

# Airport Advisory Commission



Tuesday, June 10 April 8, 2014 at 6:00 P.M.

## MEETING MINUTES

City of South St. Paul Municipal Airport Meeting Room  
1725 Henry Avenue, South St. Paul, MN 55075

## UNAPPROVED MINUTES

### 1) CALL TO ORDER :

The Airport Advisory Commission meeting was called to order by Chairman Wiplinger at 6:00 P.M. on Tuesday, June 10 April 8, 2014.

### 2) ROLL CALL :

Present,

Commission Members: Adams, Franke,  
Gardner, Ludwigson, Reckinger, Schoen,  
Sheridan, Wik, Wiplinger

Absent,

WikNone

Also Present,

John Sachi City Engineer  
Glenn Burke Airport Manager  
Michelle Pietrick, Finance Director  
Peter Ahdahl, Mike HilgerCatie Steier Airport  
Intern

### 3) Approval of Agenda :

Motion by Sheridan, with a second by Ludwigson to approve agenda with the addition of 8c Airport Staffing Report

Motion carried

89 ayes/0 nays

### 4) Approval of April 8 February 2013 Minutes

Motion by Ludwigson, second by Reckinger to approve February 11 April 8, 2014 minutes with corrections.

Motion carried

9 ayes/0 nays

### 5) Citizen Comments/Presentation

There were no Citizen's Comments

### 6a) Airport Debt Discussion Budget Report

City Staff presented the second quarter budget report for the airport operating fund. Maintenance and Operations grant will be filed by June 30, 2014. Fuel sales are below the forecast due to late spring. Expenses are approximately \$50,000 below expectation

with an absent intern and weekend building attendant being a contributor. Capital Improvement Fund has incurred expenses for engineering company, Bolton & Menk, with the Airport Master Plan and Environmental Analysis and engineering for Airport Pavement Reconstruction.

City Finance Director Michelle Pietrick presented financial data and charts for the airport funds from 1996 to 2013. The airport funds are the Airport Operating Fund, the Airport Capital Improvement Fund and the BRS Building Fund. She pointed out that the large spikes in spending correspond with major capital improvements.

- 1997 Airport Terminal Building
- 2002 Airport Road Reconstruction, Commercial and South Hangar Areas
- 2006 South Tee Hangar and West Hangar Area
- 2008 Demolition of East and West Barracks and BRS Building Construction.

The airport debt in 2006 was approximately \$2.2 million and that has been reduced to approximately \$1.15 at the end of 2013. The trend has been positive for the past four years.

The Commissioners questioned city staff on the similarities and differences between the Wakota Arena and Airport Funds. Staff responded that both funds are treated similarly from an accounting standpoint. The Commission commented that the Arena Fund recently was allocated tax levy while the airport is expected to be self-sustaining. The staff responded that the City Council sets policy and prioritizes where property tax dollars are allocated. Commissioners also questioned where the airport's payment in lieu of taxes is credited. Staff responded the City's general fund receives a portion of the payment in lieu of taxes, while the airport also retains a portion.

The increase in the administrative service charges from \$20,000 in 2011 to \$57,000 in 2014 was questioned by the Commissioners. Staff answered that the FAA allows certain overhead charges to be allocated to the airport and the City follows that guidance in setting the administrative charge. A memo by the City Finance Department was prepared and was previously distributed to the Commission on this issue.

The Commission talked about the difference between the perception of the airport by the City Council and staff. The Commission believes there is a lack of acknowledgement from the City Council on the value of the airport to the City and region. Staff advised the Commission that they should work on providing information to the City Council to change that perception. Commissioners Ludwigson and Schoen will prepare a survey of the airport users for a presentation to the City Council.

#### **6b) 2014 First Quarter Financial Report Fuel Sales Report**

Fuel sales were low in the first three months due to snow. Sales increased for piston engine aircraft for 100 LL in May. Jet A sales are steady with no test flight plans scheduled for the summer.

City Staff presented the first quarter budget report for the airport operating fund. The operating fund is \$93,409 in the black through the first three months of the year. Fuel

sales for the quarter are below the forecast, due to the cold and snow. Expenses are approximately \$24,000 above expectation due to the low fuel inventories carried into 2014. There was little activity in the Capital Improvement Fund.

**7a) Project Status -- Master Plan Environmental Analysis/Master Plan Update**

The public meeting for the Airport Master Plan is scheduled for 6:00 to 8:00 pm on Tuesday, May 14. The results of the public meeting will be summarized and presented to the City Council later this year. The City Council input will be the final phase of the Master Plan process. Department of Parks and Recreation submitted a letter to the FAA in regards to community garden relocation and redesign of McMorro Field.

Bolton & Menk hosted an open house with airport neighbors on May 14. 65 residents attended the meeting and 23 stopped by earlier in the day. Overall, the open house went well. Neighbor's concerns focused on noise control and obstruction removals.

Airport Manager and City Engineer received final business chapter to Master Plan. City Staff will consult with Commissioners and City Council in September during 22<sup>nd</sup> work session with Summer Marr. Airport Budget and Capital Improvement will be discussed

**7b) Project Status - Environmental Analysis (EA) 2014 Airport Reconstruction Project**

Plans were sent to 10 general contractors for pavement reconstructions. In the previous week, Bolton & Menk held pre-bid meeting at the airport. 3 contractors attended the meeting. Bids will be opened June 12 at City Hall. Grants will need to be finalized by late August to early September for construction to begin early Fall 2014.

The project is laid out into 6 schedules. Construction will begin with repaving fueling area with concrete. Construction will last approximately 35 days. During that time, fuel will be unavailable to customers. Phillips 66 will lend two fuel trucks to the airport during that time. A status update of Environmental Analysis was given to the Commission. The parks referendum passed on February 11 and that approval will alleviate the need for a parking mitigation plan for McMorro Field. The FAA regional review of the McMorro Field driveway caused concern for the City staff. The latest rules do not allow the driveway in any portion of the runway protection zone. The Airport Manager sent a letter to the reviewer to let him know that the park driveway design was approved at the FAA local and regional level 16 months prior and that approval was relied on before a park redevelopment plan was approved by the Parks & Recreation Commission, the City Council and a City wide referendum for the park redevelopment and bonding. The City is awaiting a response to that letter.

Grants are moving in the right direction. Airport Manager appealed decisions and lowered city's share for \$358,000 to \$290,000. State is participating an extra 10% to projects. Hangar owners who share taxilanes shares lowered to \$171,000. City staff sent letters out to owners in May with a 50/50 ratio. New letters will be drafted and sent to owners with updated numbers.

\$250,000 are incurred expenses that will carry with the tenant charges for the next 10 years. Remainder of EA will be put towards purchasing new snowblower for Airport Loader. City Council will be presented items for purchasing new blower at next June 16 meeting. The city's share for this grant is \$25,000 to \$30,000. Airport staff will sell the broken machine for residual value.

**7c8a) Old Business - Airport Beacon Project Status - Obstruction Removal**

Airport staff budgeted \$1.375 million towards obstruction removal. This will include purchase, removal, and cleanup for trees. 6 structures will need to be lighted.

The FAA will be flying over the airport in July with a new surveying device to determine the heights of obstructions to enforce terminal approach procedure standards. These standards will widen the area at the end of the runway from 500 ft to 700 ft. Once notified, the airport has 30 days to plan a course of action to address obstructions and 90 days afterwards to act upon the plan. If time exceeds 120 days, night approaches will be suspended until obstructions are addressed.

The airport beacon is working now that the temperatures have warmed. Staff has submitted a grant application for a new beacon to MNDOT Office of Aeronautics. No answer was received, but staff expects a positive response. If a grant is offered to the City it will be at the end of the State fiscal year and will have to be accepted quickly.

**8ba) Taxiway Reflective Markers Airport Rules and Regulations**

Staff reported that the taxiway reflectors have been ordered and are scheduled to be installed this spring. Runway exits to the parallel taxiways will receive the reflectors. Current Airport Rules and Regulations were approved in 1992. An updated version of the document began in 2005, but was never approved. Commissioners will begin discussions during upcoming meetings to address updating a newer version. Topics on driving, parking, fire safety and operations will be discussed in next meetings for first draft to be completed in early winter.

**8c) Airport Staffing 9) Old Business**

There were no Old Business

City staff received the first draft of the airport staffing recommendation and reported that the final draft is scheduled to go to the City Council work session on April 14. The replacement of the intern position with a full-time position is in the recommendation.

**9) New Business 10) Commissioner and Staff Comments**

Commissioner Ludwigson spoke on new airport facility fees. Previous meetings, commissioners agreed that single-prop aircraft would not be charged facility fees unless the aircraft is over 4,000 pounds. While attending the June 9 work session it was brought to Council Members attention that facility fees will be charged to all aircraft who land on the field. Commissioners wonder if enforcing these fees will push out small aircraft to use the airport. City staff will consult with Summer Marr on finding alternative solutions by next meeting.

Due to elections, the August meeting will be rescheduled for Tuesday, September 9<sup>th</sup> at 6:00 p.m. in airport meeting room. There was no new business.

**10) Commission & Staff Comments**

Staff reported last month that the State had repaid \$15 million to the State Aviation Fund. MNDOT Aeronautic is seeking legislative approval to increase the State share of grants to airports. The City's share of the 2014 Airport Reconstruction project would decrease from 10% to 5% for eligible work items under the improved funding plan.

Staff updated the Commission on the late season breakdown of the airport snow blower. The transfer case failed and the repair is in excess of \$20,000. The ongoing major repairs of this blower were discussed. Staff will meet with MacQueen Equipment Company to negotiate lower cost repairs or an alternative solution.

Commissioner Wiplinger made a motion, and seconded by Franke to include in the minutes a note to reflect the absence of the City Administrator from the meeting.

Motion carried 9 ayes/0 nays

**11) Adjournment :**

Motion made by Schoenheridan, second by LudwigsonAdams to adjourn the Commission meeting at 7:258:35 P.M.

Motion carried 89 ayes/0 nays