

MINUTES OF THE SPECIAL JOINT WORK SESSION OF THE CITY COUNCIL AND AIRPORT COMMISSION OF THE CITY OF COTTONWOOD, ARIZONA, HELD APRIL 28, 2009, AT 6:00 P.M. AT THE PUBLIC SAFETY BUILDING, 191 SOUTH SIXTH STREET, COTTONWOOD, ARIZONA.

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CALL TO ORDER, ROLL CALL, WELCOME & INTODUCTIONS

Mayor Joens called the meeting to order at 6:00 p.m. Roll call was taken as follows:

Council Members Present

Diane Joens, Mayor  
Karen Pfeifer, Vice Mayor  
James Chapman, Council Member  
Tim Elinski, Council Member  
Duane Kirby, Council Member  
Linda Norman, Council Member

Council Members Absent

Terrence Pratt, Council Member

Staff Members Present

Doug Bartosh, City Manager  
Tim Costello, City Engineer

Richard Smith, Deputy Clerk  
Kyla Allen, Executive Assistant

Airport Commission Members Present

Aleck Gradijan, Chairman  
Michael Casebier, Member  
Jim Moeny  
Billy Tinnin

Airport Commission Member Absent

Allyson Waak

Mayor Joens asked if the discussion regarding the Civil Air Patrol could be moved up on the agenda first. There were no objections

DISCUSSION REGARDING CIVIL AIR PATROL USE OF THE AIRPORT

Bobbie Davis, leader of Cottonwood Cadet Squadron 212, gave a brief history of the Civil Air Patrol and its programs for youth education and leadership training, its affiliation with the U.S. Air Force, and its function as part of search and rescue operations.

Mayor Joens asked members of the Airport Commission what their concerns were with the cadets' use of airport facilities and she asked Council Members what they could suggest to help this youth program succeed.

Mr. Gradijan stated the Airport Commission supported the activities of the Civil Air Patrol (CAP) and they would cooperate in any way they could in giving them a permanent location on the airport, but the CAP could not remain permanently in the terminal facility.

Mayor Joens stated the CAP's need was for storage, possibly some kind of mobile facility could be brought in and parked near the terminal, so long as appearances were professional looking.

Mr. Gradijan stated that placing such a unit near the terminal would provide storage at low cost to them and the airport. They could use the terminal for meetings, just not as a permanent facility.

Council Member Kirby asked what sort of an agreement would be reached should the CAP obtain an aircraft and would there be storage space for it.

Mr. Gradijan stated since the issue had not come up it had not been addressed but he did not believe space for an aircraft would be a problem.

#### DISCUSSION OF FIXED BASED OPERATOR SOLICITATION

Mr. Mac McCall, General Manager of the Sedona Airport, stated he would review possible options the Council could consider for airport operations. One would be to do what Sedona had done and make the airport a wholly owned subsidiary of its fixed base operator (FBO). Alternatively there could be a request for proposal (RFP) or a request for qualifications (RFQ) to solicit applicants for a FBO. A RFQ would offer more flexibility and opportunity in selection of applicants since price negotiation was possible. Airports were specialized entities which he believed were best run by an authority independent of the city. Another option would be to open negotiations with fuel companies for a branding agreement in which they would assist with the establishment of an FBO and perhaps infrastructure and equipment as well. Jet fuel sales could be an asset, but it would have to be balanced with any affect on the community. There was a need for outreach and education when making any changes at an airport.

Council Member Kirby stated it appeared that we may be at the point of outgrowing the system that we had and changes would have to be considered carefully.

Discussion ensued regarding the desirability of having full time maintenance services as part of an FBO or not having them, as in Sedona. A restaurant was thought to be an important amenity.

Several pilots expressed their desire not to have a FBO. Their needs were for parking, repair facilities, self-service fuel, meeting space, and transient pilot facilities.

Mr. Bartosh stated the first step would be to decide what we wanted the airport to be. It could be a component adding to the city's economic engine, yet there was also a desire to retain it in its current form for recreational use.

Mr. Gradijan stated the question was whether to add other elements to an airport which now essentially only serviced recreational pilots. The recreational element should be maintained

while considering if it was desirable to make the airport more appealing to the business community and be more broad-focused.

Discussion ensued regarding the importance of first determining which of the two types of airport facility was desired.

Mayor Joens stated that was what the Commission was working on. They were preparing ideas for the Council to consider.

Discussion continued over nighttime training flights and the noise they generated, the need to revise the airport master plan, and pros and cons of an FBO offering mechanical services.

Mr. Gradijan recounted the history of FBOs at the airport. The contract with the latest FBO had been terminated but not the contract for his use of Hanger B, which expired at the end of this year. Use of the hanger was an incentive for attracting a FBO. He thought it important to have an organized maintenance facility and to retain the self-fueling facilities that now existed at the airport. He asked for direction from the Council.

Council Member Elinski stated he thought a RFQ for a full service FBO should be prepared. Only then could the Council make a decision to pursue that or bide its time if qualified applicants were not forthcoming.

Mr. Larry Tiffin, Manager and FBO of Nogales International Airport, stated part of his RFP was the requirement to supply a flight school, charter, maintenance, a restaurant, and 24-hour fuel service. All of these components were necessary for the success of a FBO. Contracting with a fuel company could be advantageous.

Mayor Joens stated on one hand, having gas sales was positive for the airport as a revenue source, while on the other hand it might have to be given up to attract a FBO.

Mr. Gradijan stated the Commission would talk to the fuel companies to see what they would offer. He wanted specific direction regarding how to go with the FBO.

Mayor Joens asked if he wanted direction to keep the fuel facility as a city enterprise or whether they should bring a menu of ideas to the Council for consideration.

Mr. Gradijan stated, primarily how we wanted to handle the hanger and the future of the FBO: whether to do a RFP or a RFQ.

Mr. Bartosh stated there were a lot of components that could be looked at. The Commission was concerned about how to handle the FBO. Would we offer everything up including the fuel service? Each alternative should be investigated. What kind of deal could we get if we branded with a fuel company or with an FBO professional who could provide all the things we're looking for?

Mayor Joens stated it was her personal opinion that going with an FBO would require everything: the gas, the FBO building, because we have to offer something to attract applicants.

Discussion occurred regarding fuel pricing and the possibility of giving up a percentage of fuel sales as an incentive to a FBO and structuring an RFQ with different bid alternatives.

Mr. Bartosh stated the Commission was moving in the direction of taking the airport to the next level. They saw the FBO contract as a major component to be able to do that. As a consequence, everything, fuel sales, mechanical service, the terminal facility, may be on the table and offered up as an incentive to an FBO applicant who had the skills to help us reach that next level of airport services.

Mr. Casebier stated the extent of the FBO activities would depend on what the City wanted for the airport. He asked if we were trying to bring in new business and if that included jet activity. If so, we needed an FBO.

Mayor Joens stated, yes.

Council Member Kirby stated we needed to provide a RFP or RFQ with a list of things that were negotiable so applicants knew where they could go. If we were too restrictive, we would not get applicants.

Mr. Gradijan stated the Commission would prepare an RFP or RFQ to determine what interest might be in the FBO position. It would find out what the fuel vendors had to say and then make a decision based on the facts. It would have to be diligent regarding applicants and their financial abilities. Results would be then presented to the Council.

Mr. Costello stated he liked the RFQ concept, which allowed more flexibility.

Mr. Darold Smith, Council Member elect, stated the Commission should look at removing gas sales and its related income from negotiations because it fluctuated in price so much. To be attractive, there should be a fixed contract, guaranteeing a monthly income. The City should take on the responsibility inherent with variable prices.

Mr. Gradijan stated the commission would look into a RPF and RFQ as well as fuel vendors and present its findings to the Council at a future meeting.

#### DISCUSSION REGARDING MINOR REMODELING OF THE AIRPORT TERMINAL BUILDING

Mr. Costello stated the Commission had previously discussed minor remodeling of the terminal building. The space inside the entry doors was fairly small. The current administrative area was fairly large and intended as an office for the FBO. Cutting into that area would allow expansion of the lobby area. It would also allow direct access from the field area and facilitate use by pilots. Currently pilots had to leave the secured field area and enter through the public entrance. The changes would not be substantial and the

budgeted amount of \$10,000 was expected to be adequate to complete the project. Carpeting would be replaced and perhaps ceiling tiles. A final cost estimate would be available to present to the Council during a budget session in May.

Mayor Joens stated, personally, she was supportive of this project.

Consensus was that the project should proceed.

#### PRESENTATION BY THE TURBINE/JET POWERED AIRPORT USERS

Mr. Bartosh stated the biggest need to accommodate jets was to be able to provide jet fuel.

Mr. Gradijan stated that at some point in the future we would need to be able to provide jet fuel. A way to start would be to acquire a 500 gallon capacity truck. The commission was inquiring about surplus military equipment to supply that need.

Council Members Elinski and Kirby stated their support for moving the airport in this direction, as did Vice Mayor Pfeifer.

#### CALL TO THE PUBLIC

Mayor Joens opened the floor to the public.

Pilots expressed their concern that the current mechanic at the airport may leave prior to the expiration of his lease on the maintenance facility at the airport. Their concern was a situation may arise where there would be no FBO and no mechanic at the airport. The need for a rental or courtesy cars for transient pilots was brought up as something that should be looked into and/or a phone board for transient pilots to contact local businesses.

#### ADJOURNMENT

Mayor Joens moved to adjourn. Council Member Kirby seconded the motion, which carried unanimously. The special joint meeting adjourned at 8:18 p.m.

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Diane Joens, Mayor

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Richard Smith, Deputy Clerk

