GRAND COUNTY AIRPORT BOARD
REGULAR MEETING
MINUTES

December 18, 2023 @ 5:00 p.m.
Grand County Commission Chambers, 125 E. Center Street
Moab, UT 84532

A. Call to Order

1. The meeting was called to order at 5:00 p.m.
2. Members present: Jody Patterson, Bill Hawley, Bill Winfield (County Rep.), Jason Taylor (Moab City Rep.), and Shalee Bryant. On Zoom was Laurel Catto. Airport Director Tammy Howland was also present.
3. Members not present: Norm Knapp, Jenny Gleason (Travel Council Rep.).
4. Others present: Director's Assistant Tara Collins, Dell Keys (hangar owner).

B. General Business

5. Approve minutes of November 20, 2023 (Regular meeting).
Motion by Jason to approve the minutes, seconded by Bill H., approved 4-0, with Laurel abstaining.

6. Any questions on the Safety Report / Director's Report - November 2023

7. Airport Monthly Data Report - November 2023 & Virtower Data
Tammy shared the data spreadsheet. She said November fuel sales are usually low, but this year we had higher sales than last year, which she attributed to mild weather. She reviewed the enplanements for November: 23,681 total enplanements, which is higher than last year. Redtail had good numbers for their helicopter flights. She showed the landing fees.

Bill H. suggested that we show the property taxes paid to the County by Airport entities, on a yearly basis. This would complete the picture of revenue. Tammy agreed, and said she would show that in 2024. Tammy reminded the board that all revenue that comes from the Airport, including property taxes, must go back toward Airport projects and needs. Bill W. said a closed session might be more appropriate for the following, but he would like to discuss the internal audit findings. Jody asked if there were issues related to the Airport, and Bill W. said yes. Jody requested a copy of the audit in the next packet.

C. Citizens to be Heard - None

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

1. Airport Garage Co. new garages. This is a placeholder.

2. Interview Bill Hawley to serve another term on the Airport Board (with standard Airport interview questions), and vote on his application.
Jody asked about his background, which Bill H. described.

Shalee asked what areas of opportunity Bill H. sees for the Airport Board. Bill said his goal is to see the Airport more appreciated in the County's view. It's a small Airport, and requires constant care to keep the County up to speed on its function. He said we also have a large shortage of hangars. He spoke of beautification, like new roads.
Bill H. said we could use a business plan that allows the Airport to build hangars, or finance hangars, or provide economic incentives for people to build hangars. Jody joked that we could put solar panels on the new hangars.
Motion by Shalee to recommend re-appointment of Bill H. to the Board, seconded by Jason, approved 5-0.

3. Request from Dell Keys regarding the sale of her hangar (giving the Buyer 4 extensions of the lease).
   Tammy explained that Dell is requesting to sell her hangar to Keith MacBeth, an existing Airport tenant. Her lease is old, and has 5 years remaining, and one 5-year extension. What the board needs to decide is whether to give the buyer additional extensions to the lease term. Tammy said under current Standards and in Dell's lease, the County has the right of first refusal. Bill H. discussed options, including that it is to the County's advantage to buy hangars and rent them out. Secondly, he said the Standards give the option of selling it to an incoming 3rd party, with the current Standard lease term. Tammy said the County Attorney is pretty confident that TRT funds could be used for that. She said hangar space is a hot commodity. Bill W. asked if Keith could lease it from the County, and Tammy said she did not know if we could put him at the top of the list of renters.

   Tammy relayed that the County Attorney believes that a sale to a third party is not possible under this lease, although Tammy and Bill H. believe that that <u>is</u> possible, under the current Minimum Standards, which Dell's lease mandates following. Laurel said it's always a slippery slope to go amending leases, and isn't sure that the Board has authority to amend it, unless it's to the Airport's advantage. Laurel said exercising the County's right of first refusal could be a good outcome both for the Airport and for Dell. To extend the term of the lease is a windfall to the developer, and that we should be cautious about that. Even though Dell herself won't get the additional extensions of time, she's reaping the benefit through her selling price. Dell said she wanted it to be fair for everyone involved. Laurel clarified that the buyer would sign a lease for the remaining 5 years of Dell's term, with four 5-year extensions, and, pointing out that that is what Dell would have had under the current term parameters, said she could go along with that.

   Tammy said that County ownership of hangars is more beneficial financially to the County, than a ground lease. Shalee clarified that Attorney Stocks said the County could use TRT funds, potentially, to purchase the hangar. Tammy said the County would need to get it appraised. Bill W. said it was tax-assessed at $320,000.

Motion by Shalee to recommend the County receive the right of first refusal, and if the County declines, that we follow through with a new lease to a third party for the remainder of the current lease term plus four 5-year extensions. Seconded by Jason, approved 5-0. Tammy clarified that this would be a 2-part motion for the Commission.

Dell interjected that this plan would not be her first choice. Her first choice would be to sell to Keith, since it's her hangar, and she should be able to sell it to whoever she wants. Also, Keith and his people have helped her out over the years. She asked that this preference be made clear to the Commission.

Tammy said if the County buys it, she would need to check her grant assurances, before leasing it to Keith, to make sure no preferential treatment or exclusivity was occurring.

E. Discussion Items:

1. Contour Airlines will have their grand opening on Feb. 1 at 11:30.
   Board members welcome. Quinn to invite County Commissioners.
   The first flight will be that day too.

2. SITLA land swap update (Was in closed session of CC on Dec. 5, 2023).
   Bill W. attended the closed session. He said the discussion was not favorable to the Airport. He thought it was a 5-2 vote to do something different. The opinion was that a swap would waste County land (not Bill W.'s opinion). They suggested bringing in Armstrong and they and Tammy could educate the Commission about the issue, and the needs of the Airport. Bill W. thought the Commissioners did not want to lose that property in San Juan County. He thinks they want it for workforce housing. At $100,000 an acre, that 40 acres is worth $4 million dollars. Bill W. suggested Judd and Tammy give a presentation. Jody offered to join that.

   Tammy gave some background and said that it was never the Airport's intention to involve the chunk of property in San Juan County. They originally offered to SITLA some land near the Airport as a trade, land south of Blue Hills Road. It was SITLA's idea to involve the San Juan property. So Tammy was not that surprised or disappointed at this outcome, and thought our efforts were better spent on renegotiating. Bill H. thought we should wait until we're ready to rebuild the taxiway, maybe wait until grant money is offered for that. The County may be more receptive then.

3. Project Reports
   a. SRE Building – Closing out the grant
   b. 2023 Fencing project – Completed and Inspected
   c. Lot 118 Hangar – Over Ex nearly complete

4. AEAS – Waiting on Contour for Air Service Agreement
   Tammy thought they would wrap up the Air Service Agreement next week. Contour was able to establish a code-share with American Airlines. So passengers

can get frequent flyer miles through American when they fly Contour. This is much better than merely an interline agreement.

F. Reports:

   1. County Commission
   2. City of Moab - They will have new City Council members on Jan. 2.
   3. Travel Council - Jenny not present
   4. Solar Committee - Bill H. has nothing to report
   5. Other reports for Airport Board

G. Future Considerations - Bill H. said we should keep Dell on the next agenda, and also the garages.

H. Closed Session, if necessary

I. Adjourn - 6:26 p.m.