

MINUTES OF THE AIRPORT ADVISORY COMMITTEE MEETING HELD ON January 21, 2020 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 2:01 p.m.

B. Roll Call.

COMMITTEE MEMBERS:

Present: Chair Tom Juliani
Vice Chair Ken Foote
Member Jason Kopcsak
Member Parker Northrup
Member Frank Newman
Member Daryl Austermilller

Absent: Member Michael Gjede

C. Vice Chair Ken Foote made a motion to approve the November, 19 2019 Airport Advisory Committee meeting minutes. Member Frank Newman seconded the motion and was passed 6-0.

D. Committee Member Industry Updates

E. Presentation

1. New Terminal Groundbreaking Ceremony - Kristi Miller, Airport Management Analyst
Kristi gave a presentation on the January 7, 2020 New Terminal Groundbreaking Ceremony. She showed a video by Talking Glass Media (Signals AZ). Video can be found at <https://www.youtube.com/watch?v=m3CzknWHO-c>. The event was attended by over 200+ people including elected officials from Prescott, Prescott Valley, Chino Valley, Dewey-Humboldt, Yavapai County, State Legislators as well as representatives from the Federal Aviation Administration, TSA, SkyWest Airlines, the design team (Dibble Engineering, DWL Architects, LSW Engineers) and the construction team (Willmeng Construction and Fann Contracting).

F. Staff Reports

1. Administrative Update – Kristi Miller, Airport Management Analyst
2019: 27,730 passenger enplanements. SkyWest is really happy with the service. Takeoff & Landings dipped slightly in 2019 with 232,592 operations. The TSA Pre-Check mobile enrollment came back for a second event. Between the December & January TSA Pre-Check enrollments, processed 775 customers. Ken Foote mentioned that his company is working on a permanent Pre-Check option. The Airport will try to get another event scheduled in the coming months. The terminal is now being serviced with a new rental car operator, Avis/Budget, which started on January 7th. Avis will operate 0800-1800 daily as well as be onsite for the late arrival from LAX. Hertz is leaving the airport March 1st. SkyWest will be changing the morning departure to Denver on February 13th to 0600 starting. An RFP for the rental car operations will be issued for the new terminal, and anticipate there may be multiple operators in the new terminal.

2. Operations & Maintenance Update – Jeff Tripp, Operations & Maintenance Supervisor

The terminal construction is well underway with the biggest issue being the 80 years of abandoned utility lines (water, sewer, electric, gas). A 700-foot deep abandoned well was found. Once the underground work is complete the vertical phase should go much smoother. The water & sewer will be turned off this weekend for connection changeovers

3. Director's Update – Robin Sobotta, Airport Director

Essential Air Service (EAS) program update. The fund for EAS is a user fee-based fund – not general fund – supported program. The current EAS contract expires August 31, 2020 with a current \$3.9 million two-year subsidy. The DOT has issued the new EAS bid requesting 12 weekly roundtrip airports with 30-50 seat jets. SkyWest has expressed interest in re-bidding. Bids are due January 30, 2020. The Airport received seven bids for the previous EAS bid; the Airport has not been contacted by other carriers at this time. The Airport's analysis of the bids is due by February 3 and the presentation to the City Council will occur on February 11. The Mayor will then issue a recommendation of the Council's position to DOT of the City's preference. DOT will notify the City in the next 3-4 months. Typically, the airlines bid for two years; SkyWest may bid for a longer period (3-4 years). The EAS program is again facing federal budgetary cuts. The Airport does not anticipate needing another subsidy based on the current and projected passenger levels once the new contract expires. The current subsidy per passenger is in the \$50-60 range.

The DOT makes the decision based on five factors: 1) reliability of the current carrier; 2) contractual and marketing arrangements made with a larger carrier, 3) Interline agreements between other carriers, 4) preferences of the potential users, and 5) if the air carrier has a plan to market the community (typically no less than \$20,000 per year). The Airport expects a 50-seat aircraft, but the airline may move to a larger aircraft in the near future based on demand.

Has the airport run an analysis of the current/future runway length and the 74-seat aircraft for nautical mile range? The airport is conducting a runway extension study to determine the optimal length (estimated to be in the 2,300 to 3,300-foot range). The FAA requires an 8-10-year outlook. The runway project is anticipated to be 4-7 years out to include environmental, design and construction. Public hearings will be held in the next 6 months.

What is the economic impact on the community with the addition of the third flight? Estimate an additional \$10,000,000 of economic impact with each additional flight. The new departures in March will be at 0600 and 0900 but the second flight may be stopped during the summer months due to aircraft performance.

Is the construction revenues being included in the annual economic impact figure? No.

There are plans for other destinations possible that cannot be released at this time due to proprietary issues. The additional Denver flight opens up an additional 80 flight connections. Denver is the 5th largest commercial airport in the country.

A revised leakage study is being completed by Volaire Aviation Consulting. The current study was completed in March 2018. The Airport will report on the results of the update at the next AAC meeting in February. Flagstaff is filling their Denver flights at 85%-90% load factor; this has not affected passengers using Prescott. There are 1.2 million people within the airport's service area. There is a lot of opportunity for growth.

Rates & Fees Schedule A (Fees) & B (Hangar Rates). In 2018 and 2019 there were no increases to Schedule A and no changes anticipated in 2020. In 2018 there was no increase to Schedule B and 3% increases in 2019 and 2020. The Airport will conduct a Rates & Fees study for completion by the fall. Key cards will not be issued as originally thought in February due to the potential for larger airline aircraft which may increase the airport's security level. This may require a dedicated airport employee to handle the badging system.

100% occupancy rate in the City Hangars. There are 22 hangars in the limited access area (hangars B, C & D) while the terminal construction impacts access to the hangar area. There are 26 on the large hangar wait list – five are already in large hangars, five others we are not able to contact. There are 237 on the small hangar wait list (35 are actively looking for a hangar; 7 are deceased). There are only 5 people on the t-shade wait list. Establish a working group to review policies. A big issue is LLC's being used to transfer the hangars and not turning them over there by circumventing the wait list. Request received to not increase the hangar rents in 2020. A 3% increase would only generate an additional \$16,000-\$20,000 in revenue.

G. Voting Agenda

1. Establishment of an Airport Working Group to review Airfield Use & Safety

Member Parker Northrup made a motion to establish an Airport Working Group to review Airfield Use & Safety. Member Jason Kopcsak seconded the motion. Item passed with a 6-0 vote.

Additional discussion among the committee members to nominate three Airport Advisory Committee members to serve on the working group along with additional airport stakeholders at the Airport Director's discretion.

Member Frank Newman made a motion to nominate Airport Advisory Committee members Parker Northrup, Jason Kopcsak, and Daryl Austermiller to represent the Airport Advisory Committee on the working group. Chair Tom Juliani seconded the motion and the motion was passed 6-0.

2. Revised Rules & Regulations to include a section on enforcement

Robin Sobotta, Airport Director reported that following a conversation with the City's Attorney, he advised that an additional section should be added to include how the Rules & Regulations will be enforced. Airport staff intends to take the Rules & Regulations to Council in February or March and will take the Minimum Operating Standards at a later time for approval.

Chair Tom Juliani made a motion to approve the revised Airport Rules & Regulations. Member Jason Kopcsak seconded the motion. Item passed with a 6-0 vote.

H. Adjournment

There being no further business to be discussed, the Airport Advisory Committee adjourned the public meeting of November 19th at 3:37 p.m. at the Airport Administration Upstairs Conference Room.

Submitted by:



Kristi Miller, Staff Liaison

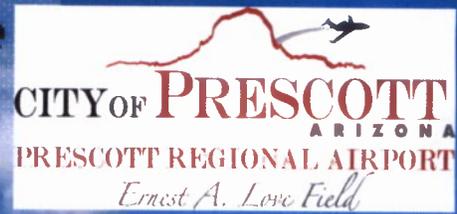
2/18/2020
Date



Tom Juliani, Chairman

2-18-2020
Date

Airport Advisory Committee January 2020



AGENDA

- Call to Order
- Roll Call/Introduction
- Approval of Minutes for the 11/19/2019 Airport Advisory Committee Meeting
- Committee Member Industry Updates
- Presentation – New Terminal Groundbreaking Ceremony
- Staff Reports
- Voting Agenda

Recommended Action: MOVE to approve establishment of an Airport Working Group to review Airfield Use & Safety

- Revised Airport Rules & Regulation to include a section on enforcement.

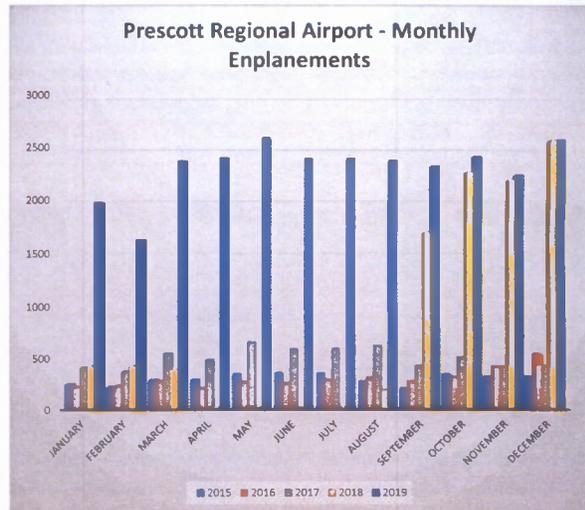
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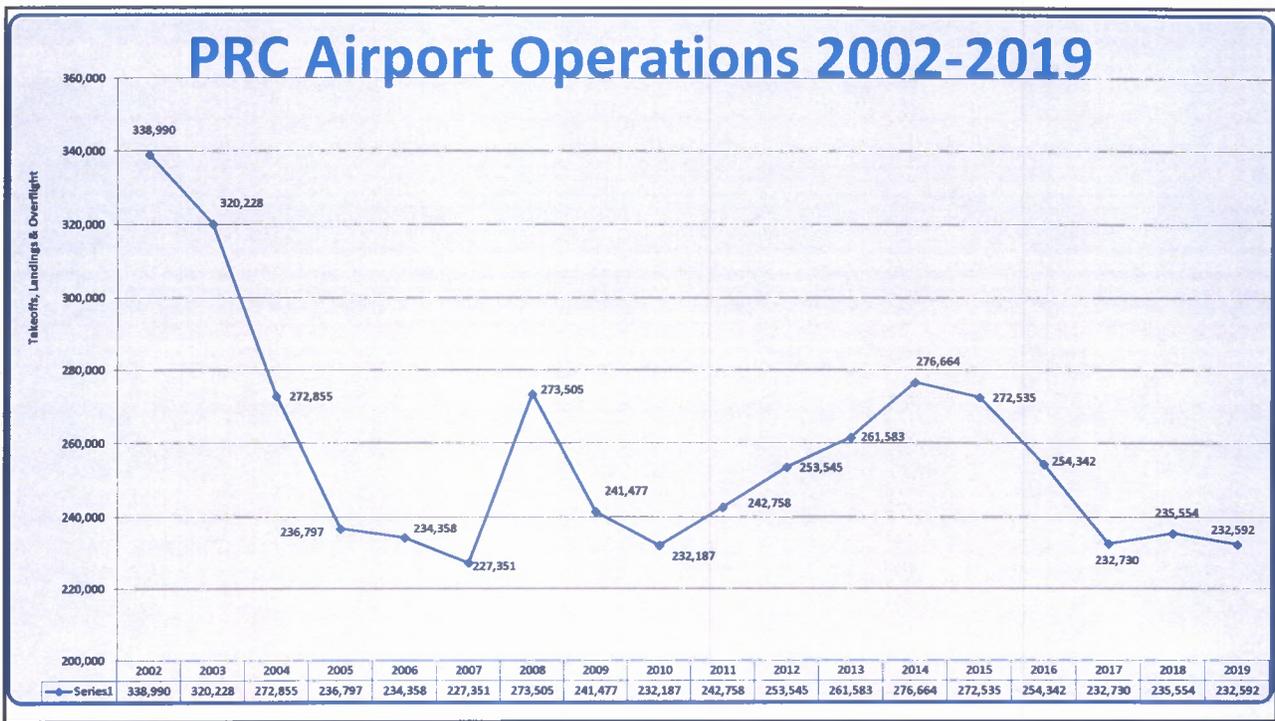


AIRLINE OPERATIONS



	2015	2016	2017	2018	2019
January	228	203	393	411	1982
February	200	216	353	411	1628
March	268	263	532	377	2377
April	270	191	467	0	2406
May	327	253	644	0	2598
June	338	241	574	0	2398
July	332	276	579	0	2399
August	252	295	610	175	2379
September	184	257	408	1696	2326
October	324	303	496	2270	2419
November	299	406	404	2197	2239
December	301	531	406	2574	2579
Total Monthly Boardings	3323	3435	5866	10111	27730







Quick Facts

372
Appts. (filled)
Walk-Up
Only

WHAT: Enrollment in TSA Pre✓®

Note: Global Entry and other Trusted Traveler programs not available at this event

WHEN: January 20-24, 2020

Monday-Thursday 9am-12pm, 1pm-5pm

Friday 9am-12pm

WHERE: 6418 MacCurdy Dr. (behind the Eviation Office Building)

COST: \$85 (valid for five years)

SIGN UP: www.IdentoGO.com/RV

**December Event – SOLD OUT
403 Enrollments**

RENTAL CAR OPERATIONS



- Started Operating at PRC on January 07, 2020
- Hours of Operation:
 - MON-SUN 8am-6pm plus LAX Arrival Flight
- Website: www.avis.com
- Phone: (928) 237-9326

TERMINAL CONSTRUCTION UPDATE

■ Site Preparation

Excavation of dirt 5 feet down (100%)



■ Utilities

Water, wastewater & electrical (15%)



Essential Air Service - PRC



- USDOT EAS Program
 - Supports 115 communities in the lower 48 (+ Alaska 60)
 - Carrier bids to provide service to large or medium hub airports
 - User Funded - overflight fees paid to the FAA by foreign aircraft that transit U.S. airspace without landing in or taking off from the US
- Current PRC EAS Contract
 - United Express (Operated by SkyWest Airlines)
 - \$3.9M annual USDOT subsidy
 - Two year term - expires August 31, 2020
 - Must provide 12 weekly round trips to DEN and LAX (30-50 seat aircraft)
- New PRC EAS Proposal Timeline (all 2020)
 - Jan 30 - New Air Carrier Proposals due
 - Feb 3 – Staff Analysis to Mayor/Council
 - Feb 11 - Council Presentation, Recommendation letter to USDOT
 - 3-4 Months – for USDOT to issue order (decision)
 - Sept 1 - New Contract Commences for 2, 3, 4 years

PRC Rates and Fees

Schedule A – Overnight Parking Fees, Operational Fees, Admin Fees, Fines/ Penalties

- 2018 – No Increases
- 2019 – No Increases
- 2020 – No Increases at this time* (pending study)

Schedule B - Aircraft and Non-Aircraft Storage Hangar/Unit Fees

- 2018 – No Increase
- 2019 – 3% increase (annual option up to 5%)
- 2020 – 3% increase (annual option up to 5%)

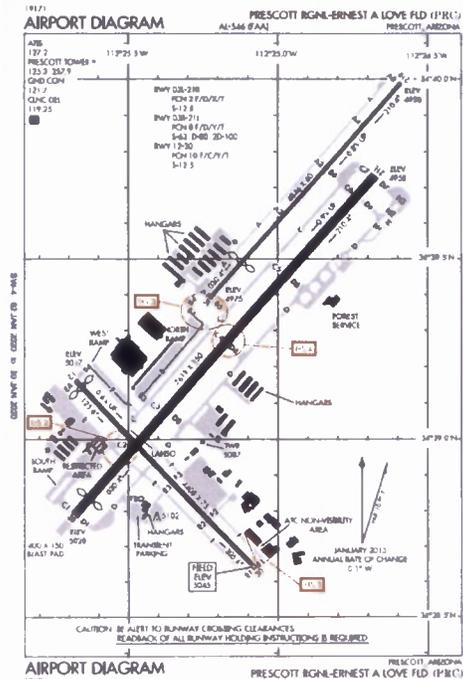
Rates and Fees Study – Will complete by Fall, to evaluate market conditions and determine future rate adjustments. Also review Key Cards, Badges, and MOS fees.

2020 Rates & Fees Adjustment – 3%

- Less than \$0.01 per square foot on most hangars
- Resolution 4178-1340, Aug 2013 (Allows up to 5% = 2.3% 2019 CPI-U + 2% market + rounded up)
- Effective 07/01/2020 (FY 21)

Current Status: PRC Storage Hangar Occupancy

- 100% occupancy in full access areas (bottlenecks)
- 100% occupancy in Monarch Hangars
- 22 hangars in “limited access” areas
 - 11 – Paying ½ price
 - 4 – No charge (no access)
 - 4 – Accepted bottleneck hangar (full price)
 - 2 – Empty – available for short-term use/storage at ½ price (no aircraft access)
 - 1 – Airport maintenance equipment use (yard space lost to construction)



Hangar and Shade Waitlists

- Large Hangar – 26 on list
 - 5 currently in other P/K large units
 - 5 unable to contact
- Small Hangar – 237 on list
 - 35 perceived to be “active”
 - 7 deceased
 - Remainder “not ready” – no medical, out state but returning, military commitment, etc.
- T-Shades – 5 on list
- Waitlist Policy Review – Director’s Working Group
 - Aircraft Size vs. Multiple Aircraft – best determinant for Large Aircraft Hangar
 - Holding Multiple Positions on Waitlist(s) – reasonable?
 - Commercial vs. Storage User - Eligibility for *Storage* Waitlist
 - Using LLC membership changes to circumvent waitlist
 - Possible Duration for Deposit - expiration date?
 - Removal from List (once hangar is issued)
 - Removal if contact information not updated and unable to reach for 1 year
 - If deceased or unable to reach - amended language and document to donate deposit

SEGMENTED CIRCLE



SEGMENTED CIRCLE



Figure 5-8. Alternative 1: Runway Visibility Zone

AIRPORT RULES & REGULATIONS

ARTICLE 8. AUTHORITY TO PROMULGATE RULES AND PENALTIES FOR VIOLATIONS

OF RULES AND REGULATIONS

- The Airport Director has legal authority to promulgate Airport Rules and Regulations pursuant to the Prescott City Charter, Title II, Chapter 2-12, Section 2-12-1. Any violation of these Airport Rules and Regulations shall be subject to the General Penalty Provisions contained in the Prescott City Code, Title I, Chapter 1-3, Sections 1-3-1 through 1-3-7. See generally Section 2-12-10.

Recommended Action: MOVE to approve the revised Airport Rules & Regulations