

LOGAN - CACHE AIRPORT AUTHORITY BOARD MEETING
JUNE 1, 2017
MINUTES

The Logan-Cache Airport Authority Board convened in a regular session on June 1, 2017 at 7:30 a.m. in the Cache County Historic Courthouse, County Council Chambers, 199 North Main, Logan, Utah.

ATTENDANCE

Members of the Airport Authority Board in Attendance:

John Kerr – Chairman
Craig W Buttars – Cache County Executive
Karl Ward – Cache County Council
Jeannie F. Simmonds – Logan City Council
Bill Francis

Members of the Airport Authority Board Absent:

H. Craig Petersen – Logan City Mayor
Gar Walton

Also in Attendance:

Kirk Jensen – Logan City
Aaron Dyches – Utah State University
Matt Bunnell – Utah State University
Susan Crosbie – Utah State University
Kim Hall – Leading Edge Aviation
Kim Silvester – J-U-B Engineers, Inc.
Sandy Emile – Cache Chamber of Commerce
Russ Kirkham
Janeen Allen

CALL TO ORDER

Chairman John Kerr called the meeting to order at 7:30 a.m.

ITEMS OF BUSINESS

Approval of Minutes – May 3, 2017

ACTION: Motion was made by Francis and seconded by Buttars to approve the minutes of May 3, 2017 as written. The vote in favor was unanimous, 4-0, Petersen, Walton, and Simmonds absent

ITEMS FOR DISCUSSION

Awarding of Bid for Summer Construction Projects – North Apron and part of Taxiway Charlie

ACTION: Motion was made by Ward and seconded by Buttars to award the bid to LeGrand Johnson Construction for the North Apron and part of Taxiway Charlie subject to FAA grants. The vote in favor was unanimous, 4-0, Petersen, Walton, and Simmonds absent

7:34 a.m. – Simmonds arrived

Consideration of 30-year Lease Option

Kerr said he has received quite a few calls from people who are in favor of the 30-year lease option. In addition, Electric Power Systems needs a 30-year lease in place before they can proceed with their funding.

Ward asked if there is a provision for opting out of the lease agreement. Kerr said there is the option to opt out for both parties. Additionally, there is a provision in the lease granting the Airport Authority eminent domain in which the lessee would be compensated at the fair market value by the Airport Authority. Ivie added that leases are not transferred. Any time a hangar is sold, a new lease is drafted.

ACTION: Motion was made by Ward and seconded by Francis to approve the option for a 30-year lease. The vote in favor was unanimous, 5-0, Petersen and Walton absent

Discussion regarding Electric Power Systems – Kirk Jensen

Jensen said the building Electric Power Systems will construct is going to provide a nice entrance to the airport property. This company will bring over 100 above-average paying jobs to the valley over a seven year period which is exactly the kind of business this county is looking to attract.

Jensen expressed appreciation to the Airport Authority Board, John Kerr particularly, for facilitating the company's move to Cache County and locating on the airport property.

The company has hired a local architect and will use local contractors for the majority of the construction. Although Jensen was not aware of the specific timeline, he did know they are anxious to get started as soon as possible.

Kerr said the authority will get a lease to Electric Power Systems within the week. He noted that regulations from the FAA require that all entities be treated the same in regards to lease agreements. If the airport customized a lease for a specific entity, it would have to charge commercial rates because the FAA won't allow for preferential treatment.

Discussion regarding Commuter Airline Service – John Chadwick, Jeff Moffitt

Moffitt works in a resort community in Colorado with commercial air service. His company is Triple Point Strategic Consulting. He was approached by John Chadwick who owns Cherry Peak Ski Resort with the idea of bringing commercial air service to Cache County. Moffitt asked the board for their consideration in bringing commercial air service to the Logan-Cache Airport as a means of increasing tourism in the valley. He believes there are several factors favorable to this service including Utah State University, a new ski resort, and convenience of not having to drive to Salt Lake City to fly.

Moffitt understands that there have been efforts before in bringing commercial service to the airport and that it is a very difficult thing to do. If the Airport Authority Board is favorable to this proposal, Chadwick said he is willing to get sponsorships from 100 businesses totaling \$1,000,000 to help get the service running. Moffitt said he is also willing to meet personally with anyone from the Board to discuss it further.

Chadwick concluded by saying this preliminary proposal is mainly to see if the county wants to pursue commercial air service. If so, he is willing to get the business sponsors who can guarantee a major portion of the revenue to run the service.

Members of the board expressed some major concerns including capital costs, start-up costs, required improvements to the airport to accommodate the service, filling the seats, and ongoing operating costs.

Kerr invited Sandy Emile from the Chamber of Commerce to share her experience with past similar proposals. Emile said they have done two Small Community Airport Development Grants. The first grant allowed the airport to hire a full time airport manager, and the second grant allowed for the extension of the runway. Then they started to look into bringing commercial service with some grant money coming from EDCUtah for the market analysis to pursue the Small Community Airport Development grant.

They have one full study and one partial study. Emile said she still has all of the information from those studies. Interestingly, the studies did not look at the tourism aspect; they focused primarily on business need, and there was more than enough interest and viability from commercial development and the university to continue to pursue it.

Two airlines, Allegiant and Frontier, were considered with routes to Denver, Los Angeles, and Las Vegas. Just two months ago, Emile was approached again by USU about pursuing commercial service here. She didn't have all the statistics from the studies to provide the board, but noted that the area has grown by about 6,500 people since the last study. She believed that it may be time to look at it again. She strongly suggested a written proposal with costs from Mr. Moffitt so the Board could consider the option.

Manager's Report – Lee Ivie

Lee Ivie presented the Manager Report which is part of these minutes as Attachment A."

Committee Reports

Audit & Finance – Craig Buttars

No Report

Operations Committee – Kim Hall

No Report

Capital Improvements - Bill Francis

No Report

Economic Development / Public Relations – Gar Walton

No Report

Open Items

Next Meeting

Thursday, July 6, 2017 at 8:30 a.m.

Adjournment

The meeting adjourned at 8:16 a.m.

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ATTACHMENT A



May 2017 Manager's Report

1. Current AIP Projects.

- a. **FAA Project #3-49-0016-028-2016 Taxiway C & Northwest Ramp Rehabilitation.** Refer to the report from Armstrong Consultants (RE recommendation of award)
- b. **Taxiway I, CVE Hangar Project:** A pre bid conference is scheduled for June 7, 2017 at 2:00 p.m. in the airport pilot's lounge, and bids are scheduled to be opened on the 20th of June in the Council Chambers at 3:00 p.m.

2. Buildings, Grounds, and Vehicle Maintenance.

- a. Both ends of runway 17/35 will need to be sprayed again for weed control. The first application of chemical was unsuccessful in preventing vegetation from growing in those areas.
- b. Mowing operations have been completed in all hangar areas, the entrance to the airport, and around all navigational signs along the edges of runways and taxiways. I've contacted Ric Wosnick to arrange for the first cutting of grass in all other areas, and those operations will probably begin the mid part of June.
- c. All ruts and drop off areas along the edges of paved surfaces that were noncompliant with the 139 safety inspection have been filled in.
- d. An onsite inspection of painted sections of the runways and taxiways that need to be redone was conducted by Armstrong Consultant, LeGrand Johnson, Straight Stripe Personnel, and me to determine the quantity of paint that will have to be laid down. Some spots will have to be prepped again where the seal coat on the pavement separated from the asphalt. We have not established a date at this juncture when this work is to be completed.

3. Hangar Inspections.

All but three hangars at the airport were inspected in May. The remaining three hangars will be inspected as soon as we make contact with the owners. Most discrepancies evolved fire extinguisher tags being updated. Some hangars had openings in the electrical panel that needed to be closed off. Three hangars did not have any form of an aircraft in them and I suspect a fourth to fall into this category. Along with the hangar inspections I updated the list of based aircraft at Logan-Cache Airport and turned in that list to the company that the State of Utah has hired to monitor aircraft registration. This is a report I'm required to submit to the State semiannually. Presently we have 144 based aircraft in Logan if nothing has changed in the three remaining hangars to be inspected.