



## ASHLAND AIRPORT COMMISSION

JUNE 7, 2005

### MINUTES

MEMBERS PRESENT: CHAIRMAN LINCOLN ZEVE, RICHARD HENDRICKSON, TOM BRADLEY, BILL SKILLMAN, JOHN MORRISON, BOB SKINNER

STAFF: DAWN LAMB

MEMBERS ABSENT: VICKI GRIESINGER, CLAUDIA STOCKWELL, PAUL WESTERMAN, GOA LOBAUGH

1. CALL TO ORDER: 9:30 AM
2. APPROVAL OF MINUTES: May 3, 2005, minutes approved as written
3. Public Forum: Presentation by Brammo Motors to be addressed under new business.

#### 4. OLD BUSINESS:

##### A. ALP Master Plan Update

The final draft of the ALP document was distributed with the packet with instruction to review and return the comments to Lamb via email at the earliest opportunity. The drawings were displayed and the Commission agreed to have the ultralight temporary hangars depicted at the south end of the runway removed. If an ultralight pilot would like to place a trailer on the airfield, the Commission and Skinner will address it on an individual basis. There was discussion regarding whether to depict an area for the temporary hangars on the airfield and it was felt that it did not need to be a set aside area for the hangars.

John McLaughlin, Planning Director was present to discuss the zoning questions referred to in the draft. Bradely questioned the impact of Measure 37 on the airport operations. The airport is protected by the overlay zone and has been an established airfield for a significant period of time. The encroachment of residential units is a concern for many small airports. The state overlay zones need to be reviewed by the legal and planning departments to ensure we are in compliance with new land use ordinances.

The commission will need to have reviews of the ALP back to Lamb within two weeks of today. The revisions will need to be submitted to Century West who will then forward the document to the FAA for adoption and approval. After the plan is accepted by the FAA we will present the ALP to the City Council for adoption.

##### B. AIP Update

The trenching and installation of the medium intensity runway lighting has been moving along for almost a week. The weather has been cooperative and LTM has been doing a great job of clean-up and staying on time with opening and closing the airport. The NOTAM will need to be reviewed later this week to see if the closure needs to be continued past the 10<sup>th</sup> of June.

Commission asked about the progress of the beacon. Lamb thought the paperwork

was still be worked on and that Olson and David Evans were attempting to negotiate for a lower restock cost. The smaller beacon will cost less than the larger one and the restock fee is exuberant. The cost of the new beacon is significantly less than the original and even with the restocking fee the cost will be less and we will have savings. Skinner asked if instead of restocking the beacon we could simply sell the beacon to ODA or another buyer. *Olson said that LTM actually bought it and has not been paid for the beacon, so they own it and we wouldn't be able to purchase it.*

Commission would like the project manager to be sure and pay attention to the punchlist items that are still outstanding; the washrack, the fence and the gate and the sloppy concrete around the tie downs.

C. Strategic Planning Action Planning:

SuperUnicom Funding Avenues-No word yet from the letter sent to UPS and Fed Ex.

Economic Impact Study – Zeve presented a copy of the study from the students. It gives a significant increase to the last study. The study shows that the airport direct and induced cost is near \$14 million. This is definitely motivation to attract more business to the field. The study is somewhat conservative because of the time limits the students were under.

D. Fee Increases

Bradely has some clarifications to make to the new spreadsheet and will need to meet with Skinner and Lamb to verify some base rates on some of the leases. It will be presented at the next meeting.

4. NEW BUSINESS:

A. Airport Inspection Progress

Margueritte Hickman and Keith Woodley had two open dates; June 14<sup>th</sup> and the 17<sup>th</sup>. The 17<sup>th</sup> is better for Lamb's schedule. Skinner agreed that the 17<sup>th</sup> was a good day and that mid-morning would be a good time. Lamb will check with Hickman and Woodley on a time of 9:30 AM.

B. Taxi Service Complaint

Morrison read the enclosed letter and will take the complaint forward to the Council for action. Morrison will report back with information.

C. Brammo Motorsports Application

Craig Bramscher, President of Brammo Motors, presented a proposal to the Commission to lease the commercial land adjacent to Airport Road. His company currently builds specialized sports cars and will be expanding into manufacturing composite parts for the motors. The business is also expanding into making composite tools for aircraft. Bramscher resides in Ashland with his family and would like to keep his business in the Rogue Valley if not in Ashland itself. He prefers establishing his business right here in Ashland.

The proposed business manufactures specialized vehicles. Sports vehicles and components for kit cars and composite pieces and tooling for aircraft use will be built on the airport site. The site will consist of two 20,000 square foot buildings and Bramscher is looking to lease either a 3.5 acres or 5 acres. The size could depend on

the lease rate and the planning requirements. Bramscher would like the option to build one building outright and have a clause giving him the right to build the second building at a later date. The mortgage from the bank requires the length of the lease to be at least five years longer than the lease term.

Staff has briefly met with Bramscher to discuss other areas within the City to build. There was another option considered, but the land would need to annexed into the City. The time factor for annexing is extensive. The land at the airport is zoned E-1 for business and this area has been earmarked for this type of business. Bramscher and the City would work at obtaining grant monies from OEDD for the utility extensions to the site. The road improvements will need to be defined by the Planning application. At this time, Bramscher needs to have a draft lease to take to the lenders and to OEDD before he can get approval to finance the building. If funding can be obtained and the lease rate is acceptable, Bramscher will move forward with the application with the City. If the funds can not be secured, Bramscher will look elsewhere for a suitable location.

There are opportunities for the business to be more involved in aviation related tooling and manufacturing. The commission has agreed that the commercial leasing of this area should be referenced in the new Airport Master Plan as Future Aviation Related & Non-Aviation Development. The current master plan refers to aviation related businesses, but the Airport Commission and FAA do not have a set percentage or policy on the amount or type of aviation related business. The Airport Commission needs to be sure that the lease agreement quantifies that the funds collected from the site are directly applied back to the airport. That is the requirement from the FAA since the site was purchased with FAA funds.

Bramscher has checked with the State to ensure the emissions from the business will not be an issue. John McLaughlin, Planning Director, addressed the commission. Bramscher has worked with staff to research different sites within town that would be appropriate for the business. The airport land works well for this purpose. It is zoned properly and has sufficient utilities. The employment creation is in line with the airport strategic plan, high end technical jobs. The business fits into the City's comprehensive plan. The lease agreement with the City will need to be worked out for this area.

Morrison asked if the site is large enough to support the buildings. McLaughlin said the site was large enough with correct site planning. The 3.5 acre proposal should be adequate for the usage. DeBoer reminded the commission that income from the lease would need to be applied directly to the airport. There was talk during the Master Plan that the area could be used for helicopter operations. The demand has not been presented to exclude the area to other options. Skinner felt this proposal was a suitable use of the area. Bradley supported the proposal as this land could be an income generator and it could be far into the future before it could be used for hangar space. Zeve asked if the lease length would be a concern. Bradley commented that the banks base most on a 25 year amortization for lending. The Jackson County airport is up to 50 year leases. There needs to be a percentage for buy-out in the lease. The clause would protect the airport if the business fell through. Skinner and staff felt that the lease was not applicable to the Specialized Aviation Services Operations fees. The SASO fees are for businesses that benefit and depend on the airport infrastructure for the business to function. Zeve was concerned that FAA may not approve the use because of the aviation related clause. There is no set percentage or description of what aviation related pertains to. The tooling and motor work in the proposal for this business does mean they will be doing aviation related business. There should be no

concern from the FAA for this business.

The building design and planning approvals will include all the public process and the plan will need to go to the City Council for their review of the lease and the grant applications. The lease will need to be created. Hendrickson suggested appointing a sub-committee to work with staff on the lease. Zeve, Bradley and DeBoer agreed to work on a sub-committee.

Zeve asked the commission to consider the downsides of the proposal. If Bramscher's business fails in the first five years, what is our recourse. The lease will have buy-out options and reversion clauses. The buildings should be designed to support separate businesses if the parent business vacates the premises. The buildings would belong to the City. The height of the buildings will need approval by Engineering and ODA. The type of building that Bramscher is researching resembles a large hangar. He will keep the aesthetics of the building in line with airport schemes. The business employees include engineers and designers as well as living wage type jobs for the actual manufacturing. Bramscher's expects projected employment of 30 professional jobs and 20 living wage positions. Skillman voiced his support as long as the land remains in the control of the airport. He voiced concern over losing the land to commercial or residential developments in lieu of airport expansion. At this time the area is nearly unusable for aircraft because it is so far away from the taxiways and the excavation of the land required to make it feasible for taxing aircraft is far too expensive. But in the future this will be where we will need to grow and the technology will catch up with the use. The commission agreed that the land would only be leased to a commercial operations and that the lease would contain language about domain rights of the City.

Bradley was still concerned over the aviation related language and felt a statement should be made so that the process is not stopped. The current master plan does have the aviation related wording, but there is no outlined criteria. The aviation related clause will not be a concern because it is too subjective. DeBoer agreed that the wording in the new master plan should be adopted and used; the land should be leased to be compatible with airport usage. Commission agreed that this wording was sufficient.

Hendrickson motioned to approve the conceptual business design for Brammo Motorsports. Bradley seconded the motion, vote passed unanimous.

5. OTHER:

A. Quarry on Dead Indian Memorial Road

Stockwell distributed a letter for Commissioner signatures if they were in not in support of the proposed quarry. The Commissioners discussed briefly that the proposed number of truck trips a day would not be a large impact; positive or negative on the airport. No commissioners signed the letter.

6. AIRPORT MANAGER REPORT/FBO REPORT/AIRPORT ASSOCIATION:

A. Status of Airport, Financial Report, Review of Safety Reports

Skinner has not had a large increase in traffic. Partly because of rainy weather. He commented that the LTM crews working on the lighting installation have been superb in cleaning up and being prompt in finishing by 8 AM for the runway to be opened.

Airport Association – Clark Hamilton said that the enrollment of members has dropped from 208 in 1992 to 3 today. He and DeBoer will be working on reviving the association by sending out mailings.

7. NEXT MEETING DATE: **July 5<sup>th</sup>, 2005, 9:30 AM**

ADJOURN: Meeting adjourned at 11:15 AM