

**GRAND COUNTY AIRPORT BOARD
REGULAR MEETING
MINUTES**

**July 1, 2024 @ 4:00 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 4:06 p.m.
2. Members present: Jody Patterson, Bill Hawley, Bill Winfield (County Rep.), Alex Borichevsky (Travel Council Rep.), and Randy Martin. Airport Director Tammy Howland was also present. On Zoom were Laurel Catto and Shalee Bryant.
3. Members not present: Jason Taylor (Moab City Rep.).
4. Others present: Director's Assistant Tara Collins. On Zoom were Bill Prather and Ed Prather of Airport Garage Co. Later, County Attorney Stephen Stocks joined on Zoom.

B. General Business

1. Approve minutes of June 3, 2024 (Regular meeting)
Motion by Alex to approve the minutes, seconded by Randy, approved 5-0, with Laurel abstaining.

C. Citizens to be Heard - None.

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

1. Consult with County Attorney Stephen Stocks re: insurance terms for airport leases and operating agreements. (Tabled until Stocks can be present.)
2. Rydman Lease for Lot 16 - Attorney Sloan's redline edits to Section 21: Insurance. (Tabled until Stocks can be present.)
3. Revised Lease for Airport Garage Co. - redline of Section 24: Relocation.

Tammy showed the redline edits to the section on Relocation. (These edits were not discussed at the June 3 meeting. The impetus for them came a few days after that meeting, from Bill Prather's stated concerns in a phone call to Tammy.) Bill W. raised objections to the edits, saying that Prather should have to pay to relocate the garages, even if the purpose was for additional surface parking. Bill Prather joined in, and said they would be willing to relocate for any other reason, for vertical airport projects, but that they consider their garages to be part of the whole airport parking operation, so they didn't feel it was reasonable to make them pay for relocation for more parking. He also said they'd be more amenable to pay for relocation for any reason if they were allowed to orient the garages as they show on the ALP, as a north-south footprint, as they would take up much less room adjacent to the current parking lot, coming from the east boundary. Tammy reiterated that when the airport gets to the point of needing more parking,

there are much bigger issues than parking that would have to be dealt with. She said normally, relocation costs are on the County, regardless of what it is for. Tammy said Prather's concerns that led to this edit were due to some comments that were made at the last board meeting, with members casually and with levity implying that it would not be a big deal to just move the garages for any reason. Prather interjected that relocating would be a mere aggravation for the airport, but it would be a catastrophe for the Prathers. Bill W. reiterated that it had been previously agreed that Prather would pay the cost of relocation for any reason, Shalee agreed. Tammy clarified that Prather requested these edits after the June meeting, due to comments made at the June meeting. Jody asked Tammy what the current parking capacity is, if the parking slots were organized more efficiently. Tammy said that she and Armstrong estimated there were currently 375 slots. Shalee pointed out that the goal of the Airport is to plan for long-term growth, so this edit might put the Airport between a rock and a hard place, in terms of deciding to grow or not. Jody posited that additional parking could develop around the garages, to the west and then south. Tammy confirmed that the beacon tower is slated to be moved in the future as well. Shalee pointed out, like the Prathers, that it still made the most sense to line up the garages in a north-south direction. Bill H. pointed out that, in addition to the visual drawback of a north-south orientation, there was also the consideration that these garages would fill up and then the Prathers would want to build even more sets of garages, so they should be east-west, so they can be stacked. Ed Prather said that he and Tammy had worked out how much space to leave open between the western edge of the garages, and the beacon tower, so there would be plenty of room for a future road heading south.

Bill H. said they had tinkered with this a long time, and he thought it important that they move forward, so he made a **Motion** to accept the redlines and move on. This was seconded by Randy, and approved 5-0. (Shalee was temporarily not present.)

Tammy said there was not really any room to add indoor space to the terminal, and Bill H. suggested that they build upwards, like a second floor.

Bill H. asked if Armstrong could update the map of the airport that's in the ALP. Tammy clarified that as we get closer to finishing the Taxiway A-1 reconstruction, Armstrong would do a revision of the map, with as-builts showing. For now, Armstrong is updating a map for in-house use. They agreed to do that back on June 25, in response to our request.

Jody moved the meeting back to Action Items 1 and 2:

1. Consult with County Attorney Stephen Stocks re: insurance terms for airport leases and operating agreements.

Tammy said that in the process of generating leases for new hangars and development, the one step that hangs us up is the insurance requirements. We get

a lot of pushback on insurance. The previous County Attorney (Sloan) is the one who made our current insurance requirements.

Attorney Stocks said that it is in the County's interest to have strong insurance requirements, however, that needs to be balanced with what is obtainable in the insurance world. Also, he said it matters how each individual is utilizing their hangar.

Tammy pulled up the Lease Template, Insurance section 21. There was discussion about which tenants currently have these insurance requirements: only tenants whose lease was drafted when Sloan was County Attorney and later. Tammy said a long-term tie-down would also need these types of insurance.

Laurel weighed in, as she has been on both sides of this issue, as a tenant and hangar owner, and an attorney. She started at the top of Section 21 and made suggestions for the board to consider.

i. Commercial General Liability. Laurel said this is not obtainable in the insurance market during the construction phase. During construction, one should hold Builder's Risk Liability. As for Aviation Liability, Laurel said that it would be very difficult for most pilots to obtain this coverage for over \$1 million. She recommended capping the Aviation Liability coverage to \$1 million. She suggested putting these 3 items in 3 separate paragraphs, in chronological order.

Bill Hawley asked if these covered tie-downs. Laurel said she personally would like to see all based aircraft name Grand County as additional insured, including for tie-downs. It's not going to cost anything. There is an administrative cost, as someone must keep a list of whose insurance is current and check everyone off. She would like the airport to be able to make a direct claim under that policy, if someone damages the airport with their airplane. For the definition of "based aircraft", Laurel suggested that the airport draw a line in the sand, say, more than 90 days a year. Tammy interjected that the State defines based aircraft as one which is at a particular airport for more than half of the year, so 6 months.

Laurel said that for General Liability, the \$1M/\$2M is the standard limit. Laurel mentioned how rocky the aviation insurance industry currently is, due to fleet recalls, the grounded planes due to the war in Ukraine, and insurance companies just generally more wary of insuring pilots. Laurel said if you can't get insured, you can't fly. Well, she said, you could be self-insured, but then you can't rent a hangar from anybody. So you would have to park outside.

Laurel said Commercial General Liability (CGL) only applies to hangar owners, not tie-downs or subtenants. Those 2 groups would be covered by their Aviation Liability, if they damage something. CGL covers the hangar operation, and Aviation Liability covers the plane and the pilot, when behind the yoke of the plane.

There was discussion about particular planes that cannot be insured. The airport would need to decide whether to allow uninsurable aircraft. Laurel clarified that someone with no insurance is still liable for errors, their entire balance sheet is at risk. The insurance just ensures the damaged party can collect from the erring insured. Laurel believes that if an airport user has insurance, they must name Grand County as additional insured. One possible option is to have uninsured pilots present a person, a third party, who agrees to be responsible for that pilot and any errors or damages. Tammy said that another airport's requirement is that if a person is self-insured, they had to show a certain amount of dollar assets.

Jody wondered whether a private individual, who's not operating as an LLC or other business entity, can even get CGL. Laurel explained that the CGL is really just liability insurance, whether the operator is commercial or private. She gave the example of homeowner's insurance, which covers liability, even though it's just your private home. It might be better to just call it "General Liability". Laurel provided the distinction with Ground Hangar Keeper's Liability: that is to insure the hangar's owner is covered if an aircraft is damaged while inside the third-party hangar. Laurel was not convinced that hangar keeper's needed to be required here, since it's hard to imagine the Airport being liable for such damage, and it is expensive coverage, so the cost-benefit ratio is not there. Also it discourages hangar owners from taking an occasional subtenant, and transient visitors are good for the airport. Also, it's duplicative, since the airplane owner should have his own insurance. Laurel said she would never allow an airplane in her hangar that did not have insurance, and she would require a waiver of subrogation from their insurance company.

After more discussion, it was proposed that we require hangar keeper's insurance only for those entities that are in the business of moving, maintaining, and refueling aircraft. Laurel pointed out that the liability portion of the hangar property insurance would cover what hangar keeper's is meant to cover. To move forward, Jody suggested they form a subcommittee, as Tammy suggested at the prior meeting. He also suggested we contact the AOPA (Airport Owners and Pilots Association), and ask for their input on insurance. Bill H. suggested we pare down to the bare minimum of insurance. He also thought they should more clearly define who or what they're trying to protect, and to what extent. He questioned the property insurance requirement, how does that protect the airport, and Laurel responded that the airport does have a remainder property interest in the improvements. Stocks suggested that the insurance requirements may be different for each lease, depending on how tenants are using the property.

Jody suggested that to move forward, they form a subcommittee, and he volunteered to be on it. Randy also volunteered to be on it, saying that he deals with this stuff all the time. And Laurel will be the third volunteer. Laurel said this conversation had been really helpful. **Motion** by Laurel to form the insurance subcommittee, seconded by Randy, approved 4-1, with Bill H. opposing. Later, Laurel said that, to the extent these requirements are changed, the subcommittee should determine how those changes apply to current tenants' contractual

requirements. She said these should be applied universally, so maybe they should go into a Minimum Standard.

2. Rydman Lease for Lot 16 - Attorney Sloan's redline edits to Section 21: Insurance.

Attorney Sloan's redline was showing on the screen. Jody clarified that it seems like there are 3 distinct categories of tenant: commercial operations like Redtail Air, tenants who hold their lease as an LLC, and third, a tenant who leases as an individual. There was discussion again about insurance requirements and the new subcommittee. Bill H. said the terminology used in the Lease Template was not common, and Laurel agreed that the wording could be streamlined. Bill H. also thought the insurance requirements should be the same for all tenants. He wants these put into the Minimum Standards too. Tammy strongly agreed, because it should be fair across the board.

For the Rydman lease, Jody wondered if we could add the \$ amounts on Aviation Liability, and then add in language that whatever updates to the Minimum Standards occur in the future, would apply to the Rydman lease, as a way to move forward with this lease. Bill W. thought that there should be multiple different lease insurance requirements, depending on the type of operation. But he wants to try and let Rydman move forward now. Randy wondered if they should table the Rydman lease until the subcommittee makes its revisions. Tammy said we couldn't ask the Rydmans to go into the lease blindly (i.e. having to comply with future Minimum Standards, but not knowing what those would be.)

Motion by Randy to table this item, until the subcommittee decides on insurance, seconded by Alex, approved 5-0.

4. Recommend Submission of application for the Bipartisan Infrastructure Airport Terminal Projects Funding Opportunity. See supporting documents, NOFO will be published Monday July 1st. (Notice of Funding Opportunity).

Tammy showed the flyer that was posted today: "Building Better Airports Across America". She said it was an opportunity for airport terminal building renovation projects. She's been working with the County IT department on security cameras. They are having structural issues with the terminal building, sinking, walls cracking, roof issues. Also the pretty sandstone wall on the south side of the terminal is losing some stone. That is causing some leaking into the terminal. The rooftop HVAC units are obsolete. Randy asked if any paving could be added to this list, but Tammy thought paving was better suited for CIB funding.

Motion by Randy to go ahead and submit the application, seconded by Bill H. Tammy mentioned there was a possibility of adding solar panels to the terminal, through this BIL type of funding. Approved 5-0.

E. Discussion Items:

1. OPMA Training Certificates due once a year - Open & Public Meetings Act, per Utah State Code 52-4-104.
Go to: <https://training.auditor.utah.gov/collections>
Jody encouraged everyone to update their training.
2. Project Reports
 - a. Ramp/Taxiway A1 - Bid accepted, waiting for grant offer from FAA.
 - b. Drive through gate replacement - 2 bids received by June 11. The bids were evaluated on a spreadsheet by Tammy, Tara, and Rea in accordance with the weighted criteria outlined in the RFP. Custom Fence Co. was chosen, and they accepted the offer.
 - c. Beacon Tower - Tammy said it will be painted tomorrow. And it would be getting some LED obstruction lights on it, basically a makeover.

F. Reports:

1. Airport Monthly Data Report - June 2024 & Virtower Data
Tammy pointed out the enplanements. Fuel sales are still down. Redtail's flights to SLC are looking up, and that contributes to enplanements too. We will send out the updated stats when June numbers come in.
2. Any questions on Director's Report for June 2024 - They talked about the plane that sank in the asphalt, and the car that was hit twice in the parking lot.
3. County Commission - Bill W. said he looked at the CIB list, and there was nothing on it for the Airport. He thought possibly we were ranked outside of the one-to-ten ranking. He wants to help push up those Airport projects on that ranked list.
4. City of Moab - Jason not here.
5. Travel Council - Alex said Adam Whalen of Love's Communication is setting up digital advertising at the Airport. Tammy said they set up a day to meet, to decide on a system.
6. Solar Committee - Bill H. said they had a presentation from Neighborhood Power (a company), and some of the folks here were present. Jody mentioned that that presentation was recorded and is available to anyone who wants to watch it. Bill W. and Mary are bringing it to the County Commission on July 16, Bill H. will make a short presentation there. Then at the meeting in August, the Commission will decide on it. Bill H. thought the grants would be fairly easy to come by. Tammy said this company will help us get the grants, they don't leave us on our own to do that.
7. Other reports for Airport Board - None

- G. Future Considerations - Randy saw in the Times-Independent an article about misuse of the TRCC funds. Randy said it's important that the Airport Board can see monthly financial reports from the Clerk's office. Bill W. said the County did just hire a County Financial Director. Randy would like to draft a letter for the Chair's signature, requesting monthly financial reports from the Clerk's office. Jody, Bill W. and Laurel were fine with that idea.
- H. Closed Session, if necessary
- I. Adjourn - at 6:24 p.m.