

City of Winsted  
Winsted Municipal Airport Commission Meeting  
June 10, 2008  
8:30 a.m.

Airport Commission Members Present: Russ Paschke, Chairman  
Sarah Bisping  
Gerald Boldt

Airport Commission Members Absent: Kevin Kubasch, Vice-Chairman  
Dave Millerbernd

City Council Members Present: Council Member Dave Mochinski

Staff Present: Brent Mareck, City Administrator  
Deb Boelter, City Clerk-Treasurer  
Dave Meyer, Maintenance Lead

1) Call The Meeting To Order

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

2) Airport Commission Meeting Minutes

a) May 13, 2008 Airport Commission Meeting Minutes

Mareck presented the Airport Commission meeting minutes from the May 13, 2008 meeting.

**Bisping motioned to approve the Airport Commission meeting minutes from May 13, 2008. Mochinski seconded. Motion carried.**

3) Financial Report

a) May, 2008 Financial Report

Mareck presented the May, 2008 financial report.

Paschke requested an itemized listing of the expenditures for "Repairs and Maintenance" E 612-49810-400.

Mochinski asked Mareck what the estimated status of the Airport Fund will be at the end of 2008. Mareck stated that there will be an approximate deficit of \$25,000. Added to the current deficit of \$70,000 at the end of 2007, Mareck estimated that the total deficit at the end of 2008 will be \$95,000.

Paschke stated that engineering seems to be the largest expense for the airport. Mareck stated that engineering expenses are increased due to the 2008 airport project, however; the engineering will be reimbursed ninety-five percent (95%) from the Federal Aviation Administration (FAA) and Minnesota Department of Transportation/Office of Aeronautics (MN DOT/OA) grants.

4) Old Business

a) Airport Planning – Review of City Council Presentation and Next Steps

Mareck reviewed the engineer's three (3) options for the future of the Winsted Municipal Airport that were presented to the Winsted City Council.

b) Fly-In Chili Feed

Paschke thanked the volunteers who helped at the Fly-In Chili Feed and the patrons who attended the event.

b) Airport Maintenance

Meyer reported that the landowner of the property adjacent to the airport runway called the city regarding the weeds growing on the runway. Meyer stated that the Public Works Department has been spraying to eliminate the weeds on the runway and will continue to do so.

Paschke asked Meyer to purchase and deliver softener salt to the airport building.

Paschke reported that there have been some repairs to the runway lighting and that Rick Stodola has been making some attractive improvements around some of the hangars at the airport. Paschke encouraged city staff and Airport Commission members to visit the airport to see the improvements.

5) New Business

a) Eric Peterson – Hangar #27 (Improvement Fee)

Eric Peterson, Hangar #27, addressed the Airport Commission regarding the recently amended Winsted Municipal Airport land lease and the \$200 improvement fee.

Peterson stated that he wants to adhere to the land lease he signed in 2004 and he refuses to sign the newly amended land lease.

He agreed to obtain the required Certificates of Insurance as outlined in the amended land lease.

Peterson stated that he has paid the required \$200 improvement fee but he does not agree with it. He continued by saying that his investment in his hangar is too large not to comply with the insurance requirements and the \$200 improvement fee.

Peterson asked the Airport Commission to consider repealing the \$200 improvement fee and/or not increasing the fee in the future. He stated that if the fee must remain, then there should be limitations in the land lease regarding the increase of the fee in the future.

Peterson stated that he was disappointed with the lack of communication between the city, Airport Commission and hangar owners regarding the amended land lease and asked for increased communication so the hangar owners may have an opportunity to give input on decisions regarding land lease amendments and/or fees.

Mochinski asked Peterson if he believed that the city's taxpayers should pay to remove the airport fund deficit. Peterson stated that the city should not expend engineering costs for projects that are not feasible. Peterson continued by stating the he believed that the city's taxpayers should pay for the airport. Mochinski asked Peterson how the City Council can ask the taxpayers to pay for something they do not use.

Mochinski asked Peterson what kind of economic impact he thought the airport has on the City of Winsted. Peterson stated that the airport operates in a deficit so it has no economic impact on the city. He continued by saying that if the city would bring in larger businesses, the airport would be used more and there would be a positive impact on the city's economy.

Mochinski asked if he was aware of any land leases from other airports that he liked better. Peterson stated no.

Mareck stated that the cost of doing business at the airport has been increasing each year. The city was looking for a modest investment from the hangar owners who use the airport to help with the maintenance and operation of the airport. The \$200 improvement fee was a solution that would not burden the city's taxpayers. Mochinski told Peterson that if he and/or any of the other hangar owners have any ideas for correcting the airport fund deficit without taxing the residents, the City Council would be willing to consider their recommendation.

Bisping stated that as a taxpayer, she believes that other city residents would disagree with being additionally taxed for the airport. Peterson stated that he understood what Bisping was saying.

Mareck reminded Peterson that the city would require that he sign and return the amended land lease. Peterson stated that the terms of the land lease need to be changed according to his request before he will sign it. Mareck stated that he would prepare and present a resolution regarding the \$200 improvement fee and outlining the process to make amendments to the land lease for the Airport Commission and City Council to consider and adopt. Mareck stated that the resolution would contain protocol that requires that a public hearing be held and all hangar owners be invited for comment when there are any proposed amendments to the land lease.

Mareck stated that the land lease fee has been at .18 cents for twenty (20) years. Mareck stated that the original land lease allows for a ten percent (10%) increase of the land lease fee at the increment of every five (5) years. Mareck stated that this is another option to consider. The improvement fee would remain at \$200 for the twenty (20) year term of the lease and then the land lease fee of .18 cents could increase ten percent (10%) every five years.

b) Gas Sales Policy

Mareck stated that the policy for gas sales at the Winsted Municipal Airport allows the city to sell gas for .50 cents per gallon over what the city purchases the gas for per gallon. This is not going to remain feasible with the fluctuations in gas prices that are being directed by the market.

Mareck recommended that the city establish a policy that would allow the City of Winsted to take the average gas price per gallon of certain airports located in the near area every Monday morning and the Winsted Municipal Airport's per gallon price for gas be adjusted accordingly to keep the airport's gas price competitive.

**Bisping motioned that Meyer and Paschke update the per gallon gas price at the Winsted Municipal Airport every Monday morning by going to [www.Airnav.com](http://www.Airnav.com) and averaging the gas price per gallon at three (3) neighboring airports. Mochinski seconded. Motion carried.**

6) Other

a) Winsted Municipal Airport Newsletter and Website

Mareck presented a draft copy of the Winsted Municipal Airport's newsletter. Mareck stated that it will be prepared quarterly and mailed to all hangar owners.

Mareck also stated that a page will be established on the city's website at [www.winsted.mn.us](http://www.winsted.mn.us) for the airport. Pertinent information and documents will be available on the website. Included will be Airport Commission meeting agendas, minutes, presentations, and other information. Mareck stated that the city is responsible for better communication between the hangar owners and city.

Paschke reported that every Saturday morning the hangar owners meet in the airport administration building at 7:30 a.m. for coffee and to discuss airport business. Paschke invited the general public to attend the meetings.

7) Adjourn

**Paschke motioned to adjourn. Mochinski seconded. Motion carried.**

Respectfully submitted,

Deborah R. Boelter  
City Clerk-Treasurer