

Airport Advisory Committee

MINUTES OF THE MEETING OF JUNE 15, 2010

MEMBERS PRESENT: Jay Humbard, Chairperson
Nathan Keizer, Vice Chairperson
Scott Crain
Cliff Hix
Ron Long
Donald Murray

MEMBERS ABSENT: Chris Hoffman

OTHERS PRESENT: William A. Beasley, Director of Public Works
Mark Turnbull, Director of Economic Development
Bill Pyle, Airport Manager
Joye VanGorden, Admin. Asst. to Dir. of Public Works

The Airport Advisory Committee met on Tuesday, June 15, 2010, at 10:00 a.m., in the City Hall Conference Room. The meeting was called to order at 10:00 a.m. with six (6) members present.

The first order of business was the approval of the minutes of the meeting of February 15, 2010. Ron Long moved, seconded by Scott Crain, that the minutes be approved as submitted. Motion carried unanimously.

The second order of business was discussion of the possible purchase of Grounds Communication Outlet Equipment and its installation to provide radio frequency to the Kansas City Center. Bill Pyle indicated that the Committee had asked staff to look into the possibility of purchasing remote radio access equipment to enable pilots to communicate directly with the air traffic control (ATC) center in Kansas City to obtain quicker Instrument Flight Rules (IFR) clearance. He stated that he contacted the FAA about possibly funding the purchase of this equipment, but was advised that FAA would not fund it at that time and referred him to a couple of individual companies that specialized in this equipment. Mr. Pyle provided the Committee with information from two different vendors that provide this equipment and stated that they basically operate the same. He stated the only exception was that the Groundlink equipment was digital where the ARINC equipment was analog and was probably the reason for the difference in price. Mr. Pyle stated that he contacted the airport in Scott City, Kansas, about the Groundlink system they purchased. They advised that they would recommend this equipment and that it was partially funded (50%) by the Kansas Department of Transportation Aviation Division.

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Mr. Beasley stated that in investigating the cost of this equipment, it was found that the equipment ranges from \$10,000-\$12,000. He stated the City was considering submitting an application to KDOT's Aviation Division requesting funding up to 50% and that the remainder of the cost would be funded with revolving loan funds, which was approved by the Economic Development Advisory Committee since it would be used primarily for airport industrial purposes.

After general discussion, it was the consensus of the Committee that the City should pursue funding for this equipment.

The third order of business was the review of a request submitted by Terry Calloway of Data Technique to lease Hangar C at the Atkinson Municipal Airport. Mr. Beasley advised that Terry Calloway is interested in leasing Hangar C, the hangar previously occupied by Mike Gall's Aircraft Repair. He stated that based on square footage the cost for the lease of this hangar would be \$475 per month and that Mr. Calloway has agreed to this amount. Mr. Beasley stated that if the Airport Advisory Committee was in agreement City staff would present this request to the City Commission for their consideration.

After general discussion, Ron Long moved, seconded by Nathan Keizer, that the Airport Advisory Committee forward a recommendation to the City Commission for approval of the request of Terry Calloway to lease Hangar C in the amount of \$475 per month. Motion carried unanimously.

The fourth order of business was the review of fuel sales at the airport. Mr. Beasley stated that City staff provided a fuel sales analysis at the airport for the time frame of January 1st, 2010 through March 31st, 2010 in comparison to this same time frame during the years 2008 and 2009. He stated in reviewing this analysis, it appears that it follows the usage of the national trend and that fuel sales have actually been down 20-30% across the board. Mr. Beasley stated the City Commission reduced fuel prices at the request of some of the local pilots who pledged to buy fuel from Pittsburg in lieu of tankering in their fuel. He stated the fuel prices were reduced from \$1 above City's cost to 75¢ above City's cost for local users and from \$1.25 above City's cost to \$1 above City's cost for transients. The caveat is that staff would continue to monitor fuel prices/sales and the cost of operating the airport and report back to the City Commission on a quarterly basis, or at least bi-annually, where the airport stood on fuel sales and any losses. Mr. Beasley stated the City Commission realizes the importance of the airport; however, they do not want to subsidize the airport anymore than they have had to do in the past. He stated that Bill Pyle and his crew have done a great job of keeping costs down at the airport, but that if the subsidy increases the City may have to consider trimming hours of operation or may even have to look at increasing fuel prices.

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Nathan Keizer recommended that the City consider getting contract fuel at the airport that might possibly attract transients to the airport. Mr. Beasley responded that the City staff has talked with AV-Fuel about this option and they advised that it would not be to the City's advantage to do this because of current fuel prices.

After general discussion, Mr. Beasley advised that staff would continue to research different options that might possibly attract transients to the airport and that they would continue to monitor fuel sales closely.

Under Other Business, Nathan Keizer inquired if it would be possible for someone to commit to building a hangar within 15 months and not pay a land lease. Mr. Beasley expressed concern with this option. He stated that in the past people have purchased airport industrial property and signed a long-term lease but never followed through with building a hangar, which just tied up the property. Ron Long inquired if something could be done with a first right of refusal option. Mr. Beasley stated that he would discuss this matter with the City Attorney.

There being no further business to be discussed, Ron Long moved, seconded by Nathan Keizer, that the meeting adjourn. Motion carried unanimously and the meeting adjourned at 11:07 a.m.

Respectfully submitted,

Joye VanGorden
Administrative Assistant to the Director of Public Works