

AIRPORT ADVISORY BOARD (AAB)

MINUTES

September 27, 2010

The Airport Advisory Board met on Monday, September 27, at 6:00 p.m. in the Executive Conference Room of City Hall, 18 E. 4th Street, Fulton Missouri. Members of the Board present were Chairman, David Clapp, Donnie Grimm, Gene Allen, Dale LaRue, Ex-Officio members present were City Engineer, Greg Hayes, Kingdom Pilot's Association President, Leemer Cernohlavek, and Director of Administration, Bill Johnson.

Absent board members included Lisle Moore, the Honorable Mayor Charles Latham, Jim Nurrenbern, and Airport Manager, Travis St. John.

Visitors were Ben & Doris Trout, Jerry Danuser, Dennis Bening, Steve Wendling, Walter & Marilyn Illston, Marian & AJ Stricker, Wilbur Ewing, Andy Huey, Rod Starns, Jeri & Phillip Shindler.

COMMENTS FROM VISITORS: None

MINUTES:

Motion was made, seconded, and approved to accept the meeting minutes of the July 21, 2009.

Engineer's Report

A City Engineer, Greg Hayes, presented the budget with a spread sheet depicting partial revenues for 2010 & 2009 for comparison. One thing to note was the slight increase in fuel sales at the airport. He then presented them with the partial expenditures for the same periods. Mr. Hayes noted the increase in Repair Materials and Supplies and said it is due to the additional lights at the new runway 18-36.

The Board was presented the 2011 Operating Budget for the airport. This showed no changes from the previous year. Mr. Hayes asked Mr. Johnson to explain the cash flow of the airport to the Board. Mr. Johnson made a very good presentation, and although it may not have been understood by the entire meeting participant, Mr. Allen, a CPA, said it was all done correctly. Finally, the Board was presented the last five years revenue trends. Revenues dropped to reflect the recession in the overall economy, but now are leveling out.

B The 2011 Capital Outlay Budget was presented to the Board. It currently reflects \$437,000. Mr. Hayes explained that this is a 95/5 funding split with FAA. The City would be responsible to pick up \$21,850 of the project cost. FAA will expend \$415,150.

C The Board was then presented with a list of construction projects from our consultant, BWR. The list is as follows:

1. Improve Safety Run-Out at the end of Runway 06	\$163,981
2. Seal Apron & Rehabilitate Cracked Panels on Runway 18-36	\$111,656
3. Widen Hangar Taxiway with Drainage Improvements	\$ 52,953
4. Apron Expansion	\$361,174
5. Additional T-Hangar Taxi lanes	\$260,559
TOTAL	\$898,933

The list also included our available funding stream as follows

Remaining 2006	\$ 69,217
2007-2010 (4*\$150,000)	\$600,000
Future 2011	\$150,000
Deduct for Master Plan	-\$180,000
TOTAL AVAILIBLE	\$638,217

There just aren't enough funds available for all of these improvement projects. Therefore Mr. Hayes asked for input and recommendation from the board on what projects to proceed with.

A lot of discussion was held about the advantages and expectations associated with each base project. Project #1 would eliminate the deficiency associated with the run out at the end of Runway 06 and this project carries a high priority with MoDOT. An alternative would be to shorten the runway 150'. The shorter runway would still accommodate the planes that normally use it. The group asked if we would need to remove the pavement or displace the threshold. E-mails from MoDOT said they do not like displaced thresholds and would not fund those improvements.

There was discussion about the need for apron expansion. There was also discussion about in order to justify your need to build the additional taxiway; the City would need to make a STAR Loan application for the construction of the new hangars to fit in the middle of the taxiway project. Projects #1, #2, and #3 are all deficiencies that need to be addressed. Mr. Stricker asked if we will ever eliminate all of the deficiencies at our airfield? Mr. Hayes explained that there are certain deficiencies that will never be addressed like the Ameren UE power lines. Other items that we can address are the widening of Runway 06-24.

The discussion continued with no resolve and it was decided to proceed with the meeting and return to this subject for recommendations after the board had a little time to ponder the situation.

D We are currently working on Master Plan-Surveying & GPS. The City has applied with the FAA-GIS office so once the consultant is finished with the survey he will be able to upload his information

electronically to the FAA. Mr. Hayes also stated that our consultant BWR will be coming to the City around the holidays for a question and answer survey of the folks at the airport.

E The City was told by our insurance provider, MIRMA, that starting January 1, 2011 we will be required to hold State Above-Ground Storage Tank Insurance. It will cost \$200 the first year and \$100 every year thereafter. This is required for all commercial fueling stations.

F Columbia Avionics has bought out Skytek. They plan on doing repairs the same as Skytek. They took over the FBO lease and hangers.

Airport Manager's Report

A. Airport Manger Travis St. John was absent so there was not a report from him.

Gene Allen

A. Columbia is doing a Strategic Plan. He has attended two meetings already. He was appointed Chairman of the Finance Committee. He has access to all finances. They have a two page budget but nobody from the City appears to be very interested in the airport. They are currently looking for a new Airport Manager. Mr. Allen plans to talk to Jefferson City Airport Manager but he is currently having medical issues and as soon as they are corrected Mr. Allen will go and talk to him.

KPA Report

A Kingdom Pilots Association President, Leemer Cernohlavek presented the Board with pictures showing the flagpole locations next to the terminal. It showed that when the flags are lowered to half staff the flags hit the terminal building. Mr. Cernohlavek and the KPA are proposing to the City to relocate the flag pole out in the flower box by the entrance to the parking lot.

Other Business

A. Mr. Hayes explained that the City is currently experiencing the recession like everyone else. He explained that all Department heads have been asked to review their fees and revenue generators to see if there is anything that can be done to increase the revenues for the City. Mr. Hayes presented a list of current revenue generators to the Board and audience. Todd McIntosh responded by saying fuel prices at the Fulton airport are 20% to 30% higher here than in Moberly. We should be within 10% of surrounding areas and be competitive. Harvey Marx said pilots would stop for gas if it was more competitive. Several participants said the Airport is a service and should not be a profit center.

Andy Huey asked if hanger rent should be raised. A debate followed on this with no conclusion. Mr. Bill Johnson brought up the subject of disabled planes taking up hanger space. Mr. Johnson proposed increasing hanger rent by \$50 and giving a voucher for \$50 of fuel. A. J. Stricker said if someone paid their hanger rent they should be able to stay. Mr. Johnson replied that the planes are just sitting there and not buying fuel. It was also suggested by Wilbur Ewing that it was communistic to say they had to

buy a certain amount of fuel at the prices dictated by Fulton . Donnie Grimm asked how much Travis gets for fuel sales. Mr. Hayes replied twenty–five cents per gallon sold. There were several other topics discussed like the expenditures for credit card usage and possible marketing ideas surrounding 24/7 fueling capabilities.

At the end of this discussion the only positive revenue generating proposal that would be acceptable to the Board and airport pilots was to bring a Jet Fuel truck into service.

B Discussion returned to the list of improvement projects. When project #5 was presented Mr. Clapp asked about the current situation of our STAR Loan. Mr. Hayes tried to remember when it expired. After a brief phone call by Mr. Johnson it was determined that the current STAR loan expired this year. Our current loan payout is \$36,000/year. The new loan amount for \$379,000 would mean a payout of around \$45,000/year. This is an additional \$750/month. More discussion was held about the need for the enlarged tar mac apron. Mr. Clapp made the motion to recommend proceeding with the building of projects #1, #2, #3, & #5. This would expend all of our federal funding through 2011. This would also raise the City's portion of the cost to \$29,457, a different of \$8,000 to the black of the City's budget. The motion also included proceeding with the application of the STAR loan and the building of another bank of hangars. Andy Huey recommended Plan 1-2-3-&5.

Mr. Johnson said he would not recommend to City Council that they accept this recommendation because of the current state of our budget. Mr. Clapp said if Mr. Johnson is not with us then we can't win.

Motion was seconded and pasted to recommend Projects #1, #2, #3, & #5 along with an application for a new STAR Loan and the construction of a new bank of hangars.

C Director of Administration, Bill Johnson introduced a plat of ground for sale at the end of runway 18-36. Shephardsfield has approached the City about purchasing the ground for \$6,000 an acre. The aerial photo shows we will only need about 30 acres of this ground, which would be \$180,000 in order to one day extend Runway 18-36. At the current time MoDOT would not assist us with purchasing this property. MoDOT said it would have to be incorporated into our new Master Plan and our airfield would have to show a need for a longer runway.

Mr. Clapp responded by saying we should give them market value which would be about \$3,000 an acre. Motion was made by Gene Allen to recommend to the City Council to purchase this ground for a negotiated fair appraised value. Mr. Dale LaRue seconded the motion, and it passed.

Motion was made to adjourn by Gene Allen and seconded by Dale LaRue. Passed

Respectfully submitted,

Linda Robinson, Administrative Assistant

Engineering Department - City of Fulton