



Airport Advisory Board

Regular Meeting

August 15, 2018, 7:30 AM

LOCATION CHANGE:

**Auburn City Hall, 25 West Main Street
Council Chambers**

AGENDA

A. CALL THE MEETING TO ORDER/ROLL CALL

- B. PUBLIC COMMENT:** Members of the public may make comments at this time on any items not appearing on the agenda that are of interest to the public and are within the jurisdiction of the Board. Comments relating to items on today's agenda are to be taken at the time the item is heard. The Board Chair determines time allotted to each speaker.

C. APPROVAL OF MINUTES:

1. JUNE 20, 2018 REGULAR MEETING

D. PRESENTATIONS:

1. LONG TERM RATE MODEL (FCS GROUP) – (15 Min)
2. MARKETING PROGRAM (EC. DEV STAFF) – (20 Min)

- E. BOARD ACTION ITEMS:** Please note that Board action items are recommendations only to the City Council pursuant to the Board's adopted role as an advisory only body to the City Council.

1. NONE

- F. BOARD DISCUSSION ITEMS:** Please note that no action will be taken on Board discussion items.

1. GPS NIGHT APPROACH RESTRICTIONS UPDATE (10 Min)
2. 2018 WORK PLAN REVIEW OF ACTIVE ITEMS
 - A. AIRPORT MANAGEMENT UPDATE (5 Min)
 - B. RUNWAY ENHANCEMENT PROJECT UPDATE (20 Min)
 - C. JET A FUEL PROGRAM STATUS UPDATE (5 Min)
 - D. ANNUAL TENANT SURVEY (5 Min)
3. AIRPORT ADVISORY BOARD – TRACKING MATRIX (GENERAL BUSINESS) AND 2018 ONLY STRATEGIC BUSINESS PLAN PRIORITY ACTIONS MATRIX (10 Min)

G. BOARD GUIDANCE AND INFORMATION ITEMS:

1. AIRPORT MANAGER'S REPORT (5 Min)

- H. **SCHEDULE FOR UPCOMING MEETINGS:** Scheduled meetings of the Auburn Advisory Board are as follows*:

2018 Meeting Schedule:

October 17, 2018

December 19, 2018

Unless otherwise noted and advertised, all meetings will start at 7:30 a.m. and will take place at the Auburn Airport Office Conference Room 1 located at 2143 E St. NE, Auburn, WA 98002.

*Please note that subject to advanced public noticing the Board may elect to schedule additional special meetings beyond the meeting dates specified above.

- I. **ADJOURNMENT OF MEETING**

AUBURN AIRPORT ADVISORY BOARD

MEETING MINUTES

MEETING DATE: June 20, 2018
MEETING TIME: 7:30 A.M.
MEETING LOCATION: Auburn Municipal Airport, 2143 E ST NE Suite #1
Auburn WA 98001

Meeting Attendance Record:

Board Members:
John Theisen, Chairperson
Danielle Butsick, Board Member
Wayne Osborne, Board Member
Sean Morrow, Board Member
City Staff:
Ingrid Gaub, Assistant Director of Engineering Services/City Engineer
Airport Management:
Jamelle Garcia, Aviation Management Group, LLC
Guillermo Arevalo, Aviation Management Group, LLC
Tanya Rottkamp, Aviation Management Group, LLC
John Hisey, Aviation Management Group, LLC
Members of the Public:
Doug Miller (Tenant/Spaflight)
Justin Boyd (Tenant/Spaflight)
Rock Snodgrass (Tenant/AHOA)
Ray Van Cleave (Tenant)
Cal Hunziker (AOPA/ASN)
Todd Chase (FCS Group)

AUBURN AIRPORT ADVISORY BOARD

MEETING MINUTES

A. CALL THE MEETING TO ORDER:

Chairperson Theisen called the meeting to order and welcomed attendees and guests. Chairperson Theisen noted that Board Member Mark Korneli and Deanna Clark were both excused absences.

PUBLIC COMMENTS: NONE

D. PRESENTATIONS:

E. BOARD ACTION ITEMS: NONE

F. BOARD DISCUSSION ITEMS:

1. John Theisen introduced the New Board Members; Danielle Butsick, Wayne Osborne, and Sean Morrow. Each new member gave us a little background about themselves.
2. Ms. Gaub suggested that we move our AAB Meetings to City of Auburn Utility Building. The City will have enough room to accommodate all Members.
3. Ms. Gaub discussed the status of Airport Management. Ms. Gaub advised the City is waiting on approval from the Mayor along with the approval of the budget if taken into City operations. This will be discussed at August 13, 2018 Council Study Session.
4. Ms. Gaub advised, staff has proposed to revise the 2018 budget to address some additional work at the Airport that needs to be completed.
5. Ms. Gaub advised that the City continues working with the FAA and their consultant Century West for Runway Enhancement Project.
6. Ms. Gaub explained the Jet A Fuel will be a private partnership and staff are working on Operating Agreement. License Agreement with Cascade is complete.
7. Ms. Gaub discussed the Competitive Market Assessment & Long-Term Rate Study will be completed by September and October we will have final paperwork.
8. The Draft Capital Facilities Plan was reviewed. The Plan indicates in yearly order which projects are due for completion between 2019-2024. The Plan also shows the cost of each project.
9. Ms. Gaub reviewed the Airport tracking matrix.

AUBURN AIRPORT ADVISORY BOARD

MEETING MINUTES

G. BOARD GUIDANCE AND INFORMATION ITEMS:

1. **AIRPORT MANAGER'S REPORT:** Mr. Garcia presented the report which included airport revenues with month-to-month and year-to-year comparisons. Additionally, the occupancy report and current fuel operations were reviewed and discussed.

H. SCHEDULE FOR UPCOMING MEETINGS:

August 15, 2018
October 17, 2018
December 19, 2018.

I. ADJOURNMENT OF MEETING:

There being no other business the Board Chairperson adjourned the meeting at 9:00 a.m.

Prepared by:

Aviation Management Group, LLC on behalf of the City of Auburn

Airport Management Transition	2018												2019											
	August				September				October				November				December				January			
Airport Board Chair Discussion with Council	■																							
City Council Budget Workshop to consider Decision	■																							
City Council Budget Decision Final																	■							
Airport Manager Anticipated hiring									■	■	■	■												
Additional Airport Staff (2 FTE's) Anticipated hiring																	■	■	■	■				
Transition Agreement with AMG													■	■	■	■	■	■	■	■	■	■	■	■
AMG's Management Contract Expires																				■				
Airport Staff in place at Airport																					■			

AIRPORT ADVISORY BOARD – TRACKING MATRIX

LEAD	PROJECT DESCRIPTION	CURRENT STATUS	WHAT'S NEXT	START DATE	EST. COMPL. DATE	EST. COST
GENERAL AIRPORT BUSINESS:						
City	Strategic Business Plan	Board reviewed and discussed 2018 only priority matrix action items at each Board Meeting in 2018.	Board to continue to review and discuss 2018 only action items.	On-going	On-going	Action costs will be identified for each action at time of Board effort
City	Airport Enterprise Fund	City Council passed 2017-2018 Biennial Budget and 2018-2023 Capital Improvement Program	Finance Director Coleman provided City Council an update on the 1 st Quarter 2018 Financials in July 2018; staff provided a copy of this report to the Board on August 10, 2018.	On-going	On-going	N/A
City/CW	Runway Enhancement Project – Design	Runway Length Justification Discussion with FAA continues; however, there are delays due to a disagreement between the City and FAA on the Runway Length.	FAA ADO has requested additional evaluation of the proposed runway length. The City continues working with FAA and our designer, Century West; however, additional steps have been and are being taken to elevate this issue. WSDOT Grant for Design in the award process.	06/2017	10/2018	\$333,333 (90/10)
City	Runway Enhancement Project – Property Acquisition	Appraisal is complete and Appraisal Review is underway for a portion of the Park and Ride area for the future Runway Safety Area.	After appraisal and appraisal review are complete in August 2018; the City will work with FAA to get approval to make an offer for fair market value. Applying for FAA grant funds. WSDOT Grant request was unsuccessful.	01/2018	12/2018	\$500,000 (90/5/5)
City/CW	Runway Enhancement Project – Construction	Scheduled to begin this phase in 2019 following the completion of the Design Phase.	Design phase approval and applying for and obligating State and Federal Grant funding in 2019.	10/2018	10/2019	\$1,833,333 (90/5/5)
City	On-going Business Development	Continue to pursue right-of-first refusals on ALP identified acquisition parcels	Work with Economic Development staff on targeted marketing efforts.	On-going	On-going	TBD
City	Night Restrictions	Discussion with FAA is on-going on the steps necessary to remove the Instrument Approach Night Restrictions. FAA has identified several obstructions that must be addressed prior to the restrictions being removed.	Work with property owners to remove trees and light obstructions that are penetrating the surface per the AGIS study and provide documentation to FAA.	August 2018	December 2018	TBD

AIRPORT ADVISORY BOARD – TRACKING MATRIX

STRATEGIC BUSINESS PLAN – 2018 ONLY ACTION ITEMS							
AAB Priority Ranking	KRA Reference ¹	Goal #	Key Result Area/Goals (Not in Priority Order)	Lead	Narrative Description	Start Date ²	Completion Date
1	1	5	Develop and implement a Jet-A-Fuel temporary pilot program	Comm. Dev. & Public Works Director/City Engineer	Based on interest from the Board and other interested parties, the currently adopted Capital Facilities Plan had proposed the permanent installation of Jet-A-Fuel fuel service. However, because of 1) uncertain market need and response to warrant investment; and 2) higher than anticipated costs, permanent installation cannot be achieved in the near-term. On September 11, 2017 City Council concurred with the Private Partnership Option. License Agreement with Cascade is complete. Purchase of a Truck is included in the proposed budget for 2020.	1 st quarter 2017	Temporary - 1 st quarter 2018 (Cascade License is complete 3/2018) Permanent – 2020
1	2	6	Annual Board Work Plan	Airport Advisory Board	Prepare for each calendar year a focused work plan for the Board to utilize in agenda setting, coordination with City staff and development of policy and fiduciary recommendations to City Council	Annually	Annually 12/20/2017
1 – Should be part of market study effort	2	3	Long-Term Rate Study	Airport Management	Rates charged to tenants and users of the airport are the primary funding source for the airport, excluding grants for capital development. To assure that the Airport Enterprise Fund remains self-sustaining into the future, current and future rate structures must be evaluated balancing market competitiveness with short-term and long-term airport operation needs. Contract executed and work has begun.	2 nd quarter 2017	4 th quarter 2018
1	3	1	Competitive Market Assessment Study	Comm. Dev. & Public Works Director	Engage with a qualified professional with experience in airport market analysis to assess the Airport's current and future sub-regional and regional market positions and identify strategies for maintaining and enhancing these positions. Contract executed and work has begun.	2 nd quarter 2017	4 th quarter 2018
1	3	2	Recommendations - City's 10-Year Economic Development Strategic Plan	Comm. Dev. & Public Works Director	Working with the Board and City Administration, evaluate and implement recommendations of the City's 10-Year Economic Development Strategic Plan.	On-going	On-going
1	3	6	Airport Growth Areas ⁶	Comm. Dev. & Public Works Director /City Real Estate Analyst/	Pursue opportunities for physical growth of the Airport consistent with the approved Airport Master Plan including but not limited to acquisition of first rights of refusal on potential future acquisition properties ³ .	Ongoing	Ongoing

¹ KRA 1 = Airport Capital Improvement Program; KRA-2 = Airport Operations; KRA-3 = Economic Development

² Please note that actions that start in 2017 and extend into 2018 are listed.

³ Please note that the timeframes shown for this Goal are aspirational. The ability to achieve them in the timeframes stated are influenced by market factors beyond the City's direct control. As such, this Goal may not be achieved in the specified timeframe, however, the City will pursue all reasonable and appropriate actions to do so.

AIRPORT ADVISORY BOARD – TRACKING MATRIX

STRATEGIC BUSINESS PLAN – 2018 ONLY ACTION ITEMS							
AAB Priority Ranking	KRA Reference ⁴	Goal #	Key Result Area/Goals (Not in Priority Order)	Lead	Narrative Description	Start Date ⁵	Completion Date
1	3	5	Current Development Sites Marketing ⁵	Comm. Dev. & Public Works Director /City Real Estate Analyst/Airport Management	Market and lease the two on-airport development sites approved in the approved Airport Master Plan to prospective tenants and developers ⁶	Ongoing	Ongoing
2	2	2	Annual Tenant Survey	Airport Management	Prepare, transmit and analyze with the Board an annual tenant survey. The questions will be developed in consultation with the Board and tenant feedback will be shared with the Board for potential immediate action, if appropriate or incorporation into the Strategic Business Plan	Annually	Annually July 19, 2017 Aug 15, 2018
2	2	8	Long-Term Airport Management Strategy	Comm. Dev. & Public Works Director	Evaluate with Board, City Council, City Administration and appropriate stakeholders a long-term airport management strategy See Schedule.	1 st quarter 2017	2 nd quarter 2018
2	2	9	Airport Marketing Plan	Comm. Dev. & Public Works Director	Prepare a comprehensive marketing plan that will act as a communication and implementation tool that can be used to achieve the goals established for the Airport. The Plan will utilize the Five Ps (Product, Price, Placement, Promotion, and People) that focus on the points of view of the Airport's target audiences.	3 rd quarter 2017	2 nd quarter 2018
2	3	3	Airport Zoning Regulations Update	Comm. Dev. & Public Works Director	Coordinate with City's Community Development Service Area to assess and potentially implement new zoning regulations amendments to current City of Auburn zoning standards for the Airport and surrounding properties to address operational needs or requirements and support current and future economic development efforts.	1 st quarter 2018	1 st quarter 2019
3	1	6	Wildlife Hazard Management Plan Implementation	Comm. Dev. & Public Works Director /City Engineer	Per the 2015 Wildlife Hazard Management Plan, obtain a scope of work and budget, modify Capital Facilities Plan, obtain required permits and approvals and conduct recommended tree removal activities. Century West is currently reviewing the Plan and will prepare a technical memorandum to City staff recommending key next steps.	2 nd quarter 2017	4 th quarter 2018

⁴ KRA 1 = Airport Capital Improvement Program; KRA-2 = Airport Operations; KRA-3 = Economic Development

⁵ Please note that actions that start in 2017 and extend into 2018 are listed.

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AIRPORT ADVISORY BOARD – TRACKING MATRIX

STRATEGIC BUSINESS PLAN – 2018 ONLY ACTION ITEMS							
AAB Priority Ranking	KRA Reference	Goal #	Key Result Area/Goals (Not in Priority Order)	Lead	Narrative Description	Start Date	Completion Date
3	2	5	Board Composition Review	Airport Advisory Board	Conduct a review of the current composition and focuses of the Airport Advisory Board to determine potential for recommended code changes. Areas of interest could include but are not limited to current number of authorized board members and specific Board focuses	Annually	Annually 12/20/2017
Purposely left blank – being done or to be done	1	1	Annual Capital Improvement Program Review	Airport Advisory Board	The City is required by the Federal Aviation Administration (FAA) and the Washington State Department of Transportation-Aviation Division (WSDOT-Aviation) to annually submit an updated Capital Improvement Program (CIP). The CIP forms the basis for potential state and federal funding for airport capital improvements. In coordination with City staff, the Board will annually review and advise on the required update to the Capital Improvement Program required prior to its submittal. Reviewed with the Board at its 09/20/17 regular meeting.	Annually	Annually 9/20/2017
Purposely left blank – being done or to be done	1	2	Airport Six-Year Capital Facilities Plan and 2019-2020 Budget	Comm. Dev. & Public Works Director /City Engineer	The City will be updating the Six-Year Capital Facilities Plan for the Airport as part of the 2019-2020 budget process and develop the proposed budget for the Airport for 2019-2020	Bi-Annually	3 rd quarter 2018
Purposely left blank – being done or to be done	2	18	Unmanned Aerial Vehicle (UAV) Training Area	Innovation & Technology Department/ Airport Management	Investigate the potential establishment of a UAV training area at the Airport for use by City staff for required UAV flight training subject to FAA approval	4 th quarter 2017	2 nd quarter 2018
Purposely left blank – being done or to be done	2	15	Annual Lease Rates Survey & Analysis	Real Property – Mayor's Office/Airport Management	Conduct comparison survey and valuation analysis for rates for Open T and Closed Hangars, Tie-Downs.	Annually	Annually 8/23/2017
Purposely left blank – being done or to be done	2	13	Aviation Day	Airport Management	Develop a plan for establishment of a free 1-day Aviation Day that is open to the public and will provide up-close viewing of aircraft, aviation exhibits, Kids Zone, food trucks, and more. Pursue sponsors to cover 100 percent of event cost	Annually (first event in 2018) Target Sept. 2018	Annually (first event in 2018)

Monthly Report July 2018

Year to Date Totals through July 2018

	<u>2017</u>	<u>2018</u>	<u>% of Change</u>
Income	\$527,589	\$573,703	+8.7%
Fuel Gallons Sold	53,842	53,057	-2.00%
Net Profit Fuel First and Second quarter combined			
	\$35,529	42,302	+17.00%

Occupancy

62 of 89	Tie Downs
71 of 71	Closed
68 of 68	Open Hangars
14 of 17	Storage Units
Wait List	40 on the list – (Waiting on Closed Hangars)
Wait list	10 on the list – (Waiting on open T-Hangars)

*Prepared and presented by Aviation Management Group without review of City Of Auburn.