

# CITY OF MERCED

*"Gateway to Yosemite"*



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

### **AUTHORITY MEMBERS**

Larry Morelock-Chair, Alvin Osborn-Vice-chair, John Sundgren,  
Russ Cowperthwaite, Rodrigo Flores, Ryan Smith and Michael Bodine.

### **AGENDA**

**7:00 pm  
3<sup>rd</sup> FLOOR CONFERENCE ROOM  
678 WEST 18<sup>th</sup> STREET  
MERCED, CALIFORNIA**

**TUESDAY  
MARCH 18, 2014**

**([www.cityofmerced.org](http://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](http://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](http://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 FEBRUARY 18, 2014.**

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

**F. REPORTS**

**1. HANGAR RATES & CHARGES**

*Recommendation: For information only.*

**2. AGRICULTURE LEASE WITH GURR**

*Recommendation: For information only.*

**3. AIRPORT MANAGER'S REPORT**

*Recommendation: For information only.*

**4. SALE OF FORMER PEPSI PLANT**

*Recommendation: For information only.*

**5. VERIZON WIRELESS/CONTROL TOWER**

*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**

*Recommendation: Discussion as desired by Authority members.*

**H. ADJOURNMENT:**

TO THE NEXT AIRPORT AUTHORITY MEETING, TUESDAY APRIL 15, 2014 AT 7:00 PM IN THE CITY COUNCIL CHAMBERS, 678 WEST 18<sup>TH</sup> STREET MERCED, CA 95340.

**CITY OF MERCED  
REGIONAL AIRPORT AUTHORITY MINUTES**

**SAM PIPES CONFERENCE ROOM  
MERCED CIVIC CENTER  
678 WEST 18<sup>TH</sup> STREET  
MERCED, CA**

**TUESDAY  
FEBRUARY 18, 2014**

**A. CALL TO ORDER**

Chair Larry Morelock called the meeting to order at 7:00 P.M.

**B. ROLL CALL**

Members present: Larry Morelock, Alvin Osborn, John Sundgren, Rodrigo Flores, Michael Bodine and Ryan Smith.

Members absent: Russ Cowperthwaite – 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 JANUARY 21, 2014.**

M/S/C –Sundgren/Smith motioned to approve and file the minutes for January 21, 2014 as submitted.

**F. REPORTS**

**1. AIRPORT CAPITAL IMPROVEMENT PROGRAM (ACIP) UPDATE**

Ron Elliott presented the revised 10 year ACIP. The Airport Terminal Renovation was removed from the ACIP list after talking to the FAA ADO office and implications of using money for a renovation versus using Federal Grant money for a new terminal in the future. This ACIP presented to City Council with the next ACIP Grant Application in April.

Airport staff requests the Regional Airport Authority make a motion to recommend that the Merced City Council approve the Airport Capital Improvement Plan for 2014-2024.

M/S/C – Sundgren/Flores motioned to approve the ACIP as submitted and for City Council to approve the same at an April Council Meeting.

**2. GREAT LAKES AIRLINES, STATUS AND UPDATE**  
**From Chuck Howell, CEO, Great Lakes Airlines**

Mr. Howell explained that the newly instituted Federal Aviation Administration Rules have impacted service provided by Great Lakes Airlines. Specifically the First Officers (co-pilot) rule requiring 1,500 hours per pilot and the Flight & Duty Time rule. In one year the “pool of pilots” has decreased from 304 to only 98 pilots. In an attempt to increase the pool of pilots Mr. Howell explained that GLA has started a pilot program, graduating class’s monthly. With such a deficit in pilots, this pilot shortage could take several months to correct.

**3. AIRPORT MANAGER’S REPORT**

Ron Elliott reviewed the written manager’s report for January 2014.

**G. AUTHORITY BUSINESS**

**1. POSSIBLE INCOMPATIBLE LAND USE ACTIVITY**

Ron Elliot shared three items that could possibly impact land use activity in the near future. Verizon Wireless is looking at the possibility of using the control tower, an Almond Business is planned to be built on the west side of the airport in the industrial park, and that the former Pepsi building may be occupied in the very near future.

**2. OTHER BUSINESS FROM AUTHORITY MEMBERS**

None.

**H. ADJOURNMENT**

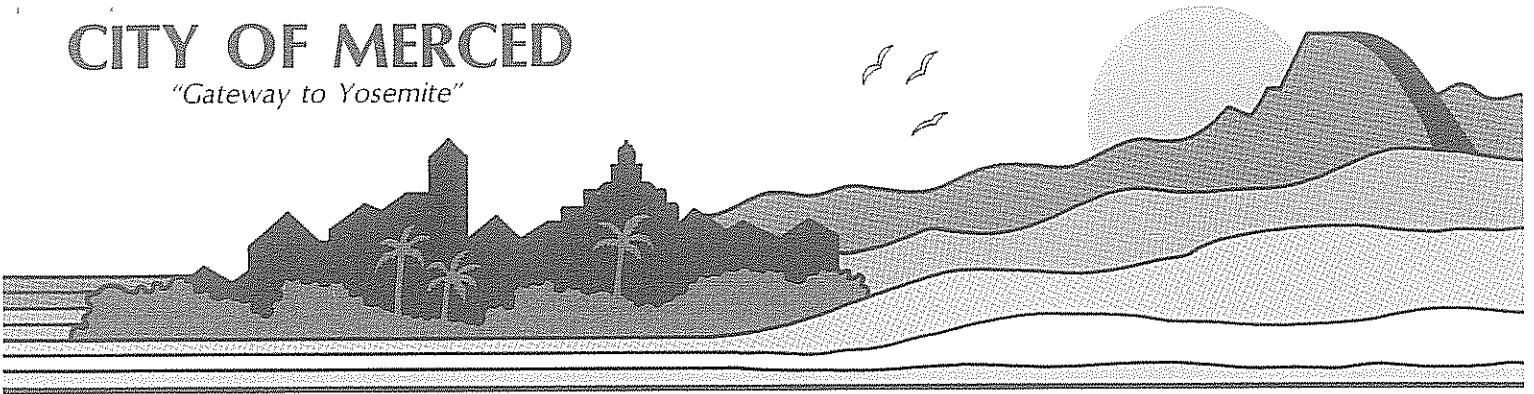
Larry Morelock called the meeting adjourned at 7:37 PM until the next Regional Airport Authority meeting on Tuesday, March 18, 2014 at 7:00 pm in the Council Chambers at 678 W 18<sup>th</sup> Street, in the Civic Center.

---

Larry Morelock, Chair  
Regional Airport Authority

# CITY OF MERCED

"Gateway to Yosemite"



DATE: March 7, 2014  
TO: Merced Regional Airport Tenants  
FROM: Ron Elliott, Airport Manager  
RE: Rate increase effective July 1, 2014

Dear Airport Tenants and Users,

This memo is a friendly reminder of the Airport's upcoming rate and fee increase. According to Resolution 2012-26, Merced Regional Airport rates and fees will increase July 1, 2014.

For your convenience we have enclosed a copy of the resolution. Please refer to page 2, second column titled "Rate 7/1/2014" which reflects the rates and fees that will be applied to your airport account effective July 1, 2014.

\*Note – All payments are due on the 1<sup>st</sup> of each month, unless otherwise stated in your lease. If payment has not been received by the 20<sup>th</sup> of each month a late fee of \$25 will be added to your account balance.

If you have any questions, please feel free to call the office at (209) 385-6873 or email me at [elliotttr@cityofmerced.org](mailto:elliotttr@cityofmerced.org).

Thank you.

Ronald K. Elliott, A.A.E.,  
Manager, Merced Regional Airport

**RESOLUTION NO. 2012-26**

**A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF MERCED, CALIFORNIA,  
ADOPTING VARIOUS FEES, RATES AND  
CHARGES APPLICABLE TO THE MERCED  
REGIONAL AIRPORT**

THE CITY COUNCIL OF THE CITY OF MERCED DOES HEREBY  
FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

SECTION 1. That the City Council of the City of Merced does hereby find, determine and declare, as follows:

A. That the City Council has adopted Section 2.32.020 of the Merced Municipal Code for the purpose of authorizing the use of the Merced Regional Airport such that the airport users should pay for the costs of the services provided therein; and,

B. That the Section requires applicants using the Merced Regional Airport to obtain various permits, authorizations, or other approvals from the City; and,

C. That the City Council, for the purpose of reimbursement of costs associated with processing of the same and for the costs related to providing services at the Merced Regional Airport recognizes the need for fees, rates, and charges at sufficient levels to support airport services; and,

D. That the City Council conducted a duly noticed public hearing regarding the proposed fees, rates, and charges established by this Resolution, at which oral and written presentations were invited, as part of a regularly scheduled meeting. The City Council has duly considered all oral and written testimony prior to the adoption of the fees set forth in Section 2 herein; and,

E. That the amounts of the fees, rates, and charges established herein do not exceed the sums reasonably necessary to cover the costs of providing the services related thereto, unless otherwise authorized by law; and,

F. That the City Council has determined that the public interest, convenience, and necessity require the adoption of the fees, rates, and charges

established herein in order to allow for the continued operation of the Merced Regional Airport.

SECTION 2. Pursuant to Section 2.32.020 of the Merced Municipal Code, the City Council hereby sets the following rates and charges for the use of the Merced Regional Airport as follows:

	Rate 7/1/2012	Rate 7/1/2013	Rate 7/1/2014	Rate 7/1/2015
<b>Aircraft Tie Downs</b>				
Single Engine, monthly	\$33.00	\$34.00	\$35.00	\$36.00
Multi-Engine, monthly (7,500-12,500 lbs)	\$63.00	\$65.00	\$66.00	\$68.00
Large Multi-Engine, Monthly (12,500 lbs +)	\$75.00	\$78.00	\$80.00	\$82.00
Transient (single engine, daily)	\$8.00	\$9.00	\$9.00	\$9.00
Transient (multi-engine, daily)	\$14.00	\$14.00	\$15.00	\$15.00
Transient (multi-engine over 12,500 lbs, daily)	\$27.00	\$27.00	\$28.00	\$29.00
<b>Hangar Rentals (monthly)</b>				
Bldg 3, 3 spaces	\$178.00	\$183.00	\$189.00	\$195.00
Bldg 4, 6 spaces	\$147.00	\$152.00	\$156.00	\$161.00
Bldg 5, 4 spaces	\$179.00	\$185.00	\$191.00	\$197.00
Bldg 6, 6 spaces	\$175.00	\$180.00	\$186.00	\$192.00
Bldg 21, 10 spaces	\$347.00	\$358.00	\$368.00	\$379.00
Bldg 22/23/ 20 spaces	\$450.00	\$464.00	\$477.00	\$492.00
Executive	\$185.00	\$191.00	\$197.00	\$203.00
Executive I	\$214.00	\$221.00	\$227.00	\$234.00
Executive II	\$288.00	\$296.00	\$306.00	\$315.00
<b>Portable Hangar Space Rental</b>				
Executive	\$75.00	\$78.00	\$80.00	\$82.00
Executive 1	\$87.00	\$91.00	\$93.00	\$96.00
Executive 3	\$111.00	\$115.00	\$118.00	\$122.00
<b>Landing Fees (Minimum)*</b>				
Transient Commercial Aircraft/Helicopters	\$14.00	\$14.00	\$15.00	\$15.00
Based Commercial Aircraft/Helicopters	\$8.00	\$9.00	\$9.00	\$9.00
<b>Commercial Operator Permits</b>				
Commercial Operator, monthly	\$93.00	\$96.00	\$99.00	\$102.00
Commercial Operator, daily	\$33.00	\$34.00	\$35.00	\$36.00

\*Landing fees: For transient aircraft, \$0.60 per 1,000 lbs of certified gross landing weight, but not less than minimum shown.  
For based aircraft, \$0.50 per 1,000 lbs of certified gross landing weight, but not less than minimum shown.

The rates and charges effective as of July 1, 2015 continue in effect unless and until a subsequent Resolution adopts a new or different rate or charge.



**AIRPORT LEASE  
(Agricultural Use)**

THIS LEASE is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2014, by and between the City of Merced, a California charter municipal corporation, hereinafter called "Lessor", and John Gurr, hereinafter called "Lessee", subject to the following terms and conditions:

1. **LEASED PREMISES.** For and in consideration of the payments, terms, conditions and covenants as hereinafter set forth, Lessor leases to Lessee and Lessee takes and hires from Lessor approximately 78.84 acres in and around the Merced Airport Industrial Park, more particularly described in Exhibit A attached hereto and incorporated herein by reference.

2. **RENT.** Lessee agrees to pay to Lessor the following rent:

For Year 1 (2014) – \$4,500.00

For Year 2 (2015) – \$4,500.00

For Year 3 (2016) – \$4,600.00

Said rent shall be due and payable in advance on or before the first day of January of each year. The annual rent has already been paid for 2014.

3. **TERM.** The term of this Lease shall commence on January 1, 2014, and shall continue for a period of three (3) years to and including December 31, 2016.

4. **PURPOSE.** Lessee may use said premises for agricultural purposes only, including, but not limited to, permanent pasture. Such use shall not interfere in any way with any airport activities. Whenever any activities of Lessor conflict with the activities of Lessee, Lessor shall have the right to use said premises, subject only to reasonable notice being given to Lessee. Lessor shall have the right to enter on said premises at all reasonable times for the purpose of inspection.

5. **CARE AND MAINTENANCE.** Lessee agrees to conduct his agricultural operation in a good and farmerlike manner, and to care for and maintain said premises in a neat and clean condition at all times and will not commit or permit any waste upon said premises and shall return the same at the



## Merced Regional Airport

Manager's Report February 2014

---

---

### OPERATIONS

Great Lakes Airlines enplaned 124 total passengers for the month of February. Airline revenue enplanements were up nine percent from January. In comparison to February 2013, enplanements were down 10 percent. There were 20 cancellations this month out of the 55 scheduled departures. Only 35 scheduled flights were actually flown. Of the 20 cancelled flights, all were cancelled for lack of crew availability. The Federal Aviation Administration (FAA) instituted a new rule requiring First Officers to have a minimum of 1,500 flight hours to fly for a commercial airline. Since this new rule has gone into effect Great Lakes Airlines has lost over 200 of their pilots. To alleviate customer dissatisfaction, Great Lakes Airlines is cancelling flights at least 3-5 days out so passengers can reschedule or make other arrangements.

### CAPITAL PROJECTS AND CONSTRUCTION

Grant 21, Wildlife Hazard Assessment Study has been approved and funded by the FAA. A "kick-off" meeting was held in September to start the yearlong Wildlife Hazard Assessment. This item will remain open for the next 12 to 18 months. No additional information will be made available until the Airport Biologist completes his data collection.

The FAA has approved Grant 22 for pavement rehab to the west side of the FBO maintenance hangar. However, since only discretionary funds were available, the FAA approved only the design portion of the grant. Total funding available for design was \$87K. Actual construction, using entitlement funds, will occur in 2014. Another grant application will be required in first quarter 2014 to request this additional funding for actual construction. The "design" scope of work has been approved and RS&H is currently working on the project. The pavement rehab design plans are 95 percent complete.

With help and assistance from our IT Department, Merced Regional Airport has been connected to the City's WiFi hotspot. Customers can now utilize their computers to connect to the City's "Guest Wireless Network" in the Airport Terminal.

### OTHER

Legal and Airport staff are working with Gateway Air Center on consolidating numerous lease amendments into one lease. The Airport Manager, Ron Elliott, and Past Regional Airport Authority Chairperson, Janet Young, met with the President of Gateway Air Center, Tom Lopes, on February 26, 2013, to review and discuss the new lease. In November, Mr. Lopes has submitted a letter requesting the lease not be renegotiated, but has requested changes be made so he can obtain financing against the lease. Airport Staff has requested Mr. Lopes identify (in writing) these desired changes. This item has been added to the February Regional Airport Authority monthly meeting agenda.

To: Regional Airport Authority  
From: Ronald K. Elliott, Airport Manager  
Date: March 18, 2014  
**Re: Possible Incompatible Land Use Activity**

---

No activity this month.

To: Regional Airport Authority  
From: Ronald K. Elliott, Airport Manager  
Date: March 18, 2014  
**Re: Other Business from the Authority**

---

Discussion as desired by authority members.