

TOWN OF PAYSON  
AIRPORT COMMISSION  
REGULAR MEETING MINUTES  
MARCH 11, 2013

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| A | <b>CALL TO ORDER:</b> Chairman Hunt called to order the duly posted Airport Commission meeting at approximately 6:30 p.m. in the Payson Town Council Chambers.   | Meeting Time & Place                                 |
| B | <b>PLEDGE OF ALLEGIANCE</b>  | Pledge of Allegiance                                 |
| C | <b>ROLL CALL:</b> Jim Hunt, Bill Day, Dick Garmon, Robert Henley, Dan Nyhus, Jon Barber and Bob Pearson were present.  | Roll Call  |
|   | <b>STAFF PRESENT:</b> LaRon Garrett, Assistant Town Manager and Ray Law, Airport Coordinator were present.   | Staff Attending                                      |
|   | <b>OTHERS PRESENT:</b> Seven members of the airport community were present.  | Others Attending                                     |
| D | <b>PUBLIC COMMENTS:</b> Chairman Hunt asked for any comments from the public on items not on the Agenda. Jim Garner requested that the Airport Commission add a discussion of Commercial Through the Gate fees to a future agenda. Chairman Hunt agreed. Ray Law announced that Payson Aviation (Bob Oswald) has sponsored a website that allows us to listen to the Payson Unicom (122.8 MHz) online. Ray said he would send out the web address to the Payson aviation e-mail list. Jim Garner also ask if there would be a way to create individual e-mail addresses for each Commission member, so their personal e-mail addresses did not have to be released. Ray Law said he would look into that issue.  | Public Comments                                      |
| E | <b>MINUTES:</b> Minutes from January 14, 2013 meeting were presented for approval. Chairman Hunt requested a motion to approve the minutes as presented. Motion to approve was made by Vice-Chairman Day and seconded by Member Henley. Approved 7-0.  | Minutes  |
| F | <b>ITEMS FOR DISCUSSION/POSSIBLE ACTION:</b>   |  |
|   | 1. Potentially recommending renaming the Payson Airport - Vice Chairman Day asked Paul Pitkin what the status was of procuring the historical information about Rich Henry and his involvement with the Payson Airport. Mr. Pitkin reported that Mr. Darr and he had not been able to meet due to health issues for Mr. Darr's family. Mr. Pitkin thought it would only take about a day to go through the books. He hoped they could meet soon. Vice Chairman day also mentioned that he had received an e-mail (forwarded by Ray Law) from a long-time acquaintance of Rich Henry who was offering to write a letter of support for the effort if requested. Chairman Hunt stated that they would need a good strong case to present to the Town Council. He | Potentially recommending renaming the Payson Airport |

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expressed the desire to have Mr. Pitkin and one of the Commission Members give the presentation to the Council when they were prepared and if the Airport Commission had voted favorably on it.

2. Recommendations for bidding new leases for the Restaurant and Fueling FBO services-

Chairman Hunt asked for comments from the Commission then asked Mr. Garrett for his comments. Mr. Garrett stated that he had e-mailed copies of the existing leases to the Commission members and that at the last meeting it was agreed that if the Commissioners had comments or changes on the leases it would be brought up at this meeting. There were no comments from the Commissioners, so Chairman Hunt asked if there were comments from the audience members. Jim Garner suggested that Mr. Garrett send out the updated lease that ACD Aviation and the Town had come up with. It had corrected a lot of problems and issues that the old leases had in them. Chairman Hunt asked for a volunteer from the Commission to work with Mr. Garrett on compiling any comments and working out the wording of the new leases. Member Garmon was willing to be that volunteer. Member Henley asked what the timeframe was for the lease bidding process was. Mr. Garrett said since both leases expired near the end of the year that it would be best to get the lease out for bid as soon as possible so that the Town would know who the new lessees would be and there would be time for transition if there was a change in lessees. He further stated that there was no firm time set at this moment. Vice Chairman Day asked what the time for bidding was usually. Mr. Garrett responded that it would be a good idea to have it open for a month. He said that the Town Code requires a minimum of one week and one day while being published two times, a week apart, in the local paper. Chairman Hunt asked if it only had to be published in the local paper or if it had to be advertised elsewhere in Arizona. Mr. Garrett said the only requirement was the local paper, but that normally they would also advertise for bids with the Arizona Airports Association and on the Town website. Member Henley asked if Mr. Garrett had received any feedback from the current lessees as to when they would like to have a decision by. Mr. Garrett stated that he had received a request from Bob Oswald to simply extend the current lease instead of going out for a new bid. Mr. Garrett said that the Town Attorney had advised that since the original leases were never bid, that this one would have to be put out for bid. Member Henley asked if the Commission could set a timeline for the bid to go out, perhaps by the end of May. Mr. Garrett and Chairman Hunt both agreed that the sooner they could put them out for bid the better. Chairman Hunt asked Mr. Garrett if they ever put out a draft RFP (Request For Proposal) for comment. Mr. Garrett stated that they have never done that before. Normally the bid package would include an RFP and there would be a pre-bid meeting where questions could be addressed, and an addendum to the RFP could be put out before

Recommendations for bidding new leases for the Restaurant and Fueling FBO services

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final bids were due. Chairman Hunt requested that the Commission members send comments to Mr. Garrett, not Member Garmon, within the next week. Then after that, the comments could be discussed at the next Commission meeting. Member Nyhus asked that Mr. Garrett send the Commission members the ACD Aviation lease so they could use that as an example. Mr. Garrett said he would. Mrs. Darla Annabel, owner of the Crosswinds Restaurant, asked for confirmation that the new lease would be for the land under the restaurant. Mr. Garrett confirmed that it was a land lease. Mrs. Annabel also asked for confirmation that the bid package would be for the land and that her restaurant building would not be part of it. Mr. Garrett stated that it was for the land around and under her building. Mrs. Annabel then asked that if someone else's bid was accepted for the land, then it would be up to her what she did with the restaurant building. Mr. Garrett agreed, but he reminded everyone that the Town owns the western addition (Patio) of the restaurant. A brief discussion ensued about the complications of this arrangement. Mrs. Annabel asked if they could be considered for an extension to their lease. Mr. Garrett stated that since the Town Attorney had advised against it for the FBO lease, then an extension for the restaurant would not be allowed either. Member Nyhus asked what would happen if someone else won the bidding process. Would Mrs. Annabel have to sell it to that person? Mr. Garrett explained the possible courses of action like buying the building, replacing the building with another, or sub-leasing the existing building from the Annabels. Chairman Hunt stated that the situation would make the RFP very complex for the restaurant lease. A brief discussion ensued regarding this topic. Jim Garner brought an article about Chandler Airport trying to bring in companies to the airport by charging only 29 cents a square foot for leases on land. He wanted to bring that to the Town's attention. Next, Chairman Hunt confirmed with Mr. Garrett that the new leases would have to be approved by the Town Council. Mr. Garrett said that ultimately they would have to be, but the RFP did not. Chairman Hunt asked for any additional comments, there were none. He reminded the Commission members to send their comments to Mr. Garrett in the coming week.

3. Leasing and/or sub-leasing of hangars-

Chairman Hunt opened the discussion by summarizing that all that was needed was to approve the new lease document once any comments or changes were incorporated. Before approving the new Box Hangar lease document, Member Henley had some very valid comments and recommendations for changes. His first change was requesting clarification in the wording of who at the Town would grant the waiver for a sub-lease of a hangar. Under the hazardous activities section, he questioned the specified "doping" mentioned and went on to say that most of that type of product used today is not flammable. He felt the Town should decide what actions they don't want done in the hangars and then be specific about it. He also questioned

Leasing and/or sub-leasing of hangars

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whether this lease might also apply for the Tee Hangars which could possibly be sublet. Under item 15B, he noted that the identification requirements might not be met when an aircraft is being constructed. So that other types of identification might be used, like the serial number of the kit. Member Barber suggested that the phrase "When applicable" could be used there. On item 17, Aircraft Responsibility, Member Henley questioned how the Town would not be held liable if they were to move an aircraft. A discussion ensued about all these matters. Mr. Garrett agreed that the lease could be used for all hangars. Member Barber stated that on Item 10, it should specify "Commercial Lease" instead of Airport Business Lease. Also, the phrase "except as allowed in Chapter 95" should be added to cover independent flight instruction. Chairman Hunt summarized the changes to be incorporated. Mr. Garner commented that the hazardous "doping" referenced in the original document referred back to the Nitrate dope used long ago that was very flammable. A brief discussion of the safety concerns followed. Member Garmon questioned whether they should specifically limit the activities allowed in the hangar. Chairman Hunt confirmed that the one lease would cover all hangars. Mr. Law will make the changes and the Commission will review the changed document at the next meeting.

4. Airport 2013-2014 Budget Requests-

Chairman Hunt asked Mr. Garrett if there would be a budget proposal sent out. Mr. Garrett pointed out that the budget funds are limited and we do have two projects which require substantial matching fund requirements. One is the RSAT (Runway Safety Action Team) Grading project which has a \$20,000 match and the other is the Pavement Preservation that ADOT is doing. Our portion of that project is \$54,000. So there is \$74,000 just in matching funds that we are committed to this coming year. ADOT is paying 90% of both projects and the Town is paying 10%. Therefore there won't be a lot of discretionary funds left over once you cover the maintenance and operations costs. Mr. Garrett stated that the Town would be going into the budget process in a couple of weeks. Member Nyhus inquired about the RSAT project. Mr. Garrett explained that it was for the northern side of the runway to bring up the grade closer to the pavement edge. Mr. Garrett also said that he would be meeting with the FAA and ADOT next week, so he would know more following that. Chairman Hunt stated that the Commission would be available to assist in the budget process if needed.

Airport 2013-2014  
Budget Requests

5. Airport Terminal/Restaurant Building-

Chairman Hunt explained that there has been a discussion of trying to locate possible investors that might be willing to help fund a new terminal and restaurant facility. With the prospects of the new college and other developments in the town, this might be an opportune time to attempt this while construction costs may still be reasonable. Mayor

Airport Terminal/  
Restaurant Building

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Evans had spoken with Chairman Hunt and indicated that the Town would try hard to provide incentives for investors. Mr. Phil Cook has offered to donate his time and talents to assist in this endeavor. He has spent almost 30 years in the aviation industry and has many contacts there. In discussions with Chairman Hunt and Vice Chairman Day he had suggested that a letter be drafted to some FBOs or other interested parties to see if there was any interest in building a nice terminal facility that would enhance the airport and Town. Chairman Hunt thanked him for his willingness to help. Member Nyhus asked how this fits in with the new leases for the restaurant and fuel FBO? Mrs. Anabel commented that she believed her existing lease had stated that if a new building was started before her lease expired that she would automatically have the option to move into the new building. Chairman Hunt summarized that this topic had been discussed primarily to inform everyone about this effort. Mr. Pitkin inquired as to whether a private investor would still have to adhere to FAA rules about having only aviation-related businesses. Chairman Hunt confirmed that he was sure it would still have to be aviation-related businesses. Member Pearson stated that in the past when such a facility was discussed that the Town of Payson wanted to totally own the building as soon as it was complete. Chairman Hunt indicated he thought that had changed. He reiterated that in informal discussions, the Mayor had said that he was very interested in creating a "friendly environment" for such a project.

6. Airport Courtesy Car -

Chairman Hunt reminded the Commissioners what had been discussed at the last meeting. Member Henley stated that he had talked to John Wilson about possibly having a 501-C3 organization such as PPA or EAA take donations for the purchase of a vehicle. Mr. Wilson advised that it would be a legal endeavor. Once sufficient funds had been collected to purchase the car, then it could be donated to the Town. The only caveat Mr. Wilson mentioned was that if they received too much money in donations, a statement should be put out stating that excess funds would be retained. Member Henley stated that he had received an e-mail from Dennis Romain stating that the estate's attorney had received an offer for the car, so it might not be available anymore. Member Henley also stated that he has not brought the subject of taking donations before the EAA membership yet. A discussion continued about funding the car. Member Barber stated that at least the hurdles of getting support from the Town for insurance and maintenance of a courtesy car had been accomplished so when a car became available it would make it easier to continue the process. Another discussion continued about the need for a courtesy car. Mrs. Anabel commented that she receives approximately half a dozen inquiries about a courtesy car every week. She offered to place a donations jar in the restaurant if the Commission desired it. Member Henley agreed to create two

Airport Courtesy Car

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containers for the restaurant and FBO (Mr. Oswald approved of this). The funds will be collected by Mr. Law to then be given to Member Henley for EAA to keep. A discuss continued about whether the donations should go to the Town or to EAA. The consensus was that EAA should hold the funds until a car is purchased. Mr. Cook commented that he might approach the local car dealers to see if there was any interest in them donating a car. Mr. Pitkin commented that he thought that the Payson dealer probably would not be interested. Chairman Hunt summarized.

7. Relocation of Taxiway Alpha – Possibly requesting a waiver from FAA to leave the taxiway in its current location -

Mr. Garrett began by drawing a picture to help explain the issue. While considering the plan for moving the taxiway about 100' south, it has become evident that to also make the taxiway level with the runway (Part 77 requirement) it will take a tremendous amount of excavating for about 3200' of the taxiway. A little more than 100,000 cubic yards of dirt and rock would have to be removed. Besides the excessive cost of this, it will also make too steep an incline up to some of the existing ramps and structures (ATW hangar, etc.) Mr. Garrett Offered three options: One; get a waiver for both separation and elevation from the FAA and leave everything as it is; Two; go forward and re-position the taxiway, but still have to get a waiver for the elevation difference; and three; basically start over completely on the airport. A discussion continued for possible solutions. Mr. Garrett also mentioned that with the cutbacks at FAA, it might be 20 years before the money became available to move the taxiway. He went on to say that the waiver takes about a year. Mr. Garrett said he will be meeting with the FAA project manager next week so he can get more information then based on the Commissions' guidance. Member Nyhus asked what the drawbacks of operating under a waiver would be. Mr. Garrett stated that if the waiver is granted, then the airport would be considered in compliance with the rules. A discussion of possible problems continued. Member Barber discussed some of the reasons that the waiver had not been requested in past years. Member Henley made a motion that the Commission ask that Mr. Garrett work with the FAA to obtain a waiver to leave the taxiway in its current location. The motion was seconded by Member Garmon. Member Barber recommended that Mr. Garrett get more information from the FAA as to the drawbacks of operating under the waiver. A discussion ensued about airport liability and whether operating under a waiver would impede future development and expansion. Member Barber reminded the Commission that we would have to confirm that the FAA would release the airport from being responsible for the money that was spent to relocate airport road. Mr. Garrett responded that the FAA administrator that had suggested the waiver had also indicated that shouldn't be a problem. Mr. Garrett agreed that all such releases would definitely need to be in writing from the FAA.

Relocation of Taxiway  
Alpha – Possibly  
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in its current location

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Chairman Hunt called for a vote on whether to have Mr. Garrett pursue the waiver for the taxiway clearance. Mr. Garner commented that the time frame on the waiver should be indefinite and that no new regulations for B-2 status would force the airport to go back and comply with the issues that the waiver covered. Mr. Pitkin commented that another reason not to move the taxiway would be to keep from losing so many tie downs until the rest of the property was developed for new tie downs. Member Barber pointed out that the ACIP specified the development of new tie downs before the taxiway could be moved. Chairman Hunt stated that if there ever was time to request a waiver, it seemed like this was an opportune time. Motion was approved 7 – 0.

8. Policy items necessary to accommodate Unmanned Aerial Vehicles at the Payson Airport –

Chairman Hunt introduced the topic by stating that Jim DuFriend, President of Bravo Partners, intends to go forward with a UAV operation. Mr. DuFriend would like assurances from the Town Council and Airport Commission that they support such an operation so that there would not be road blocks once he begins to invest in this endeavor. Mr. Garrett announced that last Thursday, March 7, 2013, they were able to get a motion from the Town Council that said that they would support UAV operations at the Payson Airport. The Council requested that the Airport Commission look into what rules and regulations may need to be put in place to ensure safe operations. Mr. DuFriend began his presentation by stating that their intent was to produce a less expensive UAV that to fill a particular niche. He feels that UAVs are the next big area of expansion in aviation and their company wants to be part of that. Member Henley asked what can be done under current and future FAA regulations. Mr. DuFriend said he could not predict what the FAA will do, but that they know that the requirement is coming. UAVs can be flown under 400' AGL but the difficult part will be flying in controlled airspace. The planned UAV that Mr. DuFriend's company will build will be large enough to require a runway to launch and land. Mr. DuFriend reiterated that he just wants to be sure that the Commission will be willing to support his operation once FAA regulations are finally in place. Chairman Hunt explained how current military UAVs are operating in Restricted airspace and that chase planes are usually used when the UAV is operated out of visual range from the operator. Mr. DuFriend stated that they are planning to use a chase plane when their UAV is initially being fielded and the UAV would be designed so that if it lost its control data link, it would be programmed to fly to a particular spot, then shut down its engine and land by parachute. Chairman Hunt said that he would be the point of contact to investigate what requirements would be necessary to carry out UAV operations.

Policy items necessary  
to accommodate  
Unmanned Aerial  
Vehicles at the Payson  
Airport

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**G Management Report and Discussion**

Management Report

Mr. Law reported that the airport had been nominated by Ralph Larkin for the ADOT Airport of the Year. Other items that were highlighted included repair of the Opticom systems at all entrance gates (allows entrance of emergency vehicles.) and that a pallet of AWOS equipment had arrived ready for future installation. Mr. Law stated that the AWOS contractor, Pavex, had been in contact with him trying to ascertain when the installation area might be dry enough to being digging trenches and pouring concrete. They will probably be delayed at least another week considering the rain and snow over the previous weekend. Mr. Law credited Mr. Garrett with locating a resident that was willing to take the stumps that were removed from the AWOS area. Jesse Wallace and a member of the Streets department had hauled the stumps off the property last week.

**H Schedule of Future Meetings and Requests to Staff for the Placement of Items on Future Commission Agendas – No Discussion Permitted**

Future Meetings and  
Agenda Items

Chairman Hunt stated that the next agenda items should include a discussion of the commercial Through the Fence agreement. Member Henley requested that a discussion concerning having an overnight parking area for cars be placed on the agenda. Mr. Garrett requested that the April Commission meeting be moved to a different date because he and Mr. Law will be out of town attending the Arizona Airport Association Conference that day. Chairman Hunt asked the other members what date would be acceptable to them and everyone agreed that the next meeting could be held on Monday, April 15th at 6:30pm.

Chairman Hunt called for any additional agenda items or comments. There were none.

**I Adjournment**

Adjourn

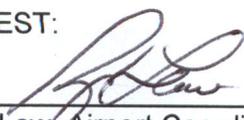
Adjournment motion was made by Member Henley. Meeting adjourned at 8:28 pm.

Approved:

  
\_\_\_\_\_  
Chairman Hunt  
VICE CHAIRMAN DAY

Date: 5-2-13

ATTEST:

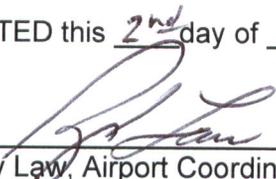
  
\_\_\_\_\_  
Ray Law, Airport Coordinator

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**Certification**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Airport Commission of the Town of Payson held on the 14<sup>th</sup> day of January 2013. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this 2<sup>nd</sup> day of MAY, 2013.

  
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Ray Law, Airport Coordinator

Affix Town Seal  
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