

**THUN FIELD ADVISORY COMMISSION
MEETING SUMMARY**

August 17, 2017

A meeting of the Pierce County Thun Field Advisory Commission (TFAC) was held on Thursday, August 17, 2017 at 6:30 p.m. at the Civil Air Patrol building, Thun Field, 16915 – 103rd Ave. E., Puyallup, WA 98374.

I. Call to Order & Welcome

Chair Keith Kemper called the meeting to order at 6:33 pm. Members introduced themselves. Because a quorum was not present, the Commission took no action on any item.

TFAC VOTING MEMBERS	
Present:	J. Keith Kemper, Chair Lyle Sindlinger Marshall Collins
Excused:	Doug Miller, Mike Thompson, John Hurlbut
TFAC NON-VOTING MEMBERS	
Present:	Nichole Weber, SHAC
Excused:	Dan Roach, Pierce County Council District 1; Hugh Taylor, Pierce County Council Alternate
PIERCE COUNTY STAFF	
Present:	Lauren Behm, Cindy Willis
VISITORS	
Present:	Five members of the public signed the attendance sheet.

II. Reports

- **Operations and Maintenance** – Lauren Behm, Interim Administrator, distributed a project update sheet with work completed and some scheduled for this summer, including asphalt grinding/paving, pothole filling, south end property clean-up, fence improvement project, Wings West building repairs, and the mobile home area fill. The PAPIs are not working properly, but we have begun the paperwork so the vendor can fix them.

Lyle Sindlinger asked about the cracks and grass in parking area; is that on the list to be done? Even spraying to kill the weeds would help. Lauren said normally we get FAA funding for such work, but we’re dedicating all of those dollars to the Master Plan. We’re working on the CIP for the next six years and can see if we can raise the priority for repairing cracks.

Shawn Pratt said that not having the AWOS working is a liability is for student pilots because they’re not accurate for wind direction unless it’s out of the southwest; it records nothing

but variable winds, and accuracy is important. Lauren said we can have our on-call aviation planner check into it. Marshall Collins said the temperature and dew point are off due to the wet conditions.

- **Administrative Report** – Lauren Behm, Interim Administrator, said the former Thun home/Weed Board building is vacant (the Weed Board relocated to another County facility) and we are looking to rent the building. Keith Kemper asked why they left. Lauren said it was over the non-aeronautical issue; the director made the decision to move them off the airport. Lauren said we'll repay them for the improvements they did in installments (\$15,000 this year, \$25,000 next year, and a balloon payment in 2019 for the rest). We want to generate revenue and pay off the renovations. Rent amounts would be negotiable, probably between \$7-10/sq. ft. for an annual rate.
- **Commission Reports**
None.

III. Old Business

- **Fuel Concession - Michael Transue, staff to the Performance Audit Committee (PAC)** – All the documents were provided via email. A few comments have been received already; we will attach them to the report along with any further comments. You may go to the PAC website to view them. You may also watch the PAC meeting since it was televised. Last year's budget included a proviso to analyze the fuel concessions at Thun Field and offer options. We hired the FCS group to do the analysis and to determine if jet fuel sales were appropriate at PLU. The case studies and interviews of the comparable airports are in Appendix C of the report. The current vendor pays \$5000/year to the County with a focus on self-service operations. Photos are located p. 2-7. The consultant concluded that average fuel prices are \$4.98/gallon at Thun with others averaging \$5.36/gallon. The consultant noted that fuel volume sales are up, but income dipped due to fuel costs. The current contractor generates 25% of the sales. Trends in population and economic growth show a fuel sales increase as noted on p. 11-12. The consultant painted a decent picture of fuel sales at this airport. The potential closure of Spanaway Airport may bring in additional aircraft. Also, Boeing Field is looking to get out of the private aircraft business and deal only with commercial planes, so that is also an option for growth. The growth forecast, between 1% and 1.7%, is consistent with the trends of 2014-16. The consultant considered five fuel delivery options: 1) the status quo with no escalation for fuel; 2) fuel flowage charge – would eliminate the \$5000/year fee; 3) a revenue-sharing agreement for a 50/50 split of net revenue after expenses/taxes coming to a \$.20/gallon base profit; 4) revenue-sharing with an annual payment guaranteed – pay to play; and 5) the County assumes fuel services and doesn't renew the contract with the current vendor (that would require a quarter FTE to keep it up, fuel testing, etc.). The consultant's recommendations are on Page 15 using an anticipated 1.42% growth rate with each option over a 10-year period. The consultant listed the pros/cons of each option. The current vendor would be able to bid on whichever option is chosen (other than the status quo). We would have to go out for re-bid and would perhaps do an RFI (request for information) and ask potential vendors for ideas about what would be beneficial to both the County and vendor; then we'd go out for an RFP (request for proposal). In the recommendations on p. 15-16, the consultant looked at it from a fiscal standpoint for the County and did a financial ranking: 1) Option 4, 2) Option 3, 3) Option 5, 4) Option 2; the consultant didn't recommend Option 1 (status quo). There are options to

lessen the blow to the current vendor. The PAC accepted the report last week. The budget proviso asks for a TFAC recommendation.

Lyle Sindlinger asked about Jet A and upgrades to the system. Michael Transue said the consultant recommended not yet on bringing Jet A—the runway is not long enough to bring in enough jets, and there's an issue with helicopters needing to fuel elsewhere. The report noted that the fueling facility needs upgrading, but there were no recommendations specifically on what or how to upgrade it. With revenue available for capital improvements, we could use some creative financing. Keith Kemper asked what happens with the various scenarios if fuel prices go up; that could impact volume and revenue. Michael said the consultant said that based on wholesale fuel costs, the volume is up, but relatively flat due to costs. Keith said the numbers are pretty spotty; at over \$5/gallon, pilots might be willing to go elsewhere. Michael said we could consider that if fuel prices are X, fuel flow charge will be Y. We may lose customers to other airports; if the sales volume drops, we'll need to reassess.

Shawn Pratt from SIM asked about credit card v. cash sales. Cash sales require an FTE to be present to take payment. If an FTE is not available, sales will drop.

Rod Wetherbee from SIM asked if Option 5 includes management. Michael said it includes a .25 FTE. Credit card fees were not considered. Rod said the economy was in the tank when he took over the fuel concession. By paying \$5000, he guaranteed that he'd sell 100,000 gallons of fuel. He loses most business to Centralia where gas is cheaper. He's poured his heart and soul into this airport and provides employment at Spencer and SIM to 20+ employees. He's created life and vitality—to take his contract away is disheartening. He doesn't agree with the consultant or think it's fair. He's actually losing money, but has a passion for the airport.

Lauren said because there is no quorum, the TFAC cannot make a recommendation tonight. Next steps might be to hold a special TFAC meeting in the near future to make a formal recommendation; we want it before we present to the Council. We'd take a written TFAC recommendation and provide it to the Executive and Council. The Executive will likely make the decision. The chair said the process takes a while, so the sooner the better. He's concerned about sales volume; that could blow it all up. The numbers appear to be rosy, but might not be. Lauren said going out for an RFI might be a good first step to get some ideas and how the vendors would handle it. Keith said we need to look at various scenarios of pricing. Rod Wetherbee said the flow drops with each 5 cent raise in costs. Keith said it should be fleshed out with various scenarios and pricing relative to each. Rod said a penny difference can make a difference in volume. He wants to get people into his store, not to make money on the gas. Shawn Pratt said a price difference is a psychological barrier—pilots will fly to Chehalis over 3 cents/gallon. Rod said it's not easy to be in business in any airport. Lauren said she'd ask Michael Transue if there's any money left to determine the costs for each option. Keith suggested after that, we get back together to make a recommendation. Shawn Pratt wondered how long an RFI would take. Rod Wetherbee would like to continue the contract through the end of the year. He's already paid for insurance for the entire year. Lauren said she has a contract for Rod to sign tonight. Lyle wondered if it's fair to sign a contract when there are pump problems. Lauren said it's a consideration; we do have REET money to put toward a project and make fuel pumps a

priority project. Rod said the vendor is required to maintain, not replace. If it's not fixable, it should be County's cost to replace the pumps. Rod said jet fuel is not put at the pumps; it's likely on a truck and needs an FTE to pump fuel for jets; it requires someone available at least 8 hours a day. Rod hopes a runway expansion can be included in the Master Plan. Lauren will get more details, circle back, and find a date for a follow-up meeting.

- Public Viewing Area – Lauren had hoped Doug Miller would report on this. She said she had just toured the Bremerton Airport and checked out the playground area; it's awesome with aviation-focused playground equipment and surface markings to look like a runway. She would love to do that at PLU. They put it in without FAA approval due to contradictory guidelines. Bremerton said it was already a viewing area; they just enhanced it. The new airport manager is Tim Mensonides formerly from the Arlington Airport. He did lots of research on the topic. As we work together with other airports, maybe we can push the FAA to allow viewing areas to help grow the aviation industry. We need to get a volunteer group together for this project; Airport & Ferry doesn't have resources. Doug and Nichole are taking the lead. Lyle Sindlinger said maybe we can get some picnic tables to enhance. The FAA has the final say over the ALP and Master Plan. Keith Kemper asked where the area is in Bremerton; Lauren said pull in and turn right; it's in the parking lot between the restaurant and airport office with benches, playground, and picnic tables. In our parking lot area, we'd have to make space to fit and be visible.
- Signage – Lauren sent out a picture with the proposed sign design taking into consideration previous comments; we changed the logo and included an established date. The business park map would come in Phase 2; the scale of the sign wouldn't work for seeing it as you drive up, so we will make it a walk-up sign in the parking lot. These are flat signs on wooden posts with the larger double-sided sign at the main entry, and the single-sided signs inside the north and south gates. Lissa had recommended a sign on the airfield side near the fuel for those who fly in to the airport. Zumar provided a quote for three signs: \$6400; that's much better than previous bid of \$40,000. We'll install them ourselves. Adding an airside sign will increase the cost somewhat. Lauren said we want to move forward and although there was no formal TFAC action, the consensus was to get it done. Lauren said we'll make an effort to represent all airport businesses on our website as well, including phone, website address, and a blurb about the business. There's plenty of space for current businesses and activity groups.
- Economic Development Task Force – Lauren will be sending invitation letters to those who volunteered within the next couple weeks. She anticipates three 2-1/2 hour meetings in the fall. We'll look at existing conditions, the financial situation, successes at other airports, and move into identity, vision for airport, options for generating revenue, drill down, and implementation. We want to see an investment from our Council and Executive to make it happen.
- Volunteer Program – We're working with Risk Management regarding equipment, safety training, etc. – it's underway. Volunteers will get credit for their hours and be eligible for awards. Marshall Collins stated that Emerald Ridge High School kids have to do community service for graduation. Lauren said we might be able to do a volunteer day where people could come out and help prior to the larger program being established.

IV. New Business

- Master Plan Advisory Commission – Lauren said we have negotiated the scope and fee with Mead & Hunt and are working to sign the contract. It’s an FAA application with 90% grant funds, 5% from the state, and 5% from the County. We anticipate five meetings during an 18-month process beginning in late September/early October. We already have 16 members committed, but others who are interested can attend and provide input. We’re doing our best to reach out to HOAs and invite participation. The consultant is doing some inventory and background work, and will regularly brief the TFAC.
- Review/Adoption of Amended TFAC Rules – Since there is no quorum, we cannot adopt these rules today. The basic changes include adding Graham/Frederickson within the boundaries and TFAC composition. Lauren said we are currently reviewing TFAC applications for Executive interviews and selections.

V. Visitors/Petitions

Rod Wetherbee asked about plans for the cleared lot. Lauren said we needed to take away the cover for the people camped out there. We’ve also had theft issues and wanted to remove hiding places. It’s also a prime place for future development. Rod suggested that where the mobile home was would open it up and allow for parking, fly-ins, getting people here.

VI. Adjournment

The meeting was adjourned at 7:46 p.m.

TO CONTACT THE THUN FIELD ADVISORY COMMISSION regarding any items on this agenda or any other issues:	
Call:	(253) 798-7250 (Airport Administration)
Fax:	(253) 798-2740
Mail:	Thun Field Advisory Commission 2702 South 42 nd Street, Suite 201 Tacoma, WA 98409-7322
Email:	pctfac@co.pierce.wa.us
Submit comments online:	www.piercecountywa.org/thunfield (click on “contact us”)

TFAC Next Meeting

Date: Thursday, November 16, 2017
Time: 6:30 PM
Location: Thun Field, Civil Air Patrol Building
16915 103rd Ave. E.
Puyallup, WA 98374