can. They've already changed a lot of things. Bob Hennigan (audience) mentioned that his purpose there tonight was the topic of the GPS WAAS system being installed at Chico Airport. He thinks that the City might be interested in that because of the quieter approach it would provide. Chair Sherwood requested that Staff write to Congressman Herger, and, asked Mr. Hennigan to provide Burkland with the technical info to send to him. Commissioner Moran asked Mr. Hennigan to explain the process to get GPS WAAS into our Airport and if it involves installing hardware. Commissioner Bellin asked how much it would cost. Mr. Hennigan did not know the cost of the system.

**ADJOURNMENT** - Commissioner Bellin moved to end the meeting. Gustafson seconded. The meeting was adjourned at 8:30 p.m to the next scheduled Regular Adjourned Airport Commission meeting of November 29, 2005 at 4:30 p.m.

# Regular Adjourned Airport Commission Meeting

## November 29, 2005

### ROLL CALL:

Commissioners Present:     Allen Sherwood         Georgie Bellin  
                                  Damon Gustafson     Al Silva  
                                  Michael Moran

City Staff Present:         Assistant Community Services Director Dave Burkland  
                                  Administrative Analyst Nancy Raimer

**APPROVAL OF MINUTES - Minutes of October 25, 2005** - Chair Sherwood moved to approve the Minutes of October 25, 2005, and, Commissioners Silva seconded the motion. All Commissioners approved.

**MINUTE ORDER** - Recommendation that the City Council authorize the City Manager to execute 1) Agreement of Consent to Deed of Trust; 2) Ground Lease Estoppel Certificate to amended lease agreement (McCain Associates) - Chico Municipal Airport. Assistant Community Services Director Burkland gave a brief overview to the Commission. In response to the Commissioner's concerns, Burkland had spoken to the lender and communicated the Commission's concerns. The Commission was provided the revised documents, including all changes. If approved, the request would go to the City Council on December 6, 2005. There was no discussion or comments. Chair Sherwood asked for a recommendation. Bellin moved approval and Silva seconded. The Minute Order was unanimously approved.

**CHICO AIR SHOW** - Chair Sherwood said that the City Council provided a strong boost for the Air Show. Burkland said that Jim Goodwin (Chamber of Commerce) will be planning a scoping meeting, and stated that if anyone was interested in being involved to email him at jim@chico chamber.com. Burkland said that he is focusing on a meeting on December 9 or 16, 2005. Chair Sherwood asked for any other ideas. Bellin hopes that even though it is focused on the Airport, we should also focus on the tenants and businesses currently at the Airport. Burkland reported that staff has already sent out a copy of the newly created Airport Newsletter and that we are planning on sending out a second one in February, and, continuing. Bellin asked what distribution list was used for this. Burkland responded that the City used the Business License Database. Sherwood noticed that some of the billboards at the Airport are still empty and that these would be good to use to promote the Air show. He also suggested to put a stack of the Airport Newsletters in the terminal for people taking flights.

**AIRPORT MASTER PLAN UPDATE** - Since the last meeting, Burkland said that he and Assistant City Manager Greg Jones have been talking with the FAA, and, there seems to be a lot of confusion regarding the approval of the Master Plan. There is another meeting scheduled with them on Dec 13, 2005 to get a schedule. Burkland showed the Commission the Airport Layout Plan containing the future plans that staff submitted to the FAA for approval. Chair Sherwood asked if environmental issues were causing the confusion. Burkland answered that it was partially environmental issues and partially concerns about the proposed runway extension.

Staff is hoping to accomplish a lot at this upcoming meeting with the FAA. Silva asked if we still have a consultant and Burkland replied that Reinard Brandley is still our consultant. Burkland also stated that he would continue to keep this item on the agenda.

**UPDATE ON MASTER LEASE** - Burkland stated that there is nothing new to report in this area.

**UPDATE ON AIR SERVICE DEVELOPMENT STUDY** - Burkland said that Intervistas, Inc. is the City's consultant for this study and that they are currently finalizing the market research survey. Burkland then passed out a spreadsheet to the Commissioners regarding some of the key findings of their report. He explained that this is just the first part, and, from this data, Intervistas will develop the Air Service Development strategy. Burkland said that the consultant is planning to set up a meeting with Alaska/ Horizon Airlines to discuss the possibility of a Chico-LAX route. Moran asked when and where will the meeting with Alaskan will be. Burkland said that he didn't know yet, but, it would probably be in Seattle. Burkland said that he is waiting for Intervistas to set up that meeting. Gustafson asked what will get them to want to fly into Chico. Burkland said that he would be discussing the catchment data from the report. Moran said that the most accurate info to gather from would be where people are traveling from Chico. Moran asked if Horizon serves Redding. Burkland answered that they do, and that the flight originates from Arcata. Gustafson asked if the Airport has a link from the City Website, and, if our flights are listed there? He suggested posting our newsletter, and Air show info on the Chico Website. Nothing else was discussed.

**STAFF UPDATES** - Burkland said that staff is continuing to work on the feasibility study for developing the West Side of the Airport. The study should be ready at the beginning of the year, but it needs to be reviewed by staff before it goes to the Council. Burkland told the Commission that the Deputy Assistant Director of the Department of Commerce was visiting Chico and that City representatives were going to meet with him on November 30 to discuss the City's plan to apply for federal funds to build the infrastructure in order to expand on the West Side of the Airport. Commissioner Moran asked what the plan was for the West Side. Burkland answered that there are about 210 acres, of which about 140 acres are useable for commercial/industrial development. Forty acres are reserved for aviation use.

**GPS WAAS SYSTEM** - Burkland explained that he had discussion with Bob Hennigan regarding the GPS WAAS System and that he was educated on how much quieter and safer instrument approaches would be using this system. He also said that he had called the FAA and asked them if Chico was eligible for funding to install the GPS WAAS system. The FAA told him that the systems are not eligible for FAA funding because all aircraft did not have the system. If we pursue this it would not be through FAA funds. Bellin requested information on the cost of the system and how other communities funded it.

Burkland brought up an additional item about the next Airport Commission meeting scheduled for Dec 27, 2005, regarding a pending permit for Stott Advertising. Sherwood asked if it could hold until the January meeting. Burkland said that nothing had been prepared as of yet. Sherwood said that if it's time critical, we can move it forward, but, if not, we can hold this item until January. Bellin asked if the building is being built, or if they are planning to build it.

Burkland replied that he thought that it was being built, and that he didn't have anything further.

**ITEMS ADDED AFTER POSTING OF THE AGENDA** - Commissioner Bellin asked about Aero Union possibly getting into Air service. Burkland said that this is still on the table and that before we went out to Seattle or to another outside agency that we would approach them first.

**BUSINESS FROM THE FLOOR** - Mr. Chris Rock (Norhtgate Aviation) wanted to let the Commission know that he had contacted the Pilot's Association, and that they had sent a 30 page list of vendors used for previous Air shows. That list was given to City Staff and the Commission.

**ADJOURNMENT** - The meeting was adjourned at 5:15 p.m., to the next scheduled Regular Adjourned Airport Commission meeting of January 31, 2005 at 4:30pm. The next scheduled meeting for December 27, was possibly cancelled due to lack of quorum and lack of items to discuss, provided that the permit issue can hold until the January Meeting.



## Special Airport Commission Meeting December 20, 2005 Minutes

### **ROLL CALL:**

Commissioners Present: Chair Allen Sherwood  
Vice Chair Michael Moran  
Georgie Bellin  
Al Silva

Commissioners Absent: Damon Gustafson

City Staff Present: Assistant Community Services Director David Burkland  
Assistant Planner Greg Redeker  
Office Assistant Elisa Martin

### **APPROVAL OF MINUTES - MINUTES OF NOVEMBER 29, 2005**

Commissioner Moran made a motion to accept the Minutes of November 29, 2005.  
Commissioner Silva seconded the motion and it carried unanimously.

**USE PERMIT 05-75 (SLATER/STOTT) 210 BOEING AVENUE** - Assistant Planner Greg Redeker provided Commission with a brief staff report outlining the project details. Redeker stated that this is a request for an outdoor advertising business on the corner of Fortress and Boeing. The property is designated manufacturing and warehousing in the General Plan located in the Airport Manufacturing Zoning District. Title 19 requires a use permit for business support services and this is one of the sub-types of Business Support Services in the AM Zoning District. The property is currently vacant. The most significant site features is a grade differential between this site and the surrounding streets. It is about two feet higher than the street on the west end, four feet higher on the east end, and is surrounded by a mix of manufacturing and service uses including Aero Union offices and a flight line to the west. It is located in the B2 capability Zone of the Butte County Airport Land Use Capability Plan. Chico staff talked to Butte County staff and determined that a formal review by the Airport Land Use Commission was not necessary, however, they did recommend three conditions of approval including air space review, noise attenuation, and recordation of a deed notice. Redeker also noted that the Eastern third of the site is supposed to remain undeveloped and will need to be hydro seeded according to Title 19 and watered until ground cover is grown. A boundary line modification was recently approved which is going to shift the property line of the eastern line of this approximately 30 feet to the west. Redeker did not think this would have any discernable affect on this project. The project complies with a number of General Plan policies including; encouraging infill, strengthening the City's economic base, and ensuing on capable uses located in the City's industrial areas. Staff believes this is an appropriate use. The proposed site design complies with the CSSI manual, as you can see on the Attachment B which is the site plan, the building has been pulled to the street, the parking is located to the side and the rear, it has good pedestrian connectivity, a well screened outdoor area, and proposed parking of 27 spaces. We are requesting that the Commission look at the width of the eastern driveway, they proposed 28 feet the minimum is 24 feet, they need 28 for the vehicles. It is fine to keep it 28, but if it can be narrowed a little bit lets take a look at that. Bicycle parking is good in the proposed location we are recommending that it be shaded if feasible. Landscaping is good, including adequate

landscape areas to meet the 50% parking lot shading. There is one item that did not make it into the conditions of approval, and that is increasing the width of the landscape area adjacent to the north side of the enclosed yard to a minimum width of six feet. That way we can get some room to plant some shade trees in there. There are two different designs of fencing, one is an architectural wall on Boeing area frontage and chain link with slats on the remainder. We are recommending that it be vinyl coated chain link and that the slats be a color that is complimentary to the building. We are also recommending that the architectural wall be wrapped around the corners a little bit so that when you are approaching from an oblique angle it is not just chain link that you are looking at. The last item is the height of that wall, we want to make sure that the equipment and materials are screened, the left may be adequate given the grade differential, however, if they are going to have taller materials staff has no objection to a fence or wall up to eight feet. Recommend approval, including Condition No. 11 regarding the width of the landscape planter.

Commissioner Bellin was concerned with the fencing and the screening because Stott does a lot of outside storage of signs and billboards which could be up to 12 feet. She suggested hedging that can grow to a height of 14 feet that could camouflage anything stored behind it. Jim Moore of Stott Outdoor Advertising said at their current location they have a chain link fence that comes with a slated material and it is difficult, if not impossible, to see anything inside the yard. Typically things are on the ground waiting for assembly. Assembly is usually done out in the field, not in the yard. They, however, definitely plan to landscape to soften the edges as well as prevent people from being able to see things of value in the yard. Matt Gallaway, Architect at RGA Associates, explained the intent behind both the block wall and the vinyl chain link fence is for initial problems in visibility. Along the Boeing side they are providing a 20 foot landscape buffer where they are going to have ample opportunity to do planting, however, initially those plants are not mature, until those plants reach maturity this will provide an attractive fencing.

Regarding parking, Redeker stated that right now the right of way will be sufficient for on street parking on both frontages, the walkway coming straight out from the front door should encourage utilization of that on street parking. There will be two ADA accessible stalls. Commissioner Moran said that it is a beautiful project, and thinks the beauty of the project is somewhat diminished by the distance people are going to have to move from parked cars to enter the building where a more traditional layout with parking more oriented to where you enter the building. He said that this is one more example of putting a building as close as possible to the street and that someday may come back to show us it was not the wisest thing as we have experienced with numerous intersections in Chico. For instance, to require a handicap individual to go the distance that they would have to go here to enter this building simply indicates that there may be some instances where parking more close to entry of the building might be more appropriate. Gallaway responded that he approached a layout that was very consistent with the General Plan.

Commissioner Bellin made a motion to approve and Commissioner Moran seconded the motion.

Gallaway requested to keep the roadway at the width of 28 feet as requested to accommodate large vehicles. Redeker explained that there are General Plan policies that discuss trying to limit the amount of paved surface but 28 feet should be fine. Also, the request at submittal to have a

walkway to Boeing Avenue from the storage yard be removed because they have a pretty serious grade problem, it is a security issue, and they don't feel that it would be utilized. Redeker provided Gallaway clarification on the noise attenuation requirement.

Chair Allen Sherwood wrapped up the item noting that it has been moved and seconded that the Airport Commission find the project categorically exempt from Environmental Review and approve Use Permit 05-75 based on the findings and subject to the conditions of approval contained in the agenda report, including condition 11. Motion carried unanimously.

**STAFF UPDATES** - Assistant Community Services Director Dave Burkland reported that he and Assistant Community Services Director Clif Sellers and Assistant City Manager Greg Jones met with the Federal Aviation Administration (FAA) regarding the Master Plan on December 13, 2005, the airport layout plan was accepted by the FAA. He said that the F.A.A. is working on the environmental. The FAA asked for a special separate project description for the West Side Project, then will pursue all of the other environmental approvals as they are required. Burkland and Jones also met with Alaska/Horizon in Seattle. Alaska/Horizon is purchasing some new aircraft and may be looking at a Chico/L.A. route. Burkland noted that they are only interested in the major hops, and that this would be at least 1 ½ years from now. Per the request of Commissioner Silva there will be a status report on Reinard Brandley and the Master Plan at future Airport Commission meetings.

**AIR SHOW** - Chair Sherwood shared with the Commission details from the meeting on the air show. He says they are off to a good start with new ideas. They will be meeting again in early January. He also met with a group here in Chico that plays Forties and Swing music and have already performed two concerts out at the airport. They have agreed to perform at the air show and at an evening dance following the afternoon events. Moran noted that mid-October is a pretty risky time, weather-wise for this event. Sherwood explained that we were pretty much locked into the dates that Jim Goodwin came up with so the air show would not conflict with the many other events on the calendar in Chico. He would have preferred to see it happen when the B-17 and B-24 would be here, but that would not work due to them coming in mid-week in the middle of summer.

**BUSINESS FROM THE FLOOR** - The seller of the property at 210 Boeing, Jeff Day, requested something in writing showing that this item was approved today. Redeker took his information and will send him a copy of the approval letter.

**ADJOURNMENT**: The meeting was adjourned at 5:00 p.m. to the next Regular Airport Commission meeting set for Tuesday January 31, 2006 at 7:30pm in the Council Chambers.