

CITY OF MERCED
REGIONAL AIRPORT AUTHORITY MINUTES

COUNCIL CHAMBERS
MERCED CIVIC CENTER
678 WEST 18TH STREET
MERCED, CA

TUESDAY
JUNE 21, 2011

A. CALL TO ORDER

Chair Janet Young called the meeting to order at 7:00 p.m.

B. ROLL CALL

Members Present: Janet Young, Rich Basart, Larry Morelock, and John Sundgren

Members Absent: Kraig Riggs, Jerry Crews and Ray Beverly – Excused

Staff Present: Ron Elliott and Robin Gardner

C. WRITTEN PETITIONS AND COMMUNICATIONS

None

D. ORAL COMMUNICATIONS

None

E. CONSENT CALENDAR

1. AIRPORT AUTHORITY MINUTES FOR MARCH 15, 2011.

M/S/C – Basart/Sundgren motioned to approve and file the minutes for the March 15, 2011 as submitted.

F. REPORTS

1. AIRPORT MANAGER’S REPORT

Great Lakes Airlines continues to draw more and more passengers monthly. In five of the first six months this year, enplanements have improved over the previous month. The airline now has code-share agreements with both Frontier and United airlines. Additionally, the airlines is working on gaining a slot at LAX for an early morning arrival and a late departure. The Authority discussed increasing the education and awareness of citizens about the new

service to Los Angeles and new and improved flight times to Las Vegas in order to build the number of business travelers.

All current FAA grants are in the process of final close-out. RS&H's contract was approved by City Council on June 6, 2011.

The Hangar Café's building plans were reviewed by the engineering department. County Health is also reviewing the plans and will need to approve before a building permit is granted.

The Airport Authority's lease committee is currently in the process of reviewing Gateway Air Center's revised lease.

2. MEDI-FLIGHT ALERT FACILITY SITE PLAN

Airport staff and Mercy Air have agreed on a site near Fire Station 52 to build a new modular alert facility. The Authority discussed the importance of keeping this business at the airport and encouraged using incentives. The terms of the improvement and lease are in the negotiation process.

3. FISCAL YEAR 2011/12 BUDGET UPDATE

The Airport reduced the 2011/2012 budget by 15% due to current City fiscal challenges. Although no services will be cut, airport staff will limit or cut funding in a number of budget lines, such as travel and training, advertising, and some professional services. The airport plans to continue working with its corporate partners to improve airport revenues. The City's economic sustainability effort should help save money as well. By replacing the runway and taxiway lights with a new LED lighting system, adding window treatments in the terminal building and replacing existing HVAC systems with new energy efficient systems will reduce expenses considerably. In addition, the airport is working with Great Lakes Airlines to improve passenger demand, as well as continuing to market existing hangars and land for future development to increase revenues.

The Authority discussed the economic challenges and the dwindling pilot population as well. The Authority encouraged the airport to pursue aircraft maintenance businesses, and improve corporate air traffic.

4. THORNTON ROAD RE-ALIGNMENT

The Thornton Road re-alignment site plans were reviewed by the FAA. The project is estimated to cost between \$1.3 and \$2.0 million. The design and planning work for the road re-alignment and new terminal building will be combined into one ACIP grant application. The road re-alignment

construction phase is estimated to begin summer 2012, and the terminal construction will follow. The Airport is working with the City and the FAA to provide matching funds in order to pursue each phase of the projects.

G. AUTHORITY BUSINESS

1. POSSIBLE INCOMPATIBLE LAND USE ACTIVITY

None.

2. OTHER BUSINESS FROM AUTHORITY MEMBERS

None.

H. ADJORNMENT

M/S/C – Basart/Sundgren motioned to adjourn the Airport Authority meeting at 7:45 p.m. and to meet again on Tuesday, July 19, 2011 at 7:00 p.m. in the City Council Chambers, 678 W 18th Street, Merced, CA 95340.