

MINUTES OF THE AIRPORT ADVISORY COMMITTEE MEETING HELD ON May 21, 2019 located at the Airport Administration Upstairs Conference Room at 6546 Crystal Lane, Prescott, Arizona.

A. Call to Order

Chairman Juliani called the meeting to order at 2:31 p.m.

B. Roll Call.

COMMITTEE MEMBERS:

Present: Chair Tom Juliani
Vice Chair Ken Foote
Member Daryl Austermilller
Member Michael Gjede

Absent: Member Frank Newman
Member Parker Northrup
Member Jason Kopcsak

C. Vice Chair Ken Foote made a motion to approve the April 18, 2019 Airport Advisory Committee meeting minutes. Member Michael Gjede seconded the motion and was passed 4-0.

D. Regular Agenda

1. Staff Updates: Kristi Miller, Airport Management Analyst and Robin Sobotta, Airport Director

a. Airline and Airport Operations:

Airport Management Analyst, Kristi Miller gave an overview of the Airline stats since they were reviewed at the March meeting. She announced that on May 20, 2019 on Flight 5160 from Prescott to Los Angeles we had our 10,000th enplanement in 2019. This ensures that PRC will retain Non-Hub Primary Commercial Service status with the Federal Aviation Administration (FAA) and receive \$1M in entitlement funding for Capital Improvement Projects. April was a very strong month for service and had our second highest month of enplanements with 2,406 enplanements (80.2% LF). Additionally, Kristi reported that approximately 40,000 total passengers have utilized the service since United Express/SkyWest Airlines last fall. This equates to a 73.4% load factor since service started, far surpassing the expected 43% load factor when SkyWest bid for Essential Air Service (EAS).

Kristi reviewed where Prescott Regional Airport (PRC), falls in regards of total aircraft operations. Based on 2017 data published with the FAA, PRC is ranked as the 40th busiest airport in the US with 232,730 aircraft operations. This ranks PRC slightly below Oakland (OAK) and above Portland (PDX), Dallas Love (DAL). Of these operations, our commercial air service only accounts for approximately 1,460 operations, or less than 1%.

Kristi went on to review the Airport Budget Operating Performance. The biggest highlight is that our revenues are up from Fiscal Year 2018 by 10.11%. This increase in revenue, has enabled us to operate in the black for the first time (based on revenue and operating expenses, capital is excluded).

Vice Chair Ken Foote inquired who makes up those landing fees. Kristi identified that most of them are a combination of SkyWest, and those collected from the FBO for aircraft over 12,500 lbs.

Member Michael Gjede inquired if we knew what the load factors for Los Angeles (LAX) would be when the schedule changes in June. Kristi responded that due to our density altitude the airline did move the LAX departure to an 8pm departure to try to ensure they could have the performance necessary to depart with all passengers. Due to the schedule change we are seeing a slight drop in load factors for the LAX departure but Denver (DEN) is still looking like it will be in the high 80's-90% LF. The summer schedule is only expected to operate until October.

Kristi reviewed the upcoming FY20 Airport Budget (Operating and Capital) which commences on July 01st. The Airport has budgeted revenues for a 15% increase, with our operating budget seeing a 16.6% increase. For capital projects, in FY20 the Airport will focus on the New Terminal, the design of the Taxiway C relocation, Airport Pavement Preservation and some additional equipment and vehicles.

Additionally, it was announced that as authorized by Resolution 4178-1340 (approved in August 2013), we would be adjusting the Rates & Fees for Schedule B by 3%. This equates to less than \$0.01 per square foot on most hangars. A rate adjustment has not been done in almost 2 years. The new rates will be effective 07/01/2019 with letters being sent to all tenants in their June billing.

Member Daryl Auster Miller inquired if we are planning to replace the shades that are being demolished for the new terminal. Airport Director, Robin Sobotta responded that we do currently have them budgeted for FY2021, however it would still have to go through formal approval during next year's budget cycle.

Airport Operations and Maintenance Supervisor, Doug Whitney, discussed our historical Runway Incursion report from 2010 to present, with 2015 being our highest year for Runway Incursions with 16. In 2018, we had a total of 9 (one of which was construction related and have taken steps to ensure that does not occur again especially in the upcoming Taxiway C relocation) and to date we have not had any incursions. Doug also referenced the Airport Diagram which is currently out of date as it shows four hot spots. Hot Spot #2 was addressed by removing C2 during the Runway Rehabilitation project in fall 2018. We expect once it goes through the Runway Safety office they will eliminate hot spot #2. The upcoming Taxiway C project will address hot spots #3 and #4. Doug also identified we are still reviewing measures to help with wrong surface landings which often occur for Runway 21R. To address this, so far we have refreshed the centerline on 21R, and also put in edge lines. Additionally, we are planning to put in Runway End Identifier Lights during the TWY-C Relocation project.

Doug also identified that we have been doing multiple Part 139 improvements, primarily through striping, lighting/signs, and obstruction removal. Most of the obstructions have been for 21L which included cutting down fifteen trees. By removing these trees we were able to gain seven additional seats with the air carrier.

Robin announced that there has been a new development in regards to the Minimum Operating Standards (MOS). Due to the sale of two properties on the Airport, including Legend Aviation and the Monarch Hangars, airport staff discovered that there was a publication of a draft MOS back in 2007, when the Request for Proposals (RFP) was sent out for the FBO. By default, it has been determined that MOS as it relates to the FBO were adopted due to its standard for submitting proposals. This does not mean that they cannot be modified at a later time.

Robin reminded the committee of the Public Airport Disclosure map which was adopted by City Council on 08/14/2018. The airport gives Public Airport Vicinity and Overflight Notifications in multiple ways. The can include the posting on the Arizona Department of Real Estate website, as well as adding

additional street signs (primarily for disclosure and wayfinding), Public Meetings (City Council, Airport Advisory Committee, and Master Plans), and presentations to HOA's, clubs, and chambers. We also have modified our airport website to allow reporting of noise events.

Robin advised there are a multitude of current and future projects we are working on. We are finishing the Airport Master Plan and Airport Layout Plan and have submitted to the FAA for review. The T-Shades and Hangar will have an RFP issued soon for demolition in preparation for the new terminal. The airline has encountered challenges due to our density altitude which resulted in weight reductions/limitations and has seen some voluntary denied boarding. The airport will be conducting a runway length analysis in preparation for a runway extension. Taxiway C Relocation is currently under design and expects design to be completed in by spring 2020 with construction starting in Fall of 2020. This project will also address Hot Spots #3 and #4.

Vice Chair Foote inquired about the closure and access to the bottlenecks during the TWY-C relocation. Doug advised we will keep it as active as we can during the course of the construction, but we may see some closures.

Doug advised we have completed 60% design for the new passenger terminal and currently working towards completion of the construction documents. He reminded the committee we have chosen an alternative delivery method, Construction Manager at Risk (CMAR) for this project and selected a joint venture consisting of Willmeng, who will complete the building and Fann Contracting who will complete the civil work.

2. Hangar Inspections: Doug Whitney, Airport Operations and Maintenance Supervisor

Doug advised the Non-Commercial Hangar and Storage Room policy has been written and is posted on the airport website. Additionally, the Airport will be conducting hangar inspections on June 10th and 11th with time available on the 12th if necessary. He advised that we have already held one education session and will be holding another at the PAUA meeting after this meeting. The education sessions are primarily for Q&A forum to answer any questions that tenants may have. Doug has also done approximately a dozen courtesy inspections as well as provided a roll-off dumpster for tenants. He did advise that most of the courtesy inspections have gone well and has mostly seen expired fire extinguishers.

E. Adjournment

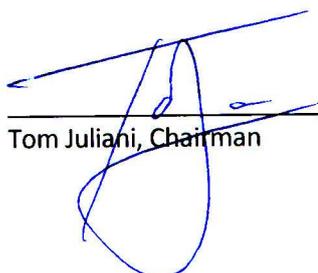
There being no further business to be discussed, the Airport Advisory Committee adjourned the public meeting of May 21st at 3:29 p.m. at the Airport Administration Upstairs Conference Room.

Submitted by:



Kristi Miller, Staff Liaison

7-16-2019
Date



Tom Juliani, Chairman

7.16.2019
Date