

Livermore Airport (LVK) Meeting minutes with Leander Hauri and Dan McIntyre
Attendees: Leander Hauri (LH), Dan McIntyre (DM), Purnam Sheth, Karen McMullen

Oct 3, 2006 3:30 pm, LVK

Leander, Dan,

First of all, thank you for spending the time with Karen and myself to better understand the plans for the new FBOs and the Minimum Standards for Commercial Aviation activities for LVK.

I wanted to make sure I captured our discussion, and didn't misunderstand anything. I also added a couple of simple questions I forgot to ask.

Could you please confirm my understanding below, and any corrections, please?

Thanks, Purnam

0. Q: Why is LVK wanting to get out of the fuel operating business?

LH: By getting a Full service FBO to handle the fuel, it will free up the existing staff to do better maintenance at the airport. In addition, the city will make some extra money from the Fuel Flowage Fee.

1. Q: What is an FBO (Fixed Base Operator)?

A Fixed Base Operator is a business situated on the airport that provides commercial services to the airport/planes, including parts, aircraft repairs, sales, services, etc.

2. Q: What is a Full-Service FBO?

A Full-Service FBO is a business that provides multiple business and commercial services to the airport. In addition, at LVK it is also the FBO that **MUST** provides the Fuel Service, plus the majority of services anticipated to the airport (through subleases,etc).

2a Q: Who constructs and manages all the FBO facilities?

LH: Generally speaking, the Full Service FBO constructs the facilities and leases/sub-leases it out to the various operators. Think of the Full-Service FBO as the company that gets the "mall" built, and then leases out the shops to the various aviation businesses.

3. Q: Can the Full-Service FBO build additional hangers (above what council had approved), as long as they can show it is a viable business and there is space?

LH: Yes. City Council can not deny more hangers being built out due to the FAA clause that we can not economically discriminate at LVK..

Q: Can the council legally restrict building additional hangers based on the size of the hangers?

LH: The council must approve, and can not legally deny building additional hangers based on size or any other factor -- this is due to the FAA economic non-discrimination clause.

Q:Can additional jet hangers be legally restricted from being built?

LH: Again, council can not legally deny additional jet hangers from being built, as long as there is space and people wanting it.

4. Q: How does an Air Charter Service operate?

LH: An air charter service is a passenger service that does not have "scheduled" take offs and landing. Examples are on-demand air taxi type services, people who want a custom flight from A to B,etc. Many of the charter services operate jets and twin prop planes.

Q: Who builds the facilities for the Air Charter Service?

LH: The Full-service FBO operator would typically build the facility and lease it out to the Air Charter Service.

Q: If an Air charter wants a facility at LVK, can City Council legally deny the building of the facility?

LH: City Council can not legally deny the building of an Air Charter service due to the FAA economic non-discrimination clause. They must approve it as long as it meets the zoning standards.

5. Q: If Fedex/UPS/ jet manufacturer decides to make LVK a hub or major spot for them, and the Full-Service FBO puts in the application to build the facilities for this, can council legally deny it?

LH: City Council can not legally deny the building of a cargo or other service due to the FAA economic non-discrimination clause. They must approve it as long as it meets the zoning standards.

DM: The City can try to negotiate something down, but legally can't really restrict or deny the application.

6. Q: It is quoted that the newer, smaller jets, are much quieter, even quieter than many single prop planes. Do you have the specifications to support this claim?

LH: No, we (the city) doesn't have any data to support this claim. The aircraft manufacturers have not released this data, yet.

7. Q: How many acres of land is authorized for the Full Service FBO and additional FBO's (not including the T and Box hangers that were authorized by council)?

LH: 10 Acres

8. Q: How many acres of land would the T and Box hangers approved by council go on?

LH: ???

9. Q: Why was 1500 sq feet chosen for the T hanger size? This is bigger than the biggest T hanger's currently in Livermore (and other airports)?

LH: The consultants felt this was a good size, and lets a larger range of aircraft to be stored in them (I think one of the examples was the Piper).

(PS Note: from one of the previous conversations we had -- this size also will fit the newer smaller Jet aircraft that are becoming available soon).

Q: Won't this be a much more expensive hanger to rent for the average recreational pilot with a small single prop plane? (>60% more than the current 900 Sq Ft T-hangers)? I don't understand as the pilots loudly protested hardship when there was small rent increases at the council meeting -- -but this is going to make their costs go through the roof -- when many of them don't need this extra space...

LH: Yes it will be much more expensive to lease these...and some pilots will not be able to afford the > 60% increase in the rent with the new hangers. They will just have to pay it....

10. Q: One of the factors that is mentioned often is that by having more Aviation facilities at LVK, it will save the planes based at LVK a number of "maintenance" take offs and landing (to fly to Hayward or Concord or some airport), hence, lower the number of operations at LVK, and hence lower the noise at LVK.

LH: This is correct, there is approx 650 planes based at LVK

Q: How often does a plane typically need maintenance?

LH: This really depends on the hours of operation and other factors - there is a mandatory 100 hour maintenance required, plus others.

PS: If we assume that there are 3 such maintenance events per year per plane, this translates to 650 x 3 x take and landings = 3900 operations per year.

Given that LVK has approx 175,000 operations per year, this is a pretty small savings in operations. I wonder how an FBO could survive only maintaining LVK based planes -- they must have

to attract other planes in order to be a viable business?

Q: Will the FBO's attract more traffic to LVK?

DM: It is hard to say either way, and the City really can't speculate. (this is from a previous e-mail discussion that Dan and I had).