

**GRAND COUNTY AIRPORT BOARD
REGULAR MEETING
MINUTES**

**April 17, 2023 @ 5:00 p.m.
County Commission Chambers, 125 E. Center Street
Moab, UT 84532**

A. Call to Order

1. The meeting was called to order at 5:05 p.m.
Members present: Jody Patterson, Jenny Gleason (Travel Council Rep.), Bill Winfield (County Rep.) Norm Knapp & Bill Hawley attended via Zoom.
Members not present: Jason Taylor (Moab City Rep.), Laurel Catto, Shalee Bryant
Others present: Airport Director Tammy Howland, Assistant Tara Collins, Randy Martin of Redtail Air, Justin Pietz of Armstrong, Katy Igarta of Boutique Air.

B. General Business

1. Approve minutes of March 20, 2023 (Regular meeting)
Motion by Jenny to approve the minutes, seconded by Norm, approved 4-0.
2. Safety Report / Director's Report
There was one snow event on March 1. Everything went well. They removed the free-standing arch that was holding up the old awning, because it was swaying in the wind. They removed the pony wall, in preparation for getting a new awning built. Mark Marcum resigned. They have interviewed some really good candidates for his replacement. Tammy discussed the flight schedule.
3. Airport Monthly Data Report - March 2023
Tammy went over the revenue for March, including fuel sales (lower than 2021, but higher than 2022), enplanements (Redtail's are up from February), landing fees, parking revenue. There were 1,355 skydivers in March. Vending sales are down due to credit card reader problems. Car rentals are increasing.

C. Citizens to be Heard - None

D. Discussion Items:

1. Project Reports
 - a. SRE Building - Concrete poured - footers and walls
 - b. Terminal Modification - Work is in progress - RSEDs install April 25th
 - c. ALP Update - Recommended development drawing
 - d. 2023 Fencing project - Scope of work ready for approval
 - e. ARFF truck repairs - No new issues
2. Rent Study - updates delayed
3. Virtower Data

E. Action Items: Discussion and Consideration (some for Recommendation to County Commission with approvals subject to limitation)

1. Approving the recommendation that Grand County apply to the United States Department of Transportation for approval of an Alternate Essential Air Service contract with the Canyonlands Regional Airport, with Contour Airlines as the selected Air Service provider. Or
2. Recommend Boutique Air for the EAS service provider

Tammy explained that our EAS contract went out for bid in November. Our contract ends June 30, 2023. In the first round, we got one proposal from SkyWest Charters. Ultimately that bid was rejected because they have not been approved to function as a charter yet. It went back out to bid, with a new deadline of March 21. This time we got 2 bids, one from SkyWest that did not really change what the DOT had objected to the first time, so that was automatically rejected. The second proposal was from Boutique Air, offering 24 flights a week to Denver, on a Pilatus airplane.

Katy Igarta from Boutique Air spoke about their service; they previously flew for CNY. They fly an 8-seat plane. They have plenty of planes and pilots, and they can do charters. They have an interline agreement with American Airlines, so passengers don't have to transfer their baggage. They have a code-share agreement with United Airlines, for mileage points. There are no baggage fees or pet fees. If a passenger's baggage is over the 50-pound weight limit, they can bring baggage to an earlier flight, and Boutique will hold it in Denver. They can adjust their flight schedule for seasonal demand. They could possibly add Salt Lake to their destinations, they will just ask the DOT.

Tammy said there's another option, to save jet service at the Airport, and that's an Alternate EAS. It's the same pool of money, but it is awarded to the Airport, rather than the air carrier. Tammy showed on screen the application they would submit. She said this route would give us and the airline more control. Contour Airlines is the company that can pick up our routes most successfully. They set the roadmap for charter airlines to pick up regional routes. Because of the pilot shortage, it's difficult to maintain a 121 carrier status. This way, they can bring back pilots who have retired. This plan is what SkyWest is trying to do, but they don't have their approval yet. Contour has plenty of planes in Phoenix, so they are offering to fly a Moab to Phoenix route. Their planes have 30 seats. The advantage to this is we would not lose jet service, as we would with Boutique, so that we get our enplanements, in order to maintain our entitlements, and to justify those improvements that move the Airport forward. Also, there's a stigma attached to small aircraft.

Contour is willing to look at other flight routes, but because of the time crunch, we are starting with Phoenix, which is a good hub for international flights. Tammy covered the subsidy amounts that Contour is proposing for the next 3 years. Tammy called for references, and Contour was highly recommended. The difference with AEAS is that the airline bills the County, we pay it, and then we request reimbursement from the DOT. This is how all of our other grants work. This would be a 3 year contract. They can do a seasonal schedule. Jenny

mentioned that Phoenix was in the top 5 airports during the fly-in campaign. Jody said a lot of locals will be disappointed to lose the Salt Lake City flight. He also said in fairness to the other businesses, like car rentals and ground transportation, that we should try to get as many seats as possible. Tammy said this is the trend in regional airports. Until we can get 737's, 30 seats is about as big as we can get. Randy said his sales rep said that Contour is very well managed, and that we would be in good hands.

Tammy said she thinks these companies prefer to work under the Alternate EAS, rather than the traditional EAS, because there is less control from the DOT, and the airline works with the Airport. Jody pointed out that local government is less overbearing than the DOT.

Motion by Norm to approve the AEAS proposal with Contour Airlines, and forward it on to the Commission, seconded by Jenny, approved 4-0.

Tammy shared an email from Daniel Belmont of SkyWest, that explained why SkyWest could not fulfill the EAS requirements.

3. Approving the building of garages by Airport Garage Co. (now 8 units, each one 12' x 25')

There was some discussion about the location of the garages. Bill Hawley pointed out that Mr. Prather is going to want to build more of these, so we should make the location decision part of the ALP (Airport Layout Plan).

Motion by Jenny to approve Prather building the garages, modified by Bill H.: "at a location yet to be determined", seconded by Bill H. Approved 4-0.

4. Approving possible locations for Airport Garage Company for ALP update.

Bill H. wants to postpone this, at least to the point where everyone says ok to the ALP map. This item was tabled for later discussion.

5. Approving starting a draft of a ground lease for Lot 16, Allen Rydman.

The size will be 40' x 70'. **Motion** by Bill H. to approve starting a draft, seconded by Jenny, approved 4-0.

6. Approving Armstrong's Scope of Work- Task Order T - to construct a wildlife fence (Design, Bidding, Construction).

Justin Pietz said they've started the environmental review, and they got the cultural resource survey completed and got a categorical exclusion (thank you Jody). The fence will be 10,000 feet long. Since the design fee is under \$100,000, it will need to go through a fee review. That can be done at a local level. Then they will need to coordinate with the U.S. Army Corps of Engineers, because they are crossing a big wash.

Motion by Jenny to approve the scope of work, seconded by Norm, approved 4-0.

F. Reports:

1. County Commission - Bill W. had multiple people contact him about the air service. Only one was positive on Boutique Air, and that was because it is a comfortable plane. He doesn't think too many people are positive about flying to Phoenix.
 2. City of Moab - Jason was absent.
 3. Travel Council - Jenny said that county-wide March revenue was down, due to weather. Love Communication (they do marketing research) did a presentation that showed 2 reasons for lower visitation was gas prices, and that people are going back to cities, instead of rural visits. They did some special event grants.
 4. Solar Committee - Nothing to report.
 5. Other reports for Airport Board
- G. Future Considerations - Tammy said they will be putting in for some CIB funding, for apron expansion and parking lot improvements.
- H. Closed Session, if necessary
- I. Adjourned at 6:55 p.m.

Submitted by: Tara Collins