

CITY OF MERCED

"Gateway to Yosemite"



WELCOME TO YOUR REGIONAL AIRPORT AUTHORITY **MEETING OF THE CITY OF MERCED**

AUTHORITY MEMBERS

Janet Young Chair, Richard Basart Vice-Chair, Kraig Riggs,
Larry Morelock, Ray Beverly, John Sundgren and Russ Cowperthwaite

AGENDA

7:00 pm
COUNCIL CHAMBERS
678 WEST 18th STREET
MERCED, CALIFORNIA

TUESDAY
APRIL 17, 2012

(www.cityofmerced.org)

STAFF REPORTS OR OTHER WRITTEN DOCUMENTATION RELATING TO EACH ITEM OF BUSINESS REFERRED TO ON THE AGENDA ARE ON FILE IN THE AIRPORT ADMINISTRATION OFFICE OF THE AIRPORT SUPERINTENDENT. ANY PERSON WHO HAS QUESTIONS CONCERNING ANY AGENDA ITEM MAY CALL THE AIRPORT SUPERINTENDENT AT (209) 385-6873 TO MAKE INQUIRY REGARDING THE NATURE OF THE ITEM DESCRIBED ON THE AGENDA. PRIOR TO EACH REGULAR REGIONAL AIRPORT AUTHORITY MEETING, A COMPLETE AGENDA PACKET IS AVAILABLE FOR REVIEW IN THE FOYER OUTSIDE THE COUNCIL CHAMBERS AND ON THE CITY'S WEBSITE AT WWW.CITYOFMERCED.ORG. ANY DOCUMENTS PROVIDED TO A MAJORITY OF THE COMMITTEE MEMBERS AFTER THIS AGENDA IS POSTED WILL BE AVAILABLE FOR PUBLIC INSPECTION IN THE CITY CLERK'S OFFICE DURING NORMAL BUSINESS HOURS.

FOR CITIZEN PARTICIPATION INSTRUCTIONS, PLEASE REFER TO THE CITY'S WEBSITE AT WWW.CITYOFMERCED.ORG. A HANDOUT IS ALSO AVAILABLE AT THE MEETING ADJACENT TO THE AGENDA. INDIVIDUAL AGENDA ITEMS MAY BE HEARD IN AN ORDER THAT IS DIFFERENT THAN THEY APPEAR ON THE AGENDA TO ACCOMMODATE MEETING PARTICIPANTS.

INFORMATION FOR INDIVIDUALS WITH DISABILITIES:

Accommodation for individuals with disabilities may be arranged by contacting the City Clerk's Office at 209-388-7100.

Assisted Hearing Devices Available for Hearing Impaired
Teletypewriter (TTY) 209-385-6816

THE PUBLIC HAS THE OPPORTUNITY TO ASK QUESTIONS OR COMMENT AT THE TIME SPECIFIC AGENDA ITEMS ARE CONSIDERED. NORMALLY, EACH AGENDA ITEM WILL HAVE A STAFF PRESENTATION, FOLLOWED BY COMMENTS OR QUESTIONS BY THE AIRPORT AUTHORITY MEMBERS. IF REQUESTED BY AN AUDIENCE MEMBER, THE CHAIRPERSON WILL THEN ALLOW THE PUBLIC TO MAKE COMMENTS OR ASK QUESTIONS. AFTER ANY PUBLIC INPUT, THE AUTHORITY MAY HAVE FURTHER DISCUSSION BEFORE TAKING ACTION TO THE NEXT AGENDA ITEM.

- A. CALL TO ORDER**
- B. ROLL CALL**
- C. WRITTEN PETITIONS AND COMMUNICATIONS**
- D. ORAL COMMUNICATIONS**

AT THIS TIME, ANY MEMBER OF THE AUDIENCE MAY COMMENT ON ANY MATTER NOT LISTED ON THE AGENDA. PLEASE STAND AND STATE YOUR NAME AND ADDRESS FOR THE RECORD. THE AUTHORITY WILL NOT TAKE ACTION ON THE ITEM THAT IS BROUGHT TO THEIR ATTENTION THIS EVENING. IF IT REQUIRES ACTION, IT WILL BE REFERRED TO STAFF AND/OR LISTED ON THE NEXT AUTHORITY AGENDA.

PLEASE BE BRIEF AND TO THE POINT. AVOID REPEATING WHAT PREVIOUS SPEAKERS HAVE SAID. IF TWO OR MORE INDIVIDUALS ARE HERE AS A GROUP AND WISH TO SPEAK ON ONE SIDE OF AN ISSUE, PLEASE SELECT A SINGLE SPOKESPERSON TO PRESENT YOUR VIEWS.

E. CONSENT CALENDAR

1. AIRPORT AUTHORITY MINUTES FOR MARCH 22, 2012.

Recommendation: Adopt a motion to approve and file.

F. REPORTS

1. GREAT LAKES AIRLINES CEO TO PRESENT AN UPDATE

Recommendation: *For information only.*

2. PRESENTATION TO PROMOTE AWARENESS OF AIRPORT

Recommendation: *Adopt a motion to approve and file.*

3. AIRPORT RATES AND CHARGES – UPDATE

Recommendation: *Adopt a motion to approve and file.*

4. PLAN TO INCREASE TENANCY AND OFFER DISCOUNTS

Recommendation: *Adopt a motion to approve and file.*

5. AIRPORT MANAGER'S REPORT

Recommendation: *For information only.*

G. AUTHORITY BUSINESS

1. POSSIBLE INCOMPATIBLE LAND USE ACTIVITY

Recommendation: *Discussion as desired by Authority members.*

2. OTHER BUSINESS FROM AUTHORITY MEMBERS

Authority members may introduce items to be calendared for a future agenda.

Recommendation: *Discussion as desired by Authority members.*

H. ADJOURNMENT:

TO THE NEXT AIRPORT AUTHORITY MEETING, TUESDAY MAY
15, 2012 AT 7:00 PM IN THE CITY COUNCIL CHAMBERS, 678
WEST 18TH STREET MERCED, CA 95340.

**CITY OF MERCED
REGIONAL AIRPORT AUTHORITY MINUTES
‘SPECIAL MEETING’**

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

**Thursday
MARCH 22, 2012**

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 Russ Cowperthwaite.

Members absent: John Sundgren, Ray Beverly and Kraig Riggs. (Excused)

Staff Present: Ron Elliott and Jessica Cortright

C. WRITTEN PETITIONS AND COMMUNICATION

None

D. ORAL COMMUNICATIONS

None

E. CONSENT CALENDAR

1. REGIONAL AIRPORT AUTHORITY MEETING MINUTES FOR FEBRUARY 16, 2012.

M/S/C –Morelock/Basart motioned to approve and file the minutes for February 16, 2012 as submitted.

F. REPORTS

1. AIRPORT CAPITAL IMPROVEMENT PROGRAM GRANT APPLICATION FOR 2012

Ron Elliott explained that the grant application for 2012 will focus on clearing the airport’s Runway Safety Area (RSA), and Runway Object Free Area (ROFA). In order

to determine the best and most advantageous option, the FAA has invited the City to apply for a \$175,000 Airport Capital Improvement Program (ACIP) grant to fund a RSA study to determine which option would be best and identify realistic future costs. In addition to moving Thornton Road, other options include shifting the runway toward the south, displacing the threshold lines or developing declared distances. RS&H will accomplish this study to determine/recommend the best option(s).

M/S/C –Basart/Morelock motioned to approve and file the ACIP Grant Application for 2012 as submitted.

2. REVIEW HANGAR RENTAL RATE FREEZE FOR FY 2012/13

Members of the audience, Gail McCullough and Steve Spinelli had comments for the Authority board regarding this subject. Both are tenants at the Merced Regional Airport and their comments were of gratitude and great appreciation for recommending a rate freeze.

Ron Elliott presented the revised proposed rates and charges with the change to how Tie-Downs will be categorized according to the aircrafts maximum take-off weight versus single or twin engine configurations as approved at the Feb 16, 2012 meeting.

3. AIRPORT MANAGER'S REPORT

Ron Elliott reviewed the Airport Manager's report for February 2012.

G. AUTHORITY BUSINESS

1. POSSIBLE INCOMPATIBLE LAND USE ACTIVITY

None

2. OTHER BUSINESS FROM AUTHORITY MEMBERS

Mr. Morelock requested that a presentation be prepared for City Council to emphasize the progress and happenings at the Merced Regional Airport.

H. ADJOURNMENT

M/S/C – Basart/Cowperthwaite motioned to adjourn the Airport Authority meeting at 7:37 pm and to meet again on Tuesday, April 17, 2012 at 7:00 pm at the Civic Center, 678 W 18th Street, in the Council Chambers.

Janet Young, Chairperson
Regional Airport Authority



MERCED REGIONAL AIRPORT

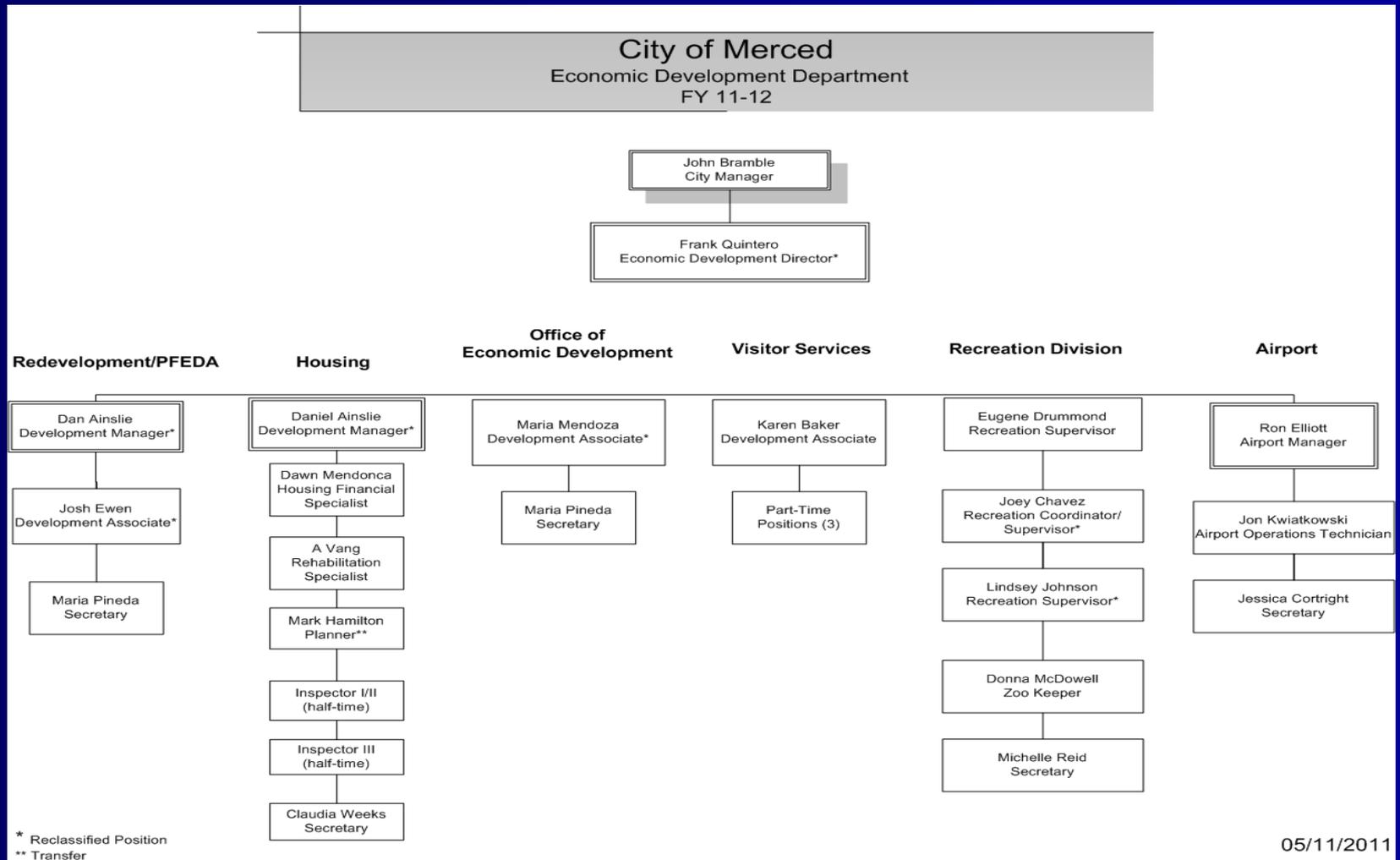


Merced Regional Airport

- **Airport**
- **Airlines and Info**
- **Grants & Upgrades**
- **Visitors and Aircraft**



Revised Organization





Airport

- **Part 139 Commercial Airport**
 - **Design Aircraft – Boeing 737**
 - **Runway – 5903' X 150'**
- **450 Acres**
- **70 Based Aircraft**
- **50,000 + Operations Annually**



Tenants and Partners

- **Great Lakes Airlines**
- **Gateway Air Center**
- **FAA**
- **Medi-Flight/Mercy Air**
- **Hangar BBQ**
- **UPS/Redding Aero**
- **Colimair**
- **AVIS/Budget Rental Car**
- **Gateway EAA Chapter 1401**



Merced Regional Airport Main Entrance – Grogan and Macready Drive





Flying In?





Parking





Fixed Base Operation FBO





MEDI-FLIGHT





UPS





Hangar Cafe





Airport Hangars





Great Lakes Airlines







AIRLINE INFO

Los Angeles



- Flt 7161 Depts 7:03 AM Arrive Los Angeles 8:45 AM
- Flt 7167 Depts 2:55 PM Arrive Los Angeles 4:37 PM
- Flt 7162 Depts 9:05 AM Arrive Merced 10:52 AM
- Flt 7169 Depts 4:30 PM Arrive Merced 6:17 PM



AIRLINE INFO

Flights to Las Vegas



- Flt 7162 Depts 11:02 AM Arrive Las Vegas 12:32 PM
- Flt 7169 Depts 6:27 PM Arrive Las Vegas 7:57 PM

- Flt 7167 Depts 1:15 PM Arrive Merced 2:45 PM
- Flt 7200 Depts 8:30 PM Arrive Merced 10:00 PM



GRANTS and UPGRADES

FAA Grants

Grant 14, 15, & 16 - ~ \$4.0M RSA Improvements

Grant 17 - \$235K Security System

Grant 18 - \$1.2 M Aircraft Apron

Grant 19 - \$150K Terminal Study

Energy Efficiency Upgrades

Emergency Generator

Beacon

LED and Quartz Lighting



GRANTS 14, 15, & 16





Lighting Up-Grades





LED Lighting





Future Possibilities

- **New Airline Terminal**
- **Hangar BBQ Renovations**
- **Medi-Flight/Mercy Air Alert Facility**
- **New GA/Corporate Hangars**



COSTCO





Rose Bowl Parade Marshall





Mr. Apple – Steve Jobs





Steve Jobs





Oprah Winfrey's Jet





The Governor





1946 Ercoupe





RV-8

Descending Dove





Design Aircraft Boeing 737





THE END



MERCED

REGIONAL AIRPORT

To: Regional Airport Authority
From: Ronald K. Elliott, Airport Manager
Date: April 17, 2012
Re: Hangar Rate Freeze

Background

On May 2, 2011 the Merced City Council approved Resolution No. 2011-28 adopting various fees, rates and charges applicable to the Merced Regional Airport (Attached). This Resolution was designed to provide a four year rates and charges plan at Merced Regional Airport through July 1, 2015.

Prior to the Resolution 2011-28 being submitted for adoption, a detailed study was completed in 2009 and adopted per Resolution 2009-40 to assess where the Airport's rates and charges should be in relation to nearby and like kind airports. At the time the Resolution was adopted rates and charges at the Airport were raised to bring them in-line with current market conditions. In addition, an annual 3 percent escalator was imposed in each succeeding year of the five year plan to maintain rates and charges at fair market levels based on historical appreciation and future expectations.

Resolution 2009-40 was in effect for two years. Last year, due to a stagnate economy, Airport Staff with a unanimous decision from the Regional Airport Authority recommended these Rates and Charges be frozen for one year. The City Council agreed and Resolution 2011-28 was adopted on May 2, 2011.

Since Resolution 2011-28 has been adopted the local economy has continued to stagnate due to a number of reasons at both the local and national levels. The three percent escalator provided a good "rule-of-thumb" at the time the original Resolution was adopted, however, if the 3 percent escalator were implemented now our fees, rates, and charges would increase at a pace exceeding the current "down" market. In addition, through telephone calls and e-mails, airport staff found no other airports raising hangar rates, either last year or this coming year.

Discussion

During the last Regional Airport Authority meeting on March 22, 2012, the Authority discussed and unanimously approved, in the same motion with the Rates and Charges freeze, changing the "Aircraft Tie Down" fee language to

reflect aircraft maximum take-off weights versus single engine, multi-engine, or large multi-engine. However, after discussing this change with the City Attorney it was learned that this change cannot be accomplished without supporting documentation in the form of a study (as previously accomplished in the 2009 study). Due to the time involved to accomplish another study and then get the Rates and Charges freeze approved by the City Council prior to fiscal year 2012/12 budget execution, Airport Staff recommends the Rates and Charges be frozen for one year, but leave the original language concerning "Aircraft Tie Down" fees the same as previous years. If the Airport Authority would like to change the language to reflect aircraft maximum take off weights an updated study could be accomplished at a future date and changed in next year's budget cycle.

RECOMMENDATION:

Since a single motion has already been made and approved to freeze the Rates and Charges as well as change the "Aircraft Tie Down" fee language, Airport staff recommends rescinding that motion and making another one stating that Resolution 2011-28 is rewritten to freeze airport rates and charges for one year. Starting July 1, 2012, July 1, 2011 rates would again apply. Rates and charges for the remaining three years would remain unchanged; however the Resolution would expire June 30, 2016 versus June 30, 2015; thus leaving out the language referencing the language change.

Attachment:

Resolution No. 2011-28

Resolution No. 2012-??

To: Regional Airport Authority
From: Ronald K. Elliott, Airport Manager
Date: April 17, 2012
Re: Hangar Marketing

Discussion

During the last Regional Airport Authority meeting, Mr. Spinelli approached the Authority asking for a discussion on possible discounts and/or marketing strategies to increase hangar occupancy rates. For discussion only....looking for any ideas or direction from the Commissioners.



Merced Regional Airport

Manager's Report March 2012

OPERATIONS

Great Lakes Airlines enplaned 316 total passengers for the month of March. Airline revenue enplanements were up 17 percent compared to January. Compared to March 2011, enplanements were up just 42 percent. There were four cancellations this month out of the 123 scheduled departures; one of the four cancellations was due to weather. During the first quarter of calendar year 2012, Great Lakes Airlines enplaned 788 passengers representing a 61 percent increase over the same quarter of 2011.

CAPITAL PROJECTS AND CONSTRUCTION

Airport staff has been working on the Federal Aviation Administration (FAA) Airport Capital Improvement Program (ACIP) grant for 2011. This grant provides funding for a new commercial airline terminal study. The study will include site design and a needs assessment for the location and layout of a new airline terminal, aircraft parking apron, additional access roads, and vehicle parking needs. RS&H is currently working on the study, and expects to have it completed by May or June 2012.

Additionally, airport staff has been working on the Federal Aviation Administration (FAA) Airport Capital Improvement Program (ACIP) grant for 2012. The FAA ACIP grant application is tentatively scheduled to go before the City Council in May. This grant will provide funding for a Runway Safety Area (RSA) study to determine the best and most advantageous option for clearing the airport's RSA.

Construction of the new Medi-Flight Alert Facility is complete. Carter Construction completed the job on-time and did an outstanding job. Medi-Flight expects to have their modular building in place by the end of April or early May and begin using the facility by the end of May.

OTHER

Expected renovations on Hangar BBQ have stopped. Airport staff is working with Mr. Stuhmer to find a way to move forward. Legal and Airport Staff are discussing how to proceed.

Legal is working with Gateway Air Center on consolidating numerous lease amendments into one lease. Progress is being made, but a completion date has not yet been determined. A draft lease is currently in review, and meetings are being held with a "lease review committee", consisting of the airport manager and three airport authority members.

Visit the Merced Regional Airport website at www.flymercedairport.com

To: Regional Airport Authority
From: Ronald K. Elliott, Airport Manager
Date: April 17, 2012
Re: Possible Incompatible Land Use Activity

No activity this month.

To: Regional Airport Authority
From: Ronald K. Elliott, Airport Manager
Date: April 17, 2012
Re: Other Business from the Authority

Authority members may introduce items to be calendared for a future meeting.