

## **MINUTES AIRPORT COMMISSION MEETING**

**OCTOBER 24, 2016**

The meeting was called to order by Chairperson, Bob McDaniel at 5:00 p.m. Other members present were Matt Larson, Steve Whitcomb, Aaron Kranz, and Donovan Mayer. Advisory members Ron Mergen, Public Works Director; Chuck DeWolf, Bolton & Menk, Inc.; and Renee Eckerly, City Administrator were present.

**Motion was made by Mayer to approve the minutes from the April 25, 2016 and May 23, 2016 Airport Commission meetings. Seconded by Kranz and unanimously carried.**

### **FUEL PRICE POLICY & HANGAR RENT POLICY**

The current policy was reviewed. The last changes to the policies were made in 2012 with the fuel upcharge at .36 cents and the hangar rents at \$120.00/month for South facing hangars and \$100.00/month for North facing hangars.

The budget revenues and expenditures were reviewed in detail. Members questioned if anything in the budget could be cut. Large budget items are hard costs with very little control. The maintenance and repair of grounds is 90% snow removal. It was also explained that the City is losing on average \$6,121.00 per year which is being subsidized by the tax payers.

Members reviewed the survey that was in the agenda. The fuel price at \$3.63 is on the low end. Other local airports will follow the City's lead if Paynesville increases the price to cover the costs; they will also go up. After a short discussion,

**Motion was made by Whitcomb to increase the upcharge of fuel by \$.10 and recommend such to the City Council. Seconded by Kranz and unanimously carried.**

### **HANGER RENTAL RATES**

The hangar rent survey was reviewed showing the rates from \$60.00 per month on the low end to \$300.00 per month for heated hangars. Larson noted the Commission cannot compare Paynesville's airport to Alexandria or Sauk Centre because they have a maintenance service operation and the Commission needs to compare Paynesville to Brooten and Olivia airports with similar services. Eckerly reiterated that the airport is not profitable and that if all the airports raise the hangar rent it would eliminate the jumping from airport to airport by the pilots. Members also discussed ways to generate more revenue by adding another 10 unit T-hangar and possibly a maintenance bay. Members also suggested this be reviewed annually. No recommendation was made.

### **CIP**

CIP DeWolf presented the CIP and the scheduled projects:  
2017:

1. Paynesville will receive its entitlements back from Faribault equaling \$260,000.00.
2. Acquire the property for the hangar.
3. Construct the taxi lanes and apron.

In 2018:

1. Borrow entitlements from other airports equaling \$550,000.00.
2. Construct a 10 unit T-hangar at an estimated cost of 1.15 million dollars.

2018 thru 2023:

1. Pay entitlements back to other airports.

2024 and future:

1. Update the ALP and rehabilitate the runway.

There was a short discussion on the proposed hanger and incorporating a maintenance bay within it and insulating 4 of the units.

**Motion was made by Mayer to approve the CIP and recommend such to the City Council. Seconded by Larson and unanimously carried.**

### **FLY IN**

Kranz gave a brief report on the 2016 Fly In with over \$3,000.00 in gross revenue and over \$800.00 in profits; however, this does not include the \$950.00 the City paid for insurance. There was a short discussion on how often the City should have a Fly In; every other year to every fifth year.

There being no further business, the meeting was adjourned at 5:45 p.m.