



## **2020 Citizen Bond Exploratory Airport Subcommittee Minutes**

### **Meetings**

September 10, 2020

November 12, 2020

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REGULAR MEETING MINUTES OF THE CITIZEN BOND EXPLORATORY COMMITTEE, AIRPORT SUBCOMMITTEE, on Thursday, September 10, 2020, at 8:15 a.m. at the Chandler City Hall, 175 South Arizona Avenue, Chandler, Arizona.

1. CALL TO ORDER/ROLL CALL

Meeting called to order at 8:15a.m. by SUBCOMMITTEE CHAIRMAN DAVID SPERLING. The following Subcommittee Members answered roll call:

Subcommittee Chairman David Sperling  
Subcommittee Member Dave Waltzer  
Subcommittee Member Ed Hines  
Subcommittee Member Jane Poston  
Subcommittee Member Sky McCorkle  
Subcommittee Member Steve Smith  
Subcommittee Member Bob Dalpe

Subcommittee Members Absent:

Airport Staff in Attendance:

Joshua Wright, Assistant City Manager/Acting Airport Manager  
Chris Andres, Airport Planning Administrator  
Ryan Reeves, Airport Business Coordinator  
Diana Alonzo, Senior Administrative Assistant

Also in Attendance:

Rosemary Rosales, Sr. Assistant City Attorney  
Erica Barba, Assistant City Clerk  
Cristabel Dykstra, Sr. Management Analyst, Acting  
Stephanie Romero, Public Information Officer  
Steven Turner, Assistant to the City Manager  
Matt Dunbar, Budget Manager  
Dawn Lang, Management Services Director

2. BRIEFING ITEMS

A. SUBCOMMITTEE CHAIRMAN SPERLING welcomed everyone and gave the subcommittee members and City staff the opportunity to introduce themselves.

B. ROSEMARY ROSALES presented a Power Point Presentation regarding the Arizona Open Meeting Law. Per A.R.S. 38-431.09, the public's business must be done in public. Proper notice must be given by posting the agenda. To abide by these rules and regulations, a quorum must be present in order for a meeting to be held. A 24-hour notice must be given if there is no quorum, with the exception of an emergency. Public bodies must comply with Open Meeting Law including the City Council, boards and commissions of the

City, advisory committees or subcommittees of the City. A meeting occurs (traditional or electronic) any time a quorum of the public body discusses, proposes, or takes legal action. To have a legal meeting, an agenda must be posted. For unscheduled public appearances, citizens may only address the public body on issues in its jurisdiction. A public body can only meet in private in order to obtain legal advice, for contract negotiations, litigations and or employment discipline. The official draft of minutes must become available within 3 working days. Open meeting pitfalls occur when not enough information is displayed on the agenda, replying to all emails, holding gatherings that do not meet a quorum, and by attending other meetings. Under A.R.S. § 38-431.09, personal opinions can be expressed or discuss an issue with the public personally or through the media. When using e-mails to discuss City business, care must be taken not to violate the Open Meeting Law since e-mails can create a meeting inadvertently. Per A.R.S. 38-38-502(10), conflicts of interest occur when there is a situation in which a member is in a position to derive personal benefit from actions or decisions made within their official capacity.

ERICA BARBA gave a Power Point Presentation regarding Public Records. Public Records are considered to be evidence of the organization in regards to the decision making, procedures, functions, and operations. These records are received by any governmental agency in any medium or format. Members of public bodies, including Council, Board, Commission, or Subcommittee members, and Public Officers and Bodies must comply with Public Records Laws.

SUBCOMMITTEE CHAIR SPERLING wanted to state that since none of the subcommittee members have City emails that it is upon all of them to retain those records and not to delete the emails.

MS. ERICA BARBA responded yes, and requested members to not "reply all," and always include your liaison so that emails can be maintained through the City's servers.

C. DAWN LANG gave a Power Point Presentation regarding the Bond Election and Capital Improvement Program. Chandler's current Capital Improvement Program (CIP) is developed by a CIP coordination team. The current 10-year CIP Council guideline is to minimize the increase in property taxes while maintaining current infrastructure, limiting new projects and addressing the public needs. There are community capital and infrastructure needs that currently exceed the remaining bond authorization. Bond authorization is not new debt nor will it raise the tax rate, and it is more like a credit limit to retrieve from when needed. This is a way to authorize the City to sell bonds to fund projects. In order for there to be no tax increase, when the debt is paid down new debt may be added, leaving a balance in the assessed value and tax rate. The City is one of 40 communities across the nation that maintains AAA bond ratings. This allows for lower

borrowing costs and the ability to complete large projects through borrowed funds, keeping lower taxes and utility rates.

SUBCOMMITTEE MEMBER STEVE SMITH asked, since the 10-year CIP looks forward into projects and mentions that there are projects not included, are other subcommittees in the same situation and is the 10-year CIP ever looked at and evaluated to reflect changes?

MS. DAWN LANG responded yes and stated that it was a good observation. The City updates the 10-year CIP on an annual basis. If a project is missed in one year, it then becomes a possibility to update the capital plan. Many of the departments, including the Airport, are in the process of updating old master plans and, as a result, more projects were brought up to their attention by engaging with the community and the Airport Commission. All the information obtained then gives departments the opportunity to update their plan, but in this case, they are not only updating their entire plan, but are updating based on revenue and recommendations of the current subcommittee. That is why the Council only adopts the first year and the other nine years are simply a plan.

SUBCOMMITTEE MEMBER SKY MCCORKLE asked what are the possibilities or what things do you look at to reduce taxes?

MS. DAWN LANG responded when they are looking for ways to reduce taxes, a lot of times these are conversations with larger groups. Often Council wants to minimize the property tax increase. When they have a year in which their assessed values increase faster than expected, staff looks into bringing the tax rate down and making sure that the impact to the tax payers is minimized. This may delay a project by pushing it out for 2 to 3 years to make sure that the debt service is managed. Staff may look for other financing sources like grants, and may look at resetting reserve fund levels. The City has a debt management policy that requires a dedicated revenue stream. For the Airport, they would look at fund balances, grants, or slowing the projects.

SUBCOMMITTEE CHAIR SPERLING asked about the Airport's funding sources relying 83% on FAA grants and 7% or 8% on ADOT grants, stating that about 90% of funds come from other than the City. The City agrees to several obligations for acceptance of the funds. Are any of the other departments grant funded or at least near the level that the Airport is?

MS. DAWN LANG responded yes (directing the subcommittee to the 10-year CIP chart), the grant portion is 9%. The other department larger than the Airport that relies on grants is the Streets and Transportation program. There are other City functions with minimal grant opportunities available to them. Overall for municipalities, grants are a minimal funding source. The City works with MAG at the federal level for regional transportation grant funding.

SUBCOMMITTEE CHAIR SPERLING asked if those projects are grant funded at the same level as the Airport.

MS. DAWN LANG responded that many of them are the same level when it comes to the split, but more projects in the street transportation area.

SUBCOMMITTEE CHAIR SPERLING asked a follow-up question on what SUBCOMMITTEE MEMBER SMITH was saying: he wanted to know about the other projects that are not reflected in the \$34 million 10-year CIP for the Airport. Do they know the level, if another \$34 million or \$1 million, but he is also aware that it might be too early for that.

MR. JOSHUA WRIGHT responded that there are two that they are aware of that MS. DAWN LANG presented that are more recent from the Master Plan that is in progress now. One of them is related to the Transportation Master Plan that was approved by Council earlier this year, so those do have estimates and they will show them when they begin speaking about specific projects.

SUBCOMMITTEE MEMBER MCCORKLE asked if they had any projections or information from the federal government as far as grants, as far as increasing funding that may be coming, depending on what Congress does, but with the programs for Capital Improvement, basically.

MS. DAWN LANG responded that they do and stated that MR. CHRIS ANDRES will get into that in the upcoming subcommittee meetings.

MR. JOSHUA WRIGHT gave an overview of the Airport Bond Subcommittee rules and responsibilities. This is an important subcommittee and the Airport, among all the subcommittees, has the most interesting bonding history in the city. The task before the subcommittee members is an important and a significant one. There will be significant ways to look at it differently from the previous subcommittee in 2007. The previous subcommittee spent the entire time on one project and it was the only project that went forward. That will not be the approach this time, and the approach will distinguish between the Airport and the Airpark. The goal is to recommend and review projects and separate them based on their level of importance. Before discussing specific projects, members will receive an education about the Airport and the Airpark. After the subcommittee ends, and if there is a bond election that is called by Council, the members can go into the community and be representatives of the City. Members can assist in helping the community understand how the Airport operates and even help answer other questions about the projects. In future meetings, the subcommittee will discuss actual Airport operations, how it works in the national system and the economics of it.

MR. JOSHUA WRIGHT also gave an overview about the history of the Airport. Last year, the City Council put together a Council Strategic Framework, a strategic plan for the City that was adopted this year. In the mobility section, there is discussion about business aviation as being a key goal: "A modern Airport that serves as an engine for economic development." A focus on maintaining a solid infrastructure is important since it is the basis for job growth and economic development in the City. He wants to encourage everyone to think about the Airport and the Airpark, not just as an operational facility, but as an employment corridor in the City. A major employment corridor has the potential to add jobs and increase the quality of life for the citizens as a whole. The Airport has two runways, one measuring 4,401 ft. and one is 4,870 ft. in length. The Airport also has an FBO (Fixed-Based Operator) that provides multiple services at the Airport. This is the only public Airport in Maricopa County that does not have a runway over 5,000 ft. in length. However, the Airport is one of three General Aviation (GA) Airports in Maricopa County that has two runways. The Airport has about 443 based aircraft. The Airport has approximately 100 acres that has yet to be developed, located in the south area of the Airport. This is mainly a flight training Airport, but they also have business aviation. The Airport also has a contract tower; the City owns the facility and is in charge of maintenance. However, it is staffed by the federal government through a contractor and they pay their salary. The Airport itself has seven staff members, four of them focus on the business and administration side, while the rest focus on operations and maintenance. The City of Chandler has had an airport since 1928, with a brief period of commercial air service. In 1989, there was a citizen initiative to ban jets at the Airport, even though it passed, it was found to be illegal in a public airport. It was then overturned, but led to Ordinance #2978 that was passed in 1999 and updated in 2007. This requires going to the voters in order to extend the runway. The Airport has an interesting history with the City; there has been lot of voter involvement and planning over the years.

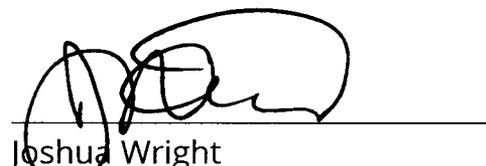
3. CALENDAR

Next Airport Subcommittee meeting will be on Wednesday, September 30, 2020 at 8:00 a.m.

4. ADJOURNMENT

The meeting was adjourned by SUBCOMMITTEE CHAIR SPERLING at 9:50 a.m.

  
David Sperling  
Chairman

  
Joshua Wright  
Recording Secretary

REGULAR MEETING MINUTES OF THE CITIZEN BOND EXPLORATORY COMMITTEE, AIRPORT SUBCOMMITTEE, on Thursday, November 12, 2020, at 8:00 a.m. at the City of Chandler Public Safety Training Center (PSTC), FD2 Training Room, 3550 S. Dobson Road, Chandler, Arizona.

1. CALL TO ORDER/ROLL CALL

Meeting called to order at 8:00a.m. by SUBCOMMITTEE CHAIRMAN DAVID SPERLING. The following Subcommittee Members answered roll call:

Subcommittee Chairman David Sperling  
Subcommittee Member Dave Waltzer  
Subcommittee Member Jane Poston  
Subcommittee Member Sky McCorkle  
Subcommittee Member Steve Smith  
Subcommittee Member Bob Dalpe  
Subcommittee Member Ed Hines

Subcommittee Members Absent:

Airport Staff in Attendance:

Joshua Wright, Assistant City Manager/Acting Airport Manager  
Chris Andres, Airport Planning Administrator  
Ryan Reeves, Airport Business Coordinator  
Diana Alonzo, Senior Administrative Assistant

Also in Attendance:

Stephanie Romero, Public Information Officer  
John Knudson, Public Works & Utilities Director  
Andrew Goh, Capital Projects Manager

2. APPROVAL OF MINUTES

A. Minutes of the Airport Subcommittee - Thursday, October 29, 2020.  
The minutes were not approved, pending recommended changes.

3. SCHEDULED/UNSCHEDULED PUBLIC APPEARANCES/CALL TO THE PUBLIC

CHAIRMAN SPERLING asked if there were any members of the public scheduled or unscheduled that would like to address the committee on any items not on the agenda. There were none.

4. ACTION AGENDA

A. None.

5. BRIEFING ITEMS

A. MR. ANDRES gave a follow-up presentation from the last meeting. The projects should be separated into "mandatory" and "non-mandatory" accompanied by funding source

breakdowns. The projects should also reflect an estimate of the economic impact from adjacent private development on the south side of the Airport. This should also include any possible economic impact from the redeveloping of the old heliport. Mandatory projects will include maintenance and required equipment replacement. Projects considered to be non-mandatory would be the runway extension, the relocation of the 100LL fuel tank as well as the Cooper Road Collector Improvement. In 1993, a bond authorization for \$695,000 was passed and the funds were used as matching funds for grants to resurface the runway, acquire land for runway, and construct grading, drainage and infrastructure. Currently, there is still \$494,000 remaining on the 1993 bond authorization.

MR. KNUDSON gave an overview on the Collector Buildout Proposal, estimating around 80 acres inside the Airport and roughly 120 acres outside of the Airport of developable land. The concept to completion is approximately 2-3 years, locally funded. This is one of the biggest collector road improvements being proposed. The completed road layout has not completely been determined. However, the budget total for this project is \$7,653,000.

SUBCOMMITTEE MEMBER POSTON asked what the future use is planned for, specifically to the east as far as future employment.

SUBCOMMITTEE MEMBER MCCORKLE asked for the cost difference between median industrial layout.

MR. KNUDSON responded that without the median, it would be more cost efficient based on the yearly cost for maintenance.

SUBCOMMITTEE MEMBER MCCORKLE asked for the estimated time from the bond approval to the start of the project.

MR. KNUDSON responded that it would be determined by Council if they decide they need it, since it is based on need.

SUBCOMMITTEE CHAIR SPERLING asked what the current priority for this project was.

MR. KNUDSON responded that next Wednesday they were going to prioritize the projects in determining their need versus want. This project will most likely be in the "want" category. Some projects that are currently in the "need" category are the widening of Alma School Road and Kyrene. This project does not influence safety.

SUBCOMMITTEE MEMBER DALPE asked what the percentage of open land in Chandler was.

MR. KNUDSON responded that it was 10%, estimating 65 square miles.

SUBCOMMITTEE MEMBER DALPE stated that it could easily take a hit on the development side.

SUBCOMMITTEE CHAIR SPERLING asked if the project's budget would come from Public Works or from the Airport's. He also asked if the priority of the project would change depending on the department that presents it.

MR. WRIGHT responded that it will be up to City Council to provide to voters multiple projects looking at the value and benefits on how the project is viewed. This project can have an advantage since it is part of the Transportation Master Plan. The last time voters approved a bond for the Airport was in 1993.

SUBCOMMITTEE CHAIR SPERLING stated that this is his highest priority project on his list for what they are considering.

MR. KNUDSON stated that the Regional Transportation Plan/Prop 400 Extension will go into details with priorities. They plan to propose a half cent continuation on sales tax in order to fund transportation needs the City has. This project is currently listed as a future need, not a current priority. There is the option to move this project to the need bucket since it can pay itself back if project goes through. The developer can build near the Airport, the estimated cost for the developer would be around \$7million to install sewer, water, electricity and other utilities.

MR. WRIGHT stated that this is a relatively new project.

SUBCOMMITTEE MEMBER SMITH commented that the cost of the project will most likely increase.

SUBCOMMITTEE MEMBER MCCORKLE stated that this is one of the highest priorities for Airport investment, opening the south side will have beneficial returns.

SUBCOMMITTEE MEMBER SMITH stated that Airport stakeholders would benefit from the total development of the Airport.

For the record, all Subcommittee members were present at 9:18 am.

SUBCOMMITTEE CHAIR SPERLING stated that the Cooper project was the highest on priority.

SUBCOMMITTEE MEMBER SMITH stated that projects are designed to take 5-7 years by the city, but can take longer.

SUBCOMMITTEE MEMBER MCCORKLE stated that there is no marketing plan in place to benefit and educate the citizens in economic and environmental studies.

SUBCOMMITTEE MEMBER POSTON commented that the way information is presented to the public affects how they understand what needs to be done. When residents see pavement they can assume it is for the extension of the runway, a more strategic approach can have a positive economic impact.

SUBCOMMITTEE CHAIR SPERLING stated that he agrees with everything and asked the Subcommittee members to make a decision in regards to the projects. For the record, he also stated that none of the Subcommittee members were against the runway extension, but it was not the right time to put it on the ballot. The Subcommittee members stated that all projects should be part of one bucket. The consensus at the Subcommittee was to not include the runway extension on the bond priorities, but encouraged completing the necessary economic and environmental studies to understand the impact to the community.

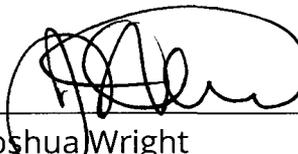
#### 6. MEMBERS COMMENTS/ANNOUNCEMENTS

Next Airport Subcommittee meeting will be on Thursday, November 19, 2020 at 8:00 a.m.

#### 7. ADJOURNMENT

The meeting was adjourned by SUBCOMMITTEE CHAIRMAN SPERLING at 10:01 a.m.

  
\_\_\_\_\_  
David Sperling  
Chairman 11/19/20

  
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Joshua Wright  
Recording Secretary