

City of Winsted
Winsted Municipal Airport Commission
Winsted City Hall Council Chambers
Tuesday, December 14, 2010
8:30 a.m.

Airport Commission Members Present: Kevin Kubasch
Dave Millerbernd
Dave Mochinski
Russ Paschke

Airport Commission Members Absent: Sarah Fasching

Staff Present: Andrew Elbert, City Administrator
Dave Meyer, Public Works Lead
Amanda Zeidler, Utility Billing & Payroll Clerk

1) Call the Meeting to Order

Paschke called the meeting to order at 8:30 a.m.

2) Approval of Minutes

Kubasch motioned to approve the minutes from July 13, 2010. Millerbernd seconded. Motion carried 3-0.

3) Financial Report

Elbert presented the November, 2010 Financial Report.

4) Maintenance Report

Meyer reported on the following:

- Snow Removal
- New gas swivel on gas pump hose

Paschke requested a second swivel on the gas pump. Meyer stated that he would look into it.

5) Old Business

a) New Hangar Request – Joe Johnson

Millerbernd stated that there had been discussion at a previous Airport Commission meeting regarding the construction of a new Arrival and Departure (A/D) building; however, it is not listed in the 2011 Capital Improvement Plan (CIP). Marcus Watson, Airport Specialist for Bolton and Menk, Incorporated, stated that the Airport Commission and City Council need to discuss funding options, and project priorities. Watson stated that a new A/D building was not formally discussed or added to the list.

Millerbernd asked if there had been any discussion with the City Council, about including the A/D building with Joe Johnson's proposed hangar. Watson stated that this scenario was informally discussed, but it has not been proposed to the City Council, and the discussion on a preliminary level was to provide a combined space with a hangar, and A/D Building. Watson stated further that the Minnesota Department of Transportation (MNDot) Aeronautics division, holds the position that a Commercial Operator should be in conjunction with the skydiving activities. Skydiving activities alone are a lesser-tier commercial operation. Johnson asked if he would qualify as a Commercial Operator if he started a flight school. Watson stated that it is very possible. Watson stated that if this scenario was to be acted on, it should be determined by the Airport Commission and recommended to the City Council. Even with public funding or private investment, MNDot Aeronautics is more supportive of a higher level commercial operation, like maintenance, rather than a skydive operation.

Millerbernd stated that he is concerned about the grouping of a hangar and A/D building, and how the City would handle it, in the event that Johnson's business would close or fail. Watson stated that the entire building would either have to be privately owned, or publicly owned. If the building was public, then the City would have to lease a portion of it to Johnson. Watson stated that if any portion of a building has public space, it would have to be a public building, and he added that Johnson's building is not going to be so specific that another business cannot use it in the future. Watson stated that it all comes down to the recommendations that are made by MNDot Aeronautics and maintaining grant funding for the Airport.

The Airport Commission discussed other hangar options for Johnson, and Watson raised issues with Johnson's original hangar proposal.

Millerbernd asked if the current A/D building could be replaced, and expanded. Watson stated that there are two separate issues; one issue is that the City is trying to accommodate a commercial hangar for Johnson, and the other issue is building a new A/D building. Watson stated that the viability of the A/D building and its site lines would be lost if Johnson constructs a hangar in the prime apron space, and there are certain constraints that have to be looked at before the City can grant approval for a new hangar on prime apron space.

Watson stated that the future apron expansion goes into the drop zone as it exists today. Johnson stated that the drop zone is for students, not tandem jumpers, as approved by the United States Parachute Association (USPA). Johnson also stated that there are other ways to make the drop zone bigger. Johnson stated that in his proposed hangar, the back half of the building would be sixty (60) feet by fifty (50) feet, and the front of the building would be forty (40) feet by fifty (50) feet, and would have two levels, with classrooms. Johnson stated that in the area he has proposed to build the new hangar, there is no exposure to the rest of the airport.

Kubasch discussed the potential area by Hangar Thirty-Nine (39). Johnson does not want to build by this hangar, because he wants to be respectful of the neighbors, and not place a commercial operation there.

Millerbernd asked how soon a new or updated A/D building would have to be included in the Airport CIP. Watson stated that the deadline to include a new A/D building in the CIP is January 15, 2011. Millerbernd stated that he does not think it is wise to incorporate the public A/D building with Johnson's proposed hangar. Johnson stated that if the City would offer a lease arrangement similar to what Hutchinson Aviation has, he would consider it. Mochinski stated that the City should review the Hutchinson Aviation lease, and go from there, if it is viable.

Watson stated that this project would be classified as a revenue project, and the City would have to prove that the revenue generated from the project would sustain the five percent (5%) match for federal funding over twenty (20) years. Watson stated that he does not see that this would be a problem. He also made a recommendation to have a conversation with the Federal Aviation Administration (FAA), and MNDot Aeronautics regarding the proposed scenario, to accommodate Johnson's immediate need, and the future of the airport. Watson believes it will require a face-to-face meeting with both divisions to demonstrate the potential funding need for this project.

6) New Business

a) Fiscal Year 2011 Capital Improvement Plan – Marcus Watson, Bolton and Menk, Incorporated

Watson stated that the FAA has emphasized that the Winsted Municipal Airport will have a Federal Entitlement balance of \$581,484 to use on eligible projects, and of that available amount, \$131,484 must be spent by Winsted, or lent to another airport in Federal Fiscal Year 2011. Watson added that the City can only bank up to \$600,000 in federal entitlements, so the City must use, lose, or lend \$131,484 before the end of the year, or it will be lost.

Watson listed the following project options that are listed on the Airport CIP for Fiscal Year 2011 Federal Entitlement Funding:

- Airport Environmental Assessment (EA)
- Terminal Area Fencing & Controlled Access Gates
- Private Hangar Site Expansion
- Lend to another Minnesota Airport

Watson stated that the City can lend the \$131,484 to another city that is working on a project, if the City does not want to use the funding right now. He added that the indications show that congress will continue the existing airport funding program. Watson stated that there is some risk involved with lending to another city, but at least the funding would not be lost.

Watson offered some estimated costs for the proposed projects, and mentioned that a combined hangar, and terminal building owned by the City, would likely use up all of the City's entitlement funding. Kubasch stated that he believes Johnson's proposal of a combined building is the most viable project, aside from lending the money to another community.

Watson stated that in order to receive federal funding, there is an obligation to at least have a plan on the books for spending and improvements, and if the funding is not used on projects in general, the FAA may call it into question.

Millerbernd asked if the Environmental Assessment could be placed on the Capital Improvement Plan for 2015, and in the meantime, do some other projects. Kubasch stated that the hangar owners are looking for some construction projects to utilize their improvement fees.

Watson stated that the most common request appears to be the construction of a terminal building and a new hangar to lease. He added that pavement maintenance, and seal coating are eligible for seventy percent (70%) state funding.

Watson stated that he will revise the CIP List for 2011 to 2015, and he will try to arrange a meeting with the FAA to discuss the proposed terminal building and hangar. Watson stated that the five percent (5%) share of a \$600,000 project would be \$30,000. He also stated that it could potentially be a phased project. Millerbernd stated that there are ways that the Airport Commission can come up with the money for the five percent (5%) match.

Kubasch asked if the City is jeopardizing its federal funding by not completing the Environmental Assessment. Watson stated that the City is not jeopardizing its federal funding, but he stated that it is a good idea to keep it on the CIP. Watson added that the FAA and MNDot Aeronautics would most likely push the deadline back for a special case, such as this.

b) Rental Fees for Airport Property

Elbert stated that the City is currently receiving \$1,000 from the Winstock Country Music Festival for the use of Airport property during the music festival. Elbert gave three options for the Airport Commission to consider regarding the Airport property:

- Keep the current fee schedule and use of the property for calendar year 2011 with Holy Trinity Church for the Winstock Country Music Festival.
- Consider allowing the Airport hangar owners and City to lease the property site for their own intended purposes during the Winstock Country Music Festival for calendar year 2011.
- Allow a private entity or individual to lease out the property site for their own intended purposes during the Winstock Country Music Festival, as long as it meets all corresponding zoning ordinance requirements for calendar year 2011.

Millerbernd stated that the City of Winsted should continue to rent the Airport property to the Winstock Country Music Festival for \$1,000. Kubasch and Paschke agreed with Millerbernd.

c) General Updates

1. New Hangar Owners

Elbert stated that there are two (2) new hangar owners at the Airport. David Hanus purchased Hangar Eight (8) from Rick Stodola, and Burt Ackerman purchased Hangar Sixteen (16) from Calvin Brandt.

2. Non-Payment of Lease Terms

Elbert stated that there are currently three (3) individuals with outstanding invoices for their Airport lease and Improvement Fee. He stated that one notification letter has already been sent to these individuals, and a second letter requesting payment will be sent certified, and the information will be turned over to the City Attorney for further legal action, as needed.

3. Airport Commission Resignation

Elbert stated that Sarah Fasching has officially given her resignation from the Airport Commission. He stated that Fasching is an outstanding community volunteer and has been a wonderful asset to the Commission. Elbert thanked Fasching for her service.

Elbert stated that he will publicize the vacancy on the City's website, to seek a new Commission member. Millerbernd suggested Don Guggemos and Carol Kappel for consideration.

4. Snow Plowing

Johnson asked if there is any way to get the runway plowed so that he can still operate his skydiving business on the weekend. Mochinski stated that right now there is no money in the City's budget to pay overtime for Public Works to plow on weekends at the Airport. The City's current policy does not allow for overtime at the Airport on weekends. Mochinski stated that he did not realize that Johnson was planning to operate in the winter months.

Millerbernd asked if the City has looked at subcontracting the snow plowing of the airport runway. Elbert stated that the City could definitely look into subcontracting the plowing of the runway. Mochinski stated that the City's budget should allow for any damages done by a subcontractor, and that this option is worth looking into. Elbert stated that he will take the directive from the Commission to the City Council.

Kubasch asked Johnson if he had any requests for upcoming weekends. Johnson stated that he does not at this time, but he gets phone calls every day, so that may change.

7) No Other Business.

8) Adjourn

Kubasch motioned to adjourn the meeting. Millerbernd seconded. Motion carried 3-0. Meeting adjourned at 10:15 a.m.

Respectfully submitted,

Amanda J. Zeidler

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Utility Billing & Payroll Clerk