

Marin County Aviation Commission
DRAFT Minutes of February 2, 2017 Meeting
7pm – Room 329
Marin Civic Center, San Rafael, CA

Commission Chair: Humphrey Ogg

Commission Vice-Chair: Louis Franecke

Commissioners Present at Roll Call: Richard Beach, Richard Nave,
Marius Nelsen, Zev Rattet, Douglas Watt

Commissioners Absent at Roll Call: None

Staff Present: Dan Jensen (Airport Manager)
Eric Steger (DPW)
Ann Hearty (Recording Secretary)

Chair Ogg gaveled the meeting to order at 7:00 pm.

1. Chair Announcements – Chair Ogg acknowledged that his fellow Commissioners had served for years, if not decades. He indicated the Commission makes recommendations to the Board of Supervisors and he thanked the Commissioners, the public, and Department of Public Works (DPW) staff for giving their time to process the items the Commissioners care about. He reminded those present that the Chair organizes meeting business for fair and balanced discourse. He asked that all individuals address all comments to the Chair. He noted that if there was no answer forthcoming tonight, he would move it forward. He encouraged public comment since the Aviation Commission is the forum for individuals and groups to gain some traction on the issues they care about.

2. Minutes of the December 1, 2016 Meeting
Mr. Mercer asked that the record show under Item 5a that Mr. Mercer was quoting “Wheels Up” and was stating the opinion of a charter operation that wants to come to Gness. **M/s Nave/Nelsen to approve the minutes as amended.**
Vote: Aye – Beach, Franecke, Nelsen, Nave, Ogg, Rattet, Watt
Nay – None
Abstain - None
Absent - None
Motion Passed, 7/0

3. Airport Manager's Report and Comments

- a. Aircraft/Airport – Incidents and Accidents – The Airport Manager reported no aircraft incidents since the last meeting. He noted that contrary to the headlines, the levees are holding strong at the Airport. He mentioned that on December 15th and again on January 9th, he was in contact with the California Department of Fish and Wildlife concerning their levees both overtopping and breaching on their property near Mira Monte Island. He stated the Fish and Wildlife levees were repaired by January 17 and the property north of the Airport had more water than the Land Manager had ever seen. He indicated that as of February 1, the pump was working well and the water continued to recede as things were finally getting back to normal.
- b. Fuel Facility Update – Mr. Jensen said the first draft of the project report is almost done. He noted that a sub-consultant capital cost estimate of any changes to the current fuel system was missing. He indicated Gness was on track to receive a completed draft report by the end of February.
- c. EIS Update – The Airport Manager relayed the FAA is continuing discussion on the scope of work with Landrum & Brown and the County. He expected there will be a public meeting to explain the findings from the interviews and review of the fuel records, perhaps by May. He reported Landrum & Brown will do a revised purpose and need working paper based on the pilot and aircraft operator interviews.

Commissioner Nelsen asked if the gate to the north entrance was fixed. Mr. Jensen stated he had ordered the parts needed.

The Chair asked for public comment. In reference to the EIS update, Mr. Ogg wondered if people will be interviewed individually or within a public meeting. The Airport Manager noted that was one of things to be decided. Commissioner Beach questioned what kind of analysis work is being proposed. Mr. Jensen understood the scope to be critical aircraft comments. Mr. Beach asked what Landrum & Brown were doing for the last nine months. Mr. Steger agreed that the actual work has not progressed as they are going back and forth with the FAA for a definitive process that can withstand a legal challenge. He went on to say that the comments were successful in getting the FAA to re-evaluate and Washington determined the analysis was out of date. Mr. Ogg added that the process could change pending the FAA decision. Mr. Beach stated the input to those chapters may change the numbers, but the

contract work is the same. Mr. Steger offered that it wasn't so much the numbers, it was the parts in the report that need to be re-done.

4. Unfinished Business - Chair Ogg asked if there was any unfinished business to attend to, but none was mentioned.
5. New Business
 - a. Ground Lease Rent Adjustments – Mr. Steger presented a ground lease rate increase proposal for review and public comment. He indicated the general increase clause was tied to the Bay Area CPI and was needed to keep up with costs. He stated the last general increase was enacted in 2011. Mr. Jensen noted that tie-downs and C-hangars already reflected market rate and required no increase. Mr. Steger went on to describe how the proposed gross increase would generate approximately \$5,031 a month, \$60,372 a year, and could be applied as the local match to complete the runway reconstruction project, estimated at \$2 million. He said the 10 percent match of FAA funds would be \$200,000 and indicated that he was pursuing a County loan to the Airport Enterprise Fund to assist with any shortfall.

Mr. Nelsen asked if the runway project would cause the Airport to close for a period. Mr. Steger estimated perhaps at the end of summer for approximately 30 to 40 days. Vice Chair Franecke questioned if Gness had \$500,000 positive cash flow a year, why did it need a loan. Mr. Steger said the 10 percent FAA match would use up any Airport budget reserve. Mr. Franecke asked if the Aviation Commission had ever seen what Gness spends year-to-year. Chair Ogg wanted to understand what Gness generates and how is that spent. Mr. Steger presented that in 2014, Gness had \$720,000 in revenue and \$716,000 in expenses, stating expenditures and revenue are relatively equal. Vice Chair Franecke relayed that the Liaison Committee will sit down with staff and go over the last 10 years. He also recommended that the tenants be told what improvements they are getting for the ground lease increase. Mr. Nave agreed that how, what, and where the money goes is important and such matters were Accounting, not DPW. Mr. Steger offered to invite Accounting staff to participate with the Liaison Committee.

Commissioner Watt verified that the general provision for this CPI increase was stated in all leases, which the Airport Manager corroborated. Commissioner Rattet thought the proposed increase was reasonable. Commissioner Nave also asked to see the

revenue and expenditure numbers and offered that the Department of Finance used to come to the meeting and lay these things out for the Commission. He also noted that the Commission voted no increase the last two times, but the BOS raised it anyway. Mr. Beach disclosed he had no pending increase, but was in favor of raising money for these projects. He asked for a copy of the ACIP submittal and stated that a Caltrans grant could cut Gness's share of the match by 50 percent.

Mr. Ogg asked staff for a cost analysis of the projected length of time involved before the extension construction caused the runway reconstruction to be torn up. Mr. Steger said the runway extension would be added on to the north of reconstruction and not affect this work, though there may be changes to the taxiway.

Chair Ogg invited public comment. Ken Mercer requested that GFCFA be part of the conversation on ACIP submissions. He asked Mr. Steger to present the ground lease rent adjustments at a GFCFA breakfast. He also said that the facilities at Gness are substandard to all other airports on the comparison list. Paul Ericson asked that a capital account be created that people can recognize. He also said the leases would create more value if they had a guaranteed term. He noted it was hard for tenants to make capital improvements when they had a month-to-month lease. He mentioned he was thrilled to hear about replacing the runway. Mr. Neff claimed that all non-corporate hangars on the field have no leases at all. He stated it was difficult to do capital improvements when working with use permits. Mr. Neff agreed that the Airport is substandard. He claimed tenants are usually paying 28 cents not 14 cents, which was retail vs. wholesale, and hangars were a reasonable way to increase revenue. Tom Ryan agreed that the taxiway and infrastructure were in bad shape. He suggested the County take out a loan, do the work, then charge an increase. He claimed that the road was almost a crosswind runway already.

Chair Ogg closed public comment and asked for the commissioners to discuss. Mr. Watt stated that leases should be consistent and stable; subleases will not be affected by the increase until their next term. He emphasized that it wasn't in the best interest of the Airport to lock in terms that didn't match the amenities proposed for the future. Mr. Beach asked that the Commission move forward with a rent increase that is applied to these repairs. He also wanted tenants to discuss the terms of extensions with staff and what assurances the tenants received for 20 years. The

Airport Manager responded that every time the County accepts an FAA grant, it agrees to provide general aviation services for the next 20 years. Mr. Rattet thought reasonable leases create reasonable expectations and assurances for tenants. He also commented that the amount of the increase was so moderate that the disparity between Gness and the other airports listed will continue. Mr. Steger indicated that the hangars begin in competitive bidding and amortize over 20 years. He stated that lease issues for past and present long-term leases will be resolved before 2019 when the last of the current long-term leases expire and the County will use the market rate as an equitable benchmark.

Chair Ogg posed whether Gness should charge charters a landing fee. Vice Chair Franecke offered the security service could collect an overnight landing fee. Members of the Commission asked staff what night landing fees could be charged. Mr. Steger said this item could be agendaized for the next meeting. Mr. Ogg offered that the Airport would be successful, so it was important not to lock leases in below market rate. He suggested the leases be reviewed by DPW Real Estate for suggestions. He reminded the Commission that security cameras were a priority as cited in the Grand Jury Report. He supported a presentation at a GFCA breakfast on the benefits Airport users would get out of the increase. He agreed that CPI was no measure of Gness's amenities.

A motion was made to agendaize long-term lease renewals, with the Commission requesting staff meet with stakeholders on ways long-term leases may be made available and come back to the April meeting. The Chair asked for public comment. **M/s Beach/Rattet**

**Vote: Aye – Beach, Franecke, Nelsen, Nave, Ogg,
Rattet, Watt**

Nay – None

Abstain - None

Absent - None

Motion Passed, 7/0

A motion was made that the Aviation Commission recommend the rent increases detailed in Exhibit A be approved by the Board of Supervisors as presented. The Chair asked for public comment. Tom Ryan said it was important that the increase be used to improve the Airport amenities. **M/s Beach/Watt**

Vote: Aye – Beach, Franecke, Nelsen, Nave, Ogg,

Rattet, Watt
Nay – None
Abstain - None
Absent - None
Motion Passed, 7/0

b. Skydive Announcement – The Chair reported that Skydive Golden Gate should be up and running on February 11. Commissioners inquired whether the AWOS system will reflect conditions for skydiving. The Vice Chair confirmed that the ceiling is 9500 feet and below and may go higher with ATC allowance. The Commission verified the drop pilot will announce every minute in the last 4 minutes before every drop.

c. Nomination and Election of Officers - A motion was made and seconded that Mr. Humphrey Ogg serve as the Chair of the Aviation Commission for 2017. The Chair asked for public comment. **M/s Franecke/Rattet**

Vote: Aye – Beach, Franecke, Nelsen, Nave, Ogg, Rattet, Watt

Nay – None
Abstain - None
Absent - None

Motion Passed, 7/0

A motion was made and seconded that Mr. Louis Franecke serve as the Vice Chair of the Aviation Commission for 2017. The Chair asked for public comment. **M/s Nelsen/Ogg**

Vote: Aye – Beach, Franecke, Nelsen, Nave, Ogg, Rattet, Watt

Nay – None
Abstain - None
Absent - None

Motion Passed, 7/0

6. Aviation Commissioners Reports and Comments – The Chair asked that the recognition project be revisited. Ken Mercer, President of the Gross Field Community Association (GFCA), gave an update on the STEM project at San Marin High School. The goal is to build an aircraft over the next two years, sell it, then fund the next aircraft cycle from the proceeds. Vice Chair Franecke gave an update on the Spirit of St. Louis 2 (SOSL2), noting the crossing would be delayed because of challenges with the video communication. He also shared his concern that the BOS voted on NOAA overflight regulations for the Farallones and the Aviation Commission clearly should have been consulted prior to any action.

7. Open Time

Chair Ogg asked if anyone wished to speak in open time. TJ Neff commented that the tie-down area would be much more profitable if the majority could be converted into hangars.

8. Adjourn

The meeting was adjourned at 9:00 p.m.

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