

**AIRPORT ADVISORY BOARD MEETING
City of Las Cruces, New Mexico
May 19, 2016**

Members Present: Robert Wood, Chairman; Joe Dearing, Vice-Chairman; Gay Lenzo; Doug Newton and Dennis Zaklan.

Members Absent: Tom Laney; Ross Palmer and City Council Liaison Ceil Levatino.

Others Present: Lisa Murphy, Airport Manager; Lori Romero, Airport Administrative Assistant; David Maestas, Transportation Director; Rusty Chapman, Delta Airport Consultants, Inc.; Chris Mount, Fire Prevention Lieutenant; Chuck Drexler, Francis Aviation; Nick Gogolew, Francis Aviation; Hal Kading, Southwest Aviation; Marty Ditmore, EAA – hangar owner; Dan Privette, guest; Alta Le Compte, Las Cruces Bulletin; Ross Le Compte, EAA and Rich Clayton, NMSU pilot.

CALL TO ORDER:

Airport Board Chairman, Robert Wood, called the meeting to order at 12:30 p.m. in the conference room located at 8960 Zia Blvd; and a quorum was noted.

APPROVAL OF MINUTES:

- a. **April 21, 2016:** Chairman Wood asked if the Board had an opportunity to read the minutes from the last meeting. Board Member Zaklan motioned to approve the minutes; seconded by Board Member Newton. Motion passed, minutes accepted. Board Member Newton wanted to add that the minutes were extensive and very thorough. Chairman Wood stated that Lori is going to have a tough act to follow when she leaves here.

UNFINISHED BUSINESS:

- a. **Assignment of Lease, Parcel 13, Lynco:**

Chairman Wood stated that last month they tabled to move forward to this month, assignment of lease, parcel 13, Lynco Electric. Mrs. Murphy stated that this is a simple lease assignment from Wooten and Lynco for parcel 13; it has a hangar on it. This is a very old lease, 1987, has a 30-year term with two ten-year extensions and they wish to assign the lease to Amador Holding and Leasing Company. This has to

AIRPORT ADVISORY BOARD MEETING MINUTES – May 19, 2016

Page 2

go to City Council; they have a good lease rate of \$0.043 per square foot per year, which comes out to \$428.19 per year.

Vice-Chairman Dearing asked why this had been tabled. Chairman Wood replied, because Mrs. Murphy did not have all the information at that point, last month. Vice-Chairman Dearing asked why the lease rate is so low, did it start out at two cents. Mrs. Murphy replied, right, this is one of those original airspace leases and she thinks they started out at two or two and half cents a square foot back in 1987. Vice-Chairman Dearing asked if they have the right to increase the rent if there is an assignment. Chairman Wood stated that it was supposed to be adjusted every five years. Mrs. Murphy replied, it has been adjusted but it is in tiny increments, fractions of a cent. Vice-Chairman Dearing stated that perhaps this issue could be forwarded to the Council when the Business Plan is presented because it is unfair for the people paying 20 cents a square foot. He stated that he would recommend that it be passed and note all these irregularities in lease prices that they have. Board Member Zaklan stated that this issue has been discussed by this Board probably ten times in the last year to year and a half. He knows that at one time there was discussion that Delta was going to get involved in that and take a look at it; he does not know if it got there. Maybe that would be a good recommendation by the Board to City Council, to say, we as a group, in support of the City, but really the City needs to do this, they need to look at the lease rates from old to new and the fact that there is no set standard in the leases; it should be a standard lease. Vice-Chairman Dearing stated that it has been standardized since about 1995 or 1998 but the earlier ones, which still carry forward, are at a lower rate. Discussion was held.

Chairman Wood stated that the options and alternatives for City Council is to vote yes, this will authorize Wooten and Lynco to assign lease to Amador; vote no, this will not authorize Wooten and Lynco to assign lease; vote to amend resolution as deemed appropriate and vote to table and direct staff accordingly. So those are Council's options; so at this point the Board can vote to allow this to go to Council and let Council deal with this with the Board's recommendations possibly. Vice-Chairman Dearing stated that he would make a recommendation for approval but subject to a later review when the Business Plan comes to them of all the leases. Chairman Wood replied, why don't we make it under review when the extensions come due instead of the Business Plan. Vice-Chairman Dearing agreed. Board Member Zaklan agreed with Chairman Wood and stated that the vote here should say, yes, allow this to happen with the recommendation to the Council that every one of the old leases that comes up, should not be automatically extended at that price until a review has happened and a new price has been determined. Chairman Wood replied, can we consider that a motion. Board Member Zaklan replied, sure. Chairman Wood stated that he worded that very well, so they have motion on the floor. Vice-Chairman Dearing stated that he will withdraw his motion. Chairman Wood replied, I am sorry, Joe. Vice-Chairman Dearing replied, that is okay, we will go with Zak's. Chairman Wood stated that they have a motion on the floor and as far as discussion on lease rates, once again, Delta is coming up with some ideas on that. Discussion was held.

AIRPORT ADVISORY BOARD MEETING MINUTES – May 19, 2016

Page 3

Chairman Wood stated that Vice-Chairman Dearing seconded the motion and asked all in favor allowing this to move forward to Council under these concerns. Motion passed; the Board unanimously recommended approval of the assignment of lease to move forward to City Council under their concerns.

NEW BUSINESS:

a. Airport Manager's Report:

Mrs. Murphy read the following report:

Airport Manager's Report May 19, 2016

Airport Plan Update: Rusty Chapman of Delta Airport Consultants will be at the AAB meeting to present a report on the Action Plan progress to date.

PAPI Flight check: The new PAPIs were flight checked by FAA on May 11 and everything worked properly. The PAPIs are thus available for use.

City Council Items: The assignment of lease for Parcel 37 from Picacho Valley Group, LLC to RACI Management Group, Inc. was approved at the May 16, 2016 City Council meeting. If recommended for approval today, the assignments of lease for Parcel 13 (Wooten and Lynco to Amador Holding and Leasing Company, LLC), Parcel 34 (Gail Mathews to Lynco Flight Services, LLC) and Parcel 8W (Adventure Aviation to Doug Newton) will go to City Council on July 5 or July 18. Lease assignments are considered routine and are usually approved on the consent agenda.

Airfield Work: Surface painted runway designation signs on Taxiways B and C, as well as the centerline of Taxiway Alpha, will be repainted June 13-14 to address a Part 139 deficiency. The City has also contracted with an electrician to troubleshoot the runway edge lights for Runway 12/30 which have been out of service for several weeks.

Runway 4-22: A "Survey Monkey" survey was sent out to the airport tenant email list to solicit input and opinions on the Runway 04/22 situation. So far, 91% of responses favor keeping it open due to the need for a crosswind runway. If you have not received a link to the survey and would like to take it, let me know and I will send it to you.

New Mexico Aviation Conference: I, along with Airport Advisory Board Chairman Rob Wood and Senior Airfield Operations and Maintenance Technician Danny

AIRPORT ADVISORY BOARD MEETING MINUTES – May 19, 2016

Page 4

Valdez, attended the annual New Mexico Aviation Conference in Ruidoso. Highlights included a presentation by Dick Rutan on his round-the-world flight in Voyager and a speech on aviation and economic development by Lieutenant Governor John Sanchez.

Airport Emergency Plan Review: A review session for the Airport Emergency Plan was held on April 25. Personnel from LCPD, LCFD, Office of Emergency Management, Native Air, Airport Operations, New Mexico State Police, American Medical Response, Francis Aviation and Dona Ana County were in attendance. It was a good and productive session.

GIS: I am working with David Jaurequi of the City's GIS section to update the airport GIS layers and make sure everything is accurate and current. David is very proficient and can assist me in making professional-looking maps for various airport needs.

Landscaping: The City has hired a contractor to landscape some of the bad-looking areas between Harry Burrell and Crawford Boulevards. I look forward to sprucing up this very visible part of the airport.

Young Eagles: EAA Chapter 555 held a Young Eagles event on May 14. There was a nice story in the Sun News about the event: <http://www.lcsun-news.com/story/news/2016/05/14/young-pilots-take-first-flights/84382218/>

Board Member Zaklan asked Chairman Wood if they could open this up for discussion. Chairman Wood replied, yes, if there are any items on there. Board Member Zaklan stated that on the GIS, he thinks that is great that the City is doing that. He would like to know if they would like to work with NMSU, where they do their survey and then NMSU will fly it using a UAS, so that the City gets something for free from a different perspective because the City will be doing ground based GIS. Mrs. Murphy replied, absolutely. Board Member Zaklan stated that they will work on that. Chairman Wood thanked Board Member Zaklan.

Board Member Newton stated that regarding the landscaping, the corners of Harry Burrell, the mesquite and so forth has grown out and is really hard to see traffic and they need to be cut back. Mrs. Murphy replied, right and we have already told Josh and he has taken care of that. Board Member Newton stated that the City Council item 8W he thinks it was assigned to Joan Asprey, part of the Joan Asprey estate; 8W was transferred to her in lieu of payment. He thinks it reads Joan Asprey rather than Adventure Aviation. Mrs. Murphy stated that she will look into that. Board Member Newton stated that on the surface painting is there any way possible that they can get some centerlines on the taxiways. Mrs. Murphy replied, they will not be able to do it as part of this particular painting job. Board Member Newton stated that the taxiways should have centerline markings. Chairman Wood asked if those taxiways are in very much needed repair also. Board Member Newton replied, absolutely. Chairman Wood stated that it would really enhance the visual aspect of

AIRPORT ADVISORY BOARD MEETING MINUTES – May 19, 2016

Page 5

the airport. Board Member Newton asked what the status was on the plans for the taxiway going down by the EAA, that this is horrible, you can hardly taxi on it. Mrs. Murphy replied, I am getting our Street section to come out and assess if there is anything we can do. Mrs. Murphy stated that she has no issue painting the taxiways, something they can probably do in-house. Chairman Wood asked Mrs. Murphy if she could look into that and get back to them about that.

Chairman Wood stated that as far as the New Mexico Aviation Conference that Lt. Governor Sanchez from what he heard really supports general aviation. He is a very much proponent of what they are doing here and what they want to see on a state wide basis; he gave an eloquent talk. On the Young Eagles deal, in this Friday's Las Cruces Bulletin, Michael Swickard, will also be mentioning things in his editorial regarding how to advance general aviation; get kids interested; he talks about the EAA, what went on here and how much he believes getting kids attached to this at a younger age and it can be done.

b. Assignment of Lease, Parcel 34, Mathews:

Mrs. Murphy stated that parcel 34 is one of their newer hangars, built back in 2004 or 2005. Mrs. Mathews is selling the hangar and the lease was approved in 2004; it is a 20-year lease. The City for some reason back then was doing 20-year leases, instead of 30 but then it was amended to allow for a 30-year term, with two five-year extensions in 2010. Mrs. Mathews is selling it to Lynco Flight Services, it is 15,000 square feet; their lease rate is 0.235 per square foot per year or \$3,525 per year. She stated that what they would ask of the Board would be to either recommend approval or denial to bring the lease assignment forward to Council to allow the sale to proceed. Board Member Zaklan made a motion to approve. Vice-Chairman Dearing stated that there is a minor technicality, he believes. The first lease was for 20 years and they are asking for an additional ten plus two fives. It only covers a rent adjustment up through the 20 years. There should probably be something in the amendment to say that the rent adjustment would continue for the ten years between the 20 and 30 plus the two five-year leases. He would add that as a motion, amend the motion and add that. Mrs. Murphy stated that they could do that and thanked Vice-Chairman Dearing for catching that. Chairman Wood stated that they had a motion and then an amendment to the motion. He asked if they had a motion to approve the amendment to the motion. Discussion was held regarding the amended lease from 2010. Board Member Zaklan asked if they address the whole issue with Council or are they going to do it for every lease and have this discussion on every lease that comes up. Chairman Wood stated that he thinks they should make it a separate issue because this is what is going to Council, is the reassignment of this lease to Lynco. Mrs. Murphy replied, right and we have a seller who is paying this amount and a buyer who has agreed to pay this amount and the only issue before the Board is the assignment of lease from Mathews to Lynco Flight Services. Board Member Newton asked if the Master Plan is going to deal with lease rates. Mr. Chapman replied, yes, in a minute he will be talking about Strategic Business Plan. Chairman Wood stated that they are voting on whether to allow the transfer of ownership

AIRPORT ADVISORY BOARD MEETING MINUTES – May 19, 2016

Page 6

to Lynco. Vice-Chairman Dearing stated that he said that something should be added to where the lease rate is capable of being adjusted by the City in the years 20, 25, 30 and 35 of the lease. Board Member Newton stated that that is a very valid point, but that is not an item on the agenda right now; it is whether they are going to recommend transfer of the lease as it exists. Vice-Chairman Dearing replied, okay, good point. Board Member Zaklan stated that he would resubmit the motion. He recommends that they approve as is. Chairman Wood stated that they have a motion by Board Member Zaklan; seconded by Vice-Chairman Dearing to approve this lease assignment. Motion passed; the Board unanimously recommended approval of the assignment of lease to move forward to City Council.

Chairman Wood stated that they need to somehow get this into their agenda that they are going to discuss this and he is hoping that what Delta is doing, they are going to get more traction on discussion of lease rates, contracts and all those other things, so that they come up with something for the future.

c. Assignment of Lease, Parcel 8W, Asprey:

Mrs. Murphy stated that this should be the last one she will have for a while. The estate of Mrs. Asprey wishes to assign the lease to Mr. Newton. Board Member Newton stated that it is actually going to be to Aero Newton, Inc. rather than to him. This one is ten cents a square foot per year or \$7,708.67 per year. Chairman Wood asked if they had a motion. Board Member Zaklan motioned to approve; seconded by Vice-Chairman Dearing. Board Member Newton rescinded himself from voting on this item. Motion passed; the Board unanimously recommended approval of the assignment of lease to move forward to City Council.

DISCUSSION ITEMS:

a. Status of Airport Master Plan:

Mr. Rusty Chapman with Delta Airport Consultants stated that he wanted to talk about four things: The Strategic Business Plan, the Minimum Standards and Rules and Regulations, discussion on facility requirements and also the layouts they introduced last time. On the Strategic Business Plan, they do have a review from other airports on their rates and they also have the City's table of the status of each lease. Board Member Zaklan asked what is Delta's recommendation to the City. Mr. Chapman replied, we went in and looked at other airports in the area and towards the back of this document, they identify a step process. Board Member Zaklan asked if there is a recommendation from Delta to bring it back into being maybe even having a standard on leases. Mr. Chapman stated that they recommended a process on how to go through that and they can make a very specific recommendation, a lot of it depends on the investment in the property. Board Member Zaklan stated that he thinks there has to be some sort of basic standard for a lease. Discussion was held.

AIRPORT ADVISORY BOARD MEETING MINUTES – May 19, 2016

Page 7

Vice-Chairman Dearing stated that essentially there are at least three types of leases out here. One is a vacant hangar where people just park their plane in there, no one in there working. Secondly, like PSL or a business out here working, like the new UAV, where you have employees. Thirdly, Doug, where they have several leases and they sublease to other people. Those are three types that they could easily recommend and maybe the first would be a simpler lease and the other two may be a little more complicated because those two are trying to increase investments and economic opportunities at the airport, while making profits. He is not talking about FBO's; they should still be totally separate. If there are businesses out here creating employment, maybe they should get a credit on their lease rate at the end of the annual lease period; maybe a percentage per employee; a credit back after they have paid, not in advance. Discussion was held.

Mr. David Maestas stated that it is understood that the City does feel that there needs to be a process that they are all comfortable with and that is why they asked Delta to take a look. If the Board gets a chance to review the plan, Delta did go in there and gave some recommendations. They may not be able to standardize what every lease will be but they can standardize a process and that process should be if your lease is a, b, c and d and another person's lease is a, b, c and d, yes, you should be paying the same rate. However, if someone comes in and they are going to generate jobs to improve the economy or generate revenue to the airport than maybe that needs to be a little bit different but it is something you can standby, justify. If everyone gets a chance to review what Delta had put in their plan so far in the rate analysis and look at the kind of process they are outlining and then give their comments on that. Now would be a good time to go to Council and say, this is what we think our rate analyzing process should be and Council will hear it. Mr. Chapman stated that the rate discussion is built in the Strategic Business Plan. He also stated that he will get some information over to Lisa, David and Rob on leasing policies that some airports have, just for their information. He stated that they got the Strategic Business Plan last week and they got some comments and what they would like to do is make this an appendix in the Action Plan. He does not know if that is going to take a motion at the next meeting. Mrs. Murphy replied, right, she did not include it as an agenda item. She urges everyone to please make comments. After today's meeting, she will be sending out a general notice to everyone on her email list stating that she has everything released by Delta today, in a binder, in her office for people to come in and take a look at. Chairman Wood asked Mr. Chapman if he is still accepting comments. Mr. Chapman replied, they will accept them at any time. Chairman Wood told the Board to once again go through this document, send their comments to him, he will get them to Lisa and David and they will get them to Delta. Vice-Chairman Dearing stated that it might good to put a list of the leases. They did and they went downtown and decided at the time not to put the names in there. They put the parcel numbers because the names change as the parcels get sold. Chairman Wood stated that in the past the Board has had a list of all the lessees, the holdings and the rates, maybe not in this document for the public but it has been given to the Board. Vice-

AIRPORT ADVISORY BOARD MEETING MINUTES – May 19, 2016

Page 8

Chairman Dearing said it would be good to have. Chairman Wood said, send it out to the Board. Mrs. Murphy replied, absolutely.

Mr. Chapman stated that the Minimum Standards and the Rules and Regulations they have talked about them a couple of times in here. Mrs. Murphy has the up-to-date ones and is coordinating that with tenants and users. They received comments from that and went back and looked at their current Minimum Standards and Rules and Regulations, they fall under Code 7.2, and they tried to show a comparison in their document, it is a totally different format. When Delta gets those comments from the public, they will come back to the Board and show them those comments and their recommendations as well as give them that point by point comparison with their current standards. Moving to current development, Mr. Chapman stated that Delta owes them a document where they talk about facility requirements over the next 20 years; they will send this document to the City sometime next month.

Mr. Chapman asked if anyone had a chance to go over the alternatives on the layouts they presented at the last meeting; they would like to have those comments. Which one do they prefer? Mrs. Murphy replied, probably D. Mr. Chapman stated that what they will be very interested in hearing is some of their thoughts on the three broad alternatives for development even what they call beyond 20 years. He went over the alternatives and discussion was held. Mr. Chapman stated that they will keep working on alternatives until they decide on one and start wrapping this up with a plan from the airport so they can send to FAA for technical review.

Mr. Dan Privett stated that the industrial area in Santa Teresa by the airport is going crazy, there is a motel, a restaurant, they have the War Eagles Museum right there, which creates a lot of traffic. He stated like Lisa stated a long time ago, we are uniquely positioned here and like he keeps on saying, somebody needs to be marketing this place.

Mr. Hal Kading asked if the National Guard had decided what they are going to do yet. Mr. Chapman replied, that there was a conference call a few weeks ago with the State, City, Delta and them and it still has not been decided yet. Mrs. Murphy stated that what the National Guard wants is to have their maintenance out of the Wilcox hangar because the money they got to build their Readiness Center, which is off the airport on their property, is not enough to build something that actually meets their needs. So what they want is to have their Readiness Center, which has a landing facility for helicopters but they want to have access to the airport, not only to get to their maintenance facility but also to have the airport to land and take off in addition to having their helipad. She stated that her opinion is, they can have either or but they cannot have both. Discussion was held.

Mr. Chapman continued his discussion on layout alternatives. Chairman Wood asked Mr. Chapman if he would like the Board to give him feedback on the drawings he presented today. Mr. Chapman replied, yes, he would welcome any input. Chairman

AIRPORT ADVISORY BOARD MEETING MINUTES – May 19, 2016

Page 9

Wood stated to the Board that they can forward their comments on the alternatives to him and he will forward to the proper people. He thanked Mr. Chapman for his presentation and appreciates him keeping them up-to-date.

PUBLIC INPUT:

Mr. Marty Ditmore commented that 4-22 was damaged by the City when they brought President Bush in here and they wrecked the runway. It took three years to get a very small amount of money to fix it and that is why the runway is in the bad shape it is. He thinks instead of getting rid of it, they should be writing to the congressional people and getting them to put money in the budget to fix it, essentially rebuild it. It is a pretty necessary runway. Chairman Wood replied, that is why Lisa is doing this survey, trying to get input on this. He agrees that people need to write to their representatives about what they want done at the airport.

BOARD MEMBER COMMENTS/SUGGESTIONS:

Board Member Zaklan stated that he told Lisa that for some reason delivery people cannot find 800 Aerostar Way on the City maps, so they have a problem getting goods delivered. He asked Lisa if she could check on that. Mrs. Murphy replied, absolutely. Mr. Kading stated that he got streets correctly named by contacting Google Maps and it is easy to do. Board Member Zaklan asked him if he could do him a favor and send him an email as to who to contact. Mr. Kading replied, just Google Maps but he will send it to him.

Vice-Chairman Dearing stated that he thought the survey was a good idea. He thinks that periodically as the need arises, it is a good idea to do those things; it is really good input. Mrs. Murphy agreed and stated that now that they have this kind of capability, they can use it more often. Vice-Chairman Dearing stated that as far as the landscaping, the street side, the water tank is totally outside the budget but the paint on it is terrible, the City needs to paint it, it would look better. Underneath the interstate ramp, the blue paint, of course, that is another entity, they should freshen it up from the interchange down here. Another thing they have been talking about is lease rates and trying to give a break to general aviation lessees, everyone wants something and there is only so much money; you cannot have everything, even though it would be nice.

Chairman Wood stated that he has mentioned many times before is that he would like to have a list of the aircraft that come here. Francis Aviation has supplied him with a month's list with three pages of airplanes. He would really like to compile this from the FBO's and airport people and put it in a file in the airport office and he would like to ask Councillor Levatino how she would like to use this. He thinks this is incredible tool to give to City Council to go right along with what they are trying to do here; what is happening out here. He thanked Francis Aviation for their input. He wanted them to know from the Airport Aviation Conference that Los Alamos

AIRPORT ADVISORY BOARD MEETING MINUTES – May 19, 2016

Page 10

terminated their passenger service from out of there; they tried it, it did not work. He was interested when Google pulled out of Moriarity airport; they had a 60,000 square foot building. Moriarity put in all kind of infrastructure for that building and what has happened Moriarity has ended up with the building and Google is paying what the State has paid for infrastructure, what was put in for that building and Google is only paying for it to keep their name clean.

Mrs. Murphy stated that she provided an informational handout, the past ten years of FAA grants, just so they can see.

Board Member Newton shared that Lea County Airport is having an Aviation Day on June 18th, a promotion they are doing. He thinks they should do the same here; talk about having an aviation day. Chairman Wood asked Board Member Newton if he could look into how they could do something like that. Board Member Newton replied, he would be happy to do so.

ADJOURNMENT:

Chairman Wood asked for a motion to adjourn the meeting. Board Member Zaklan motioned to adjourn the meeting; seconded by Vice-Chairman Dearing. Motion passed, meeting adjourned at 2:28 p.m.



Robert Wood, Chairman



Lori Romero, Recording Secretary