

**MINUTES  
AVIATION ADVISORY COMMISSION  
GLENDALE MUNICIPAL AIRPORT  
6801 N. GLEN HARBOR BLVD.  
GLENDALE AVIATION CONFERENCE ROOM  
GLENDALE, AZ 85307  
SEPTEMBER 14, 2011  
7:00 PM**

**I. CALL TO ORDER**

The meeting was called to order by Chair Ron Cohoe with the following Commissioners present: Vice-Chair Carl Duggins, Bill Kelly, Joe Cable, Leslie Sheeler, Robert Irons and Victoria Rogen.

Also present were Walter Fix, Interim Airport Manager; Jamsheed Mehta, City of Glendale Executive Director of Transportation Services; Nick DiPiazza, City of Glendale City Attorney Office; Richard Goldman, GAPAA; Theodora Hackenberg, CTOC; Emily Hovater, GAPAA

**II. APPROVAL OF MINUTES OF THE PREVIOUS MEETING**

**Commissioner Duggins motioned to approve the May 14, 2011 meeting and retreat minutes with the following corrections as requested by Chair Cohoe:**

- **On Page 2, under agenda item V., the last word of the second bullet point should be changed from “memorialized” to “formalized”.**
- **On Page 4, under agenda item VIII., in the second paragraph, “June 8<sup>th</sup>” should be changed to “June 9<sup>th</sup>”.**

**Commissioner Sheeler made the second. The motion passed 7 - 0.**

**III. REQUEST FOR CONTINUANCE OR WITHDRAWAL OF ITEMS**

None.

**IV. AIRPORT BUSINESS**

The following items were addressed.

1. Introduction of Interim Airport Manager

Mr. Mehta announced that in response to recent civil actions against the Airport, the FAA is requiring a Corrective Action Plan to be implemented. Mr. Mehta introduced Mr. Fix, who was hired as the Interim Airport Manager in order to oversee, direct and implement this Corrective Action Plan.

Mr. Mehta stated that Mr. Fix has over 30 years of airport and aviation experience and has worked in various capacities at Sky Harbor, Deer Valley, Phoenix-Mesa Gateway and other locations.

Mr. Fix was pleased to be working at the Glendale Airport and looked forward to accomplishing the many tasks ahead.

## 2. Valley Aviation Services Litigation

Mr. DiPiazza, Chief Deputy City Attorney, briefed the Commission on the status the three Valley Aviation Services “VAS” lawsuits.

Mr. DiPiazza stated that there were three lawsuits filed by VAS:

1. The Part 16 Complaint filed by VAS, which will be discussed in greater detail during the meeting.
2. A \$15 million civil lawsuit for damages was filed two years ago. Mr. DiPiazza stated that this lawsuit went to trial in May 2011 and the jury returned with a verdict awarding VAS \$2,276,242. The City of Glendale feels that the damages in the civil suit were not fairly found by the jury. A motion was submitted today and a reply is pending from VAS attorneys. The Court will have to decide if the verdict stands, if it should be reduced or if a new trial is necessary.
3. A lawsuit was filed two weeks ago in which VAS claims that the increase provided for in their lease with the airport was improperly calculated. Mr. DiPiazza explained that VAS claims that the City of Glendale miscalculated the increase by using the National CPI. VAS feels that the Phoenix-Metro CPI should have been used, but this CPI was discontinued in December 1998. Mr. DiPiazza stated that the Notice of Claims Statute requires that a claim must be filed timely and damages can only go back six months, therefore, there would be limited damages if the City is found to be in error. Mr. DiPiazza stated that the City has twenty days from the date of service of the lawsuit to formally reply to the service.

## 3. FAA Director’s Determination in Valley Aviation Services Federal Aviation Regulation (FAR) Part 16 Complaint

Mr. DiPiazza stated that in the Part 16 Complaint filed against the City of Glendale relating to the Glendale Municipal Airport, VAS claimed that the airport:

- Restricted VAS’s ability to set its lease rates with sub-tenants.
- Prohibited VAS sub-tenants to conduct activities there were allowed to take place on other leaseholds on the property.
- Prevented VAS from expanding and improving its leasehold by refusing to allow VAS to engage in additional business.

Mr. DiPiazza stated that the FAA made a decision regarding the complaint and found that the City of Glendale was in violation of three FAA airport grant assurance obligations: Grant Assurance 19 – Operation and Maintenance, Grant Assurance 29 – Airport Layout Plan and Grant Assurance 22 – Economic Nondiscrimination.

Based on these findings, the FAA ordered the City to submit a Corrective Action Plan (CAP) within thirty days of the date of the Determination, which was no later than June 23, 2011. The FAA required the Corrective Action Plan to address six issues:

1. Identify all aeronautical land and facilities being used for nonaeronautical purposes.
2. Submit any proposed changes in use of aviation land from aeronautical to nonaeronautical to the FAA for interim use approval on the City's ALP.
3. Ensure aeronautical land and facilities being used for nonaeronautical purposes that is not approved for interim use is converted to aeronautical use in a timely manner.
4. Provide a plan that demonstrates how the City will maintain an ongoing program to monitor the contents and use of hangars to ensure the safe and proper use of the Airport and its facilities.
5. Provide a plan for ensuring all tenants and Airport staff are aware of and abide by the 2004 Airport Rules and Regulations.
6. Provide a plan either to (a) cease imposing a rate structure for hangars and tie-downs, or (b) determine reasonable hangar and tie-down rates for all tenants renting or leasing to subtenants at the Airport; in the interim, remove the imposed rate structure for VAS.

#### 4. Glendale Municipal Airport Corrective Action Plan

Mr. DiPiazza stated that the City of Glendale takes this situation very seriously and a Corrective Action Plan was drafted and submitted to the FAA. The FAA has made some changes to the CAP and these changes are being reviewed by legal counsel and if approved, will be sent to Mayor and Council for final approval.

Mr. Fix stated that the CAP gives the City six months to remedy the Part 16 Complaint and the specific grant assurances. The documentation was provided to the Commissioners.

Mr. Fix stated that so far during the inspections of the hangars, shades, tie-downs and other facilities, there has been a good response from the tenants. Mr. Fix stated that after the CAP submittal, a public meeting was held in early August and many questions were answered at that time regarding the process. Mr. Fix assured the Commission that the inspection deadlines and recordkeeping requirements will be met. Mr. Fix stated that other airports have gone through

this process and again stressed that he will work diligently to ensure that all deadlines are met.

Commissioner Kelly asked if there would be a problem performing inspections with individual leases versus ground leases and Mr. Fix replied in the negative.

Mr. Fix explained that the ALP is the Airport Layout Plan which with FAA uses when considering grants. The ALP delineates what is aeronautical versus nonaeronautical.

Mr. Fix stated that he is working with Mr. Tony Garcia, the Los Angeles Office FAA Specialist. Mr. Fix explained that Mr. Garcia came out to the airport for a full day in August and will be out again in October for a two-day visit. Mr. Garcia will review the airport leases and monitor the status of the CAP progress.

Commissioner Rogen wondered if there would be a CAP progress chart made available to the Commissioners. Mr. Fix replied that there is a matrix and several spreadsheets in use for progress monitoring. Mr. Fix noted that by the end of September a summary will be compiled and given to the Commissioners when completed.

Commissioner Rogen wondered if Mr. Garcia's visit in October could be timed so that Mr. Garcia could attend the October Commission meeting. Mr. Fix will follow-up with this suggestion.

Commissioner Cable wondered how the Commissioners could help with the CAP. Mr. Fix stated that at this time, if the Commissioners receive any questions, phone calls or correspondence from the public regarding this matter to please refer them directly to him.

5. Amendment to the 2004 Airport Rules and Regulations

Chair Cohoe stated that the 2004 Rules and Regulations is the current version which requires an addition due to the CAP. Chair Cohoe stated that a few years ago, the Commission made proposed changes to the 2004 Rules and Regulations however these did not complete the adopted cycle, so the 2004 Rules and Regulations still stand.

**Commissioner Irons motioned to approve the insertion of the following to the 2004 Airport Rules and Regulations:**

**Under Article 2. General Use of Airport, Section 2-3 Use of Airport Facilities: add new paragraph "d" as follows:**

**No person may use the Airport or its facilities or engage in any conduct on or related to the Airport, in any way that would cause the City to be in non-compliance with any of the City's Federal airport grant assurance obligations.**

**Commissioner Cable made the second. The motion passed 7 - 0.**

Mr. Mehta thanked the Commission for this action and noted that this revision to the 2004 Airport Rules and Regulations will be on the next Council agenda for review and approval.

6. Airport Advisory Commissions in the Valley

Chair Cohoe gave a report on the June 9, 2011 Scottsdale Aviation Advisory Committee meeting the he attended along with Commissioners Irons and Rogen.

Chair Cohoe reported that the Scottsdale Commission and panel consisted of:

- Seven Commissioners
- City Planning and Outreach Coordinator
- Airport Operations Manager
- City Aviation Director
- Senior Assistant City Attorney

Chair Cohoe stated that there were more than two dozen people in attendance.

Chair Cohoe listed the agenda items to be discussed were the following:

- Monthly Operations report
- Monthly Financial report
- Marketing, Community and Pilot Outreach programs
- Airport and Airpark business permits status
- Current Aviation items that are at the City Council for review and approvals
- Discussion and possible action to adopt a new Resolution and Ordinance regarding rates and fees charged for fuel sales and the resulting rewrite of the rules and regulations accordingly.

Chair Cohoe gave the following report on the Agenda Item regarding the possible adoption of a new Resolution and Ordinance:

- Eight different speakers addressed the Commission with their views of this new ordinance.
- The discussion was basically about charging a 25-cent fee to prevent retail sales (for profit) on the Airport by “thru the fence” operations.
- The Airport FBO can sell to anyone and make a profit.
- The “thru the fence” operators are within the Airpark and per current rules can only sell to Airpark tenants but not to any transients, etc. Current rules also state they are not allowed to make a profit.
- The issue is mainly between the FBO and SW Jet who is a “thru the fence” operation.
- After intense discussion, the Commission tabled the Agenda Item in order to obtain more information. The Commission did state they did not want to have a “Glendale issue” at the Scottsdale Airport.

- The meeting lasted nearly two hours and not all agenda items were discussed. The Commissioners planned on scheduling another meeting to address the agenda items not covered.

7. Sub-Committee Reports:

There were no reports from the Sub-Committees due to the summer break.

Commissioner Cable reminded all that he volunteered to be on the Future Business Development Sub-Committee at a previous meeting. Chair Cohoe took note of this comment.

**V. SUMMARY OF CURRENT EVENTS**

Operations: Mr. Fix stated that regular operations and maintenance were occurring as well as the CAP inspections, clean-up of monsoon debris and street coordination on game days.

Grant Projects: Mr. Fix provided an update on current grant projects at the airport.

- Airport Projects: This project consists of the relocation or elimination of the blast fences for the widening of the safety area, the relocation of the windsock out of the runway safety areas, as well as better ramp markings for the pilots and air traffic controllers.
- ConAir Property Land Acquisition: Coffman Associates, Inc. is involved in this project and the land appraisal and Environmental Assessment are both underway.

Mr. Fix stated that he will report to ADOT and the FAA on the updated 5-Year Capital Improvement Plan for the Airport by the end of October. Mr. Fix stated that this plan will be a list of CIP projects for when FAA grants become available.

Commissioner Rogen wondered who was performing the CAP inspections. Mr. Fix replied that there is an Inspection Team consisting of Mr. Jim Gum, an Airport Staff member, a City of Glendale Fire Department Fire Inspector and a City Building Safety representative. Mr. Fix explained that the team members work together during an inspection. Mr. Fix stated that if for some reason the Building Safety member cannot make an inspection, the Fire Inspector is very well-versed in building codes.

**VI. CALL TO THE PUBLIC**

No business from the floor was presented.

**VII. NEW BUSINESS REQUESTS**

Chair Cohoe suggested the following future agenda items:

- Report on the formality of Sub-Committee meetings, including quorum
- Restaurant marketing update and any prospective tenants
- Update on the WestMec school
- Visit from Mr. Tony Garcia in October
- Update on Airport events and promotion
- Tour of the FBO and HALO

Mr. Mehta suggested a presentation by the City Attorney's Office on the Arizona Open Meeting Law.

#### **VIII. NEXT MEETING TIME**

The next Commission meeting will be held at 7:00 p.m., Wednesday, October 12, 2011 on the second floor Conference Room of the airport terminal building located at the Glendale Municipal Airport, 6801 N. Glen Harbor Blvd Suite 201, Glendale, AZ.

#### **IX. COMMISSION COMMENTS AND SUGGESTIONS**

Chair Cohoe thanked all Commissioners and attendees for a very informative meeting.

#### **X. ADJOURNMENT**

**Commissioner Kelly motioned to adjourn the meeting at 7:59 p.m. Commissioner Duggins made the second. The motion passed 7 - 0.**