

# **SALT LAKE CITY DEPARTMENT OF AIRPORTS MINUTES OF ADVISORY BOARD MEETING**

17 June - 2015

Members Present: Mickey Gallivan – Chair  
Natalie Gochnour  
David Ibarra  
J.T. Martin  
Larry Pinnock  
Mike Zuhl

City Council: James Rogers

Department of Airports: Maureen Riley, Executive Director  
Larry Bowers, Operations  
John Buckner, Director of Administration & Commercial Services  
LuJean Christensen, Management Support Coordinator  
Barbara Gann, Director of Public Relations  
Pete Higgins, Director of Maintenance  
Marco Kunz, Attorney  
Steve Marlovits, Police Chief  
Allen McCandless, Director of Planning  
Kevin Robins, Director of Engineering  
Gib Rokich, Operations  
Al Stuart, Operations  
Ryan Tesch, Director of Finance  
Mike Williams, TRP Program Director

Chair Mickey Gallivan called the meeting to order at 8:01 a.m.

## **AGENDA**

### **A. Minutes**

The motion was made by Larry Pinnock and seconded by Mike Zuhl to approve the minutes of May 20, 2015 as presented. All votes were affirmative; motion passed.

### **B. Director's Report**

Maureen Riley, Executive Director, updated the Airport Advisory Board regarding current events.

- Riley introduced Mike Williams who presented an update on the Terminal Redevelopment Program (TRP). The rental car facility, quick turn-around (QTA) service facility and lift station are in various stages of completion. The rental car facilities will be finished in the February 2016 time frame and ready for occupancy.

- Riley updated the Board on Ground Transportation (GT) and the flat fee that was enacted on June 15 for service from the Airport to areas within Salt Lake City. The City Council has requested a briefing by the Airport on GT. The purpose of this briefing is to provide an overview of the Ground Transportation Solutions Roadmap, update the City Council on administrative actions already taken, and to present options for possible City Council action for discussion and as a basis for further administrative action. The briefing will address three key areas. The first area will be the Transportation Network Companies (TNC) – Airport operations. Currently a one year pilot permit for TNCs to operate at the Airport is being proposed, using current AVI per trip fees, adjusted annually, as a basis for the TNC operator fees. TNCs may pick up and drop off passengers only in designated areas on the public curb. TNC vehicles may not stage to pick up passengers on Airport property. Placards with company name and logo and unique vehicle ID number will be required on the dash. The second key area will be the GT Providers (Non TNC) – Airport Operations. The third area that will be addressed will be the GT Providers (Non TNC) – City-wide Operations. Staff is evaluating proposed amendments to current ground transportation ordinances.
- Riley wanted to recognize and express appreciation to two members of the leadership team who are retiring. The first is Barbara Gann, Director of Marketing and Public Relations, with 28 years of service and the second is Steve Marlovits, Salt Lake City Police Chief, with 9 years of service.

James Rogers inquired if other airports provide a specific curb side location for drop off and pick up for TNC providers. Larry Bowers answered that virtually every airport that TNCs operate at have a designated curb side area assigned.

Gallivan questioned if one of the requirements for receiving a permit for the TNCs to operate at the Airport would be a transponder. Riley stated that the TNCs would not incorporate our transponder system into its vehicles because they are privately owned vehicles.

Larry Pinnock asked if the negotiated taxi contract was temporarily on hold. Riley answered that the contract was abandoned. Both of the providers pulled out of the contract.

### **C. Wingpointe Update**

Gallivan stated that Pat Shea had attended the Board meeting to discuss Wingpointe but was unable to stay. Shea informed the Board that he would submit a letter on an environmental impact study related to Wingpointe.

Riley presented a briefing on the history of the FAA audit and results, Wingpointe operations and short-term and long-term plans (presentation and background memo on file). Main points included were:

- The event timeline.
- FAA audit corrective actions.
- Wingpointe operating results for 2011 – 2016.
- Future capital improvements needed at Wingpointe.
- City Councils recommendations to Mayor Becker.

- The current Salt Lake City zoning of Wingpointe and the runway protection zone.
- Golf course redevelopment concepts that included short, medium and long term options.

Riley informed the Board on the background to the property now designated as Wingpointe Golf Course. The property was acquired over many years beginning in 1951, and subsequently, was paid for by 2 FAA grants in 1973-74. In 1989, the Airport signed a Memorandum of Understanding (MOU) that granted the City's Parks Department the right to construct and operate Wingpointe Golf Course for a lease term of 99 years.

In early 2011, the Airport received notice that it was scheduled for an audit by the Federal Aviation Administration (FAA). In the final audit resolution issued in July 2013, the FAA mandated 4 corrective actions for Wingpointe; 1) that the City make reasonable efforts to rezone the property to allow for aeronautical uses by 2017; 2) that effective July 2, 2013, the City begin reimbursing the Airport for certain operating costs; 3) that the City amend the existing MOU to terminate the lease on December 31, 2017; 4) that the City begin paying rent to the Airport based on fair market value (FMV) in any new MOU post – December 31, 2017.

City Council looked at City golf courses and rounds of golf played at golf courses and they have decreased over a 14 year period. The City looked at ways to preserve the financial viability of the City's golf fund. The City Council made recommendations to Mayor Becker to transfer Wingpointe operations to the Airport immediately and to encourage the Airport to continue to operate it as a golf course. The Airport's perspective is that it would be difficult to meet fiscal challenges of operating a golf course that is losing money and needs capital improvements of \$3.2 million. After a meeting with the City's Director of Public Services to discuss options for Wingpointe, it appears that the best solution would be to close Wingpointe upon completion of the 2015 season, and return the property for Airport use.

Discussion ensued on the impact of rezoning the property to aeronautical use and the possibility of the Airport operating the golf course. Riley informed the Board that Wingpointe is a non-aeronautical activity so it would have to be leased at fair market value according to the FAA regulations. If the Airport operated Wingpointe it would still be losing money and would need a \$3.2 million investment. The Airport is running out of space and has other needs for that property.

Everitt remarked that he feels that if the Airport tried to operate the golf course, which is a losing proposition, the Airlines would have concerns. Rogers stated that the Airport would still be responsible for all infrastructure improvements, which total \$3.2 million.

Riley introduced Allen McCandless who informed the Board on the options and the planning process for the Wingpointe property. Golf course redevelopment concepts could consist of: 1) short term options which could include parking for employees, construction or trade employees, receiving area for construction materials, or GT staging; 2) medium term option to include parking and a business park; 3) long term option that could include an airport business park or parking. McCandless informed the Board that the master plan will look at all the major components of the Airport. One of the components to be evaluated will be the Wingpointe property.

Gallivan inquired in terms of closing the golf course what is the current plan. Riley answered that the recommendation made to the Mayor after meeting with Rick Graham, the City's Director of Public Services, was to close Wingpointe upon completion of the 2015 season, and not reopen in 2016.

Natalie Gochmour requested clarification on Shea's comment on the EIS concern. Gallivan replied that Shea will write a letter describing his concern. Gallivan's understanding of the concern is if a parking lot is to go into that area, the wetlands portion will require a new environmental impact statement (EIS). McCandless remarked that whenever there is a new project at the Airport, an environmental review will be required by the FAA. The question is if an EIS would be required or an environmental assessment (EA). The determination of what type of environmental review would be determined by the FAA.

Pinnock wondered when the additional parking to accommodate the construction needs would need to be in effect. Riley remarked that there would be a major increase in construction employees in late fall of this year. Currently, the parking plan for the TRP is in a lot at the north end of Wright Brothers Drive located in the International Center.

Gallivan remarked that Shea had contacted him and stated a group was putting together a business plan to cover the \$3.2 million infrastructure costs and ongoing operating losses. Gallivan wondered if the Airport be amenable to such a plan. Riley remarked that one consideration was to make sure they were contemplating the appropriate lease payment to the Airport in the business plan.

Everitt stated that it might be time to put this issue to bed. The City has looked at this issue and discussed it over the last two years in terms of the golf fund and the golf course. Rogers stated that the City Council looked at every feasible possibility of keeping the golf courses open. The Council had several options presented, but none of the plans presented showed how to turn a profit with the golf course. City municipalities are having ongoing operating losses with their golf courses across the State. Roger's opinion is that it would not be smart to keep Wingpointe open. Everitt stated that the City Council gave the decision to the City Administration. Riley remarked that the Airport has needs for the property. J.T. Martin agreed with the decision to close the golf course and move on.

Gallivan deferred discussion item (E), Airport Master Plan, to the September meeting agenda.

#### **D. Northwest Quadrant Master Plan**

Cheri Coffey, Assistant Planning Director at Salt Lake City Corporation, presented the latest developments related to the Northwest Quadrant Master Plan. The northwest quadrant is located west of the Salt Lake City Airport. In late 2014, the State Department of Corrections announced that land in the Northwest Quadrant was on the list of potential sites for relocation of the State Prison. The Mayor and City Council determined that a plan should be completed and adopted. The land use policies and regulations should be adopted to ensure the development is consistent with what the City envisions for this area.

Everett Joyce, Principal Planner, reviewed the general draft policies of the plan (presentation on file).

The next Board meeting will be held the 5 August 2015.

Board Chair, Mickey Gallivan, closed the meeting at 9:30 a.m.

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Mickey Gallivan, Chair

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Date

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Ralph Becker, Mayor

\_\_\_\_\_  
Date