

MOORHEAD AIRPORT COMMITTEE

Meeting Minutes Wednesday August 16, 2006 Moorhead Airport

Members Present: Dale Niemi, Konrad Olson, Randy Harms

Members Absent: Nancy Hanson, Swede Stelzer and Steve Bono

Staff Present: Peter Doll, City Assessor; Jackie Engel, Office Specialist; Kal Skadberg, Airport Manager and Brian Martin, MFS

1. Call to Order

Chair Harms called the meeting to order at 4:05 p.m.

2. Agenda Amendments

There were no amendments to the agenda.

3. Meeting Minutes

Action taken: Niemi moved, seconded by Olson to approve minutes from June 21, 2006. Motion carried by unanimous voice vote.

4. Report of Airport Manager

Fuel Sales: Skadberg informed the committee that fuel sales are up over 2005.

He reported the fuel sales as follows:

	July 06
100LL	5,499.0
Jet A	380.0

Skadberg stated that is an increase of 2,163 gallons over July of 2005.

Students: Skadberg announced that there are currently 2 students that have just started the program.

Aircraft Rental: Skadberg reported that there has been 70.5 hours if aircraft rental and they have been busy with annuals.

Hangar Rentals: Skadberg stated that the door for hangar #2 is now working and can go on the rental list. Skadberg added that many tenants have requested that the rubber underneath the hangar door be replaced. During the winter the rubber freezes to the ground and gets ripped off when the hangar door opens, Skadberg said.

Miscellaneous: Skadberg announced that the annual “Wings & Wheels” Fly-in will take place on Sunday September 10th.

5. Old Business

A. FBO Agreements

Doll reminded the committee that the FBO Agreement will expire December 31st of this year. Engel presented the committee with a copy of an e-mail from Beth Grosen explaining the differences between the FBO Agreement and the Management Agreement.

Doll presented a letter he received from Dale Niemi stating Niemi Aviations interest in becoming an FBO at the Moorhead Municipal Airport. He has requested that the “non-compete” clause be removed from the 2007 FBO Agreement.

Doll informed the committee that since Niemi has requested the opportunity to become an FBO, he will have to refrain from voting and discussion as a board member on any issues dealing with the FBO contract. His involvement will be limited to answering questions presented to him by board members.

Olson asked if the committee should have a meeting discussing the terms of the contract without the prospective parties involved? Doll stated that this board can discuss issues that are relevant. What is agreed upon will be sent to the City Manager as the committee’s recommendation. Doll added that the city attorney does not want discussions to be stifled.

Martin stated that Niemi is interested in having an FBO so that he can obtain a charter certificate, which MFS is not interested. Martin added that Niemi has been more aggressive in doing such things as fire patrol but feels that there will be no overlap in services to cause any problems. Martin stated that there may be minor overlap in maintenance. He doesn’t object to them doing maintenance unless it takes away from MFS. Niemi Aviation is more interested in the private side and MFS is more interested in the public side, Martin said.

Niemi reassured the committee that he isn't interested in taking away business from MFS.

Doll asked why the monthly pay to MFS is different from what is in the current agreement. Martin stated that he opened his books to the City and requested an increase in the monthly management services amount. The monthly allotment was increased to \$5,250. Martin stated that he will report to the committee his last 12 month activities at the next meeting.

Doll suggested merging the FBO and the Management agreement together. He asked the committee for their opinion. Olson asked Martin if he would prefer keeping the two separate agreements (FBO and Management) or merging them into one. Martin stated that the agreements were separate when he took over and has always been that way.

Harms stated that if there will be two FBO's running out of the airport, the FBO agreements will have to be separate and different agreements. Niemi stated that the intention is to have one item be done at one place (e.g. training and maintenance). Niemi added that the City has to decide if they want competition or if they want to support one individual company.

Doll stated that there has been some interest of jet owners in the area to build private hangars at our airport. Niemi said that jets need a lot of fuel. He added that Niemi Aviation has been looking at purchasing a Cessna Citation, which holds 3,200 pounds of fuel.

Due to lack of time, Doll requested that further discussion should take place at the next meeting.

B. Private Hangar Lease Rates

Engel reported that she tried to contact several airports to inquire on what they charge for private hangar land leases. Engel stated that Fergus Falls charges 12¢ per square foot.

Doll stated that other City Managers will be contacted to try to pin down the going market rate.

C. Airport Layout Plan

Doll presented the committee with the advised airport layout plan.

Doll asked the committee where a bigger hangar would go if they wanted to accommodate the bigger aircrafts. Niemi stated that they are looking at building a 120 x 250 foot hangar and Martin added that a typical hangar

for a jet would be 100 x 100 foot. Niemi added that the current ramp will not hold the heavier aircrafts, and it would have to be strengthened before that.

Action taken: Niemi moved, seconded by Doll to approve the airport layout plan as amended. Motion passed with one vote against.

D. Ground Work for Private Hangar Sites

Moved to next meeting.

6. New Business

A. Fly-In

A special meeting will be held to talk about this event.

B. Committee Member Replacement

Engel informed the committee that she notified Nancy Hanson by e-mail to find out if she wanted to continue being a member of the airport committee. Hanson expressed that she would like to be removed from the committee and stated that her husband would be interested in taking her place. Engel told Ms. Hanson that we would forward his name on to the Mayor.

The committee gave Doll a couple of other names of people who were interested in being on the committee.

7. Information/Miscellaneous

A. Door on Hangar #2

As discussed in the Manager's Report, the door has been fixed and is ready for rental.

B. Hangar Inventory

Doll asked to have a monthly report on what is happening with the hangar rental. Skadberg stated that he would provide something on a monthly basis.

8. Adjournment

The meeting was adjourned at 5:20 p.m.