WILLMAR MUNICIPAL AIRPORT COMMISSION
CITY OF WILLMAR, MN
WEDNESDAY, JANUARY 15, 2014

MINUTES

1. The Willmar Municipal Airport Commission met on Wednesday, January 15, 2014, at 4:30 p.m. at the Willmar Municipal Airport Conference Room.

   ** Members Present: Pat Curry, Terry Albers, Don Cole, Dan Reigstad, Richard Kacher, and Dan O'Meara.

   ** Members Absent: Sandy Gardner.

   ** Others Present: Brian Negan- Maximum Cruise Aviation, John Deal- Life Link III, Paul Macheledt- Life Link III, Megan DeSchepper- Planner/Airport Manager, Eric Rudningen- Eric's Aviation Services, and Jared Voge- Bolton and Menk.

2. REORGANIZATION: Mr. Cole made a motion, seconded by Mr. Reigstad, to nominate Mr. Curry for Chair.

   Mr. Reigstad made a motion, seconded by Mr. Albers, to nominate Mr. Cole for Vice Chair.

   The motions carried.

3. MINUTES: The minutes of the October 9, 2013 meeting were approved as presented.

4. LIFE LINK III POTENTIAL USAGE OF FBO BUILDING DISCUSSION: Paul Macheledt, of Life Link III, requested the Airport Commission consider allowing Life Link III office operations and rest quarters to be housed in the second level loft of the FBO building for a five year period. Mr. Macheledt explained that they hope to turn the loft space into four offices, break room, conference room, and restroom. Brian Negan, owner of Maximum Cruise Aviation the FBO, is in agreement to the request as a sublease. The FBO is currently leasing temporary space to Life Link III to house their medical helicopter in a portion of the FBO bay. The Commission discussed the various options and locations that Life Link III could operate.

   Staff comments were reviewed and discussed (see Attachment A).

   Mr. Macheledt and Mr. Negan spoke about needing stability in the sublease for the five year term and renovation. The current FBO agreement is up in January 2015, it was noted they have first right of refusal in the continuance of the agreement. Staff added that an RFQ will likely be necessary.

Utilities were discussed, and that as Life Link III is already operating at the Airport there will be no more usage of the holding tank then there currently is. Mr. Negan stated that the current sublease for the helicopter is working well; they try to coordinate and work together with usage of the hangar door etc.

The Commission talked about wanting the FBO to directly sublease to Life Link III, as the agreement would be mutually beneficial for each party. The Commission questioned the need for an RFQ but if one was indeed necessary that the process could commence immediately for a start date of February 1, 2015. That would give Life Link and the FBO the stability to know they can plan and lease for the next five years.

Mr. Cole made a motion, seconded by Mr. Reigstad, to verify if an RFQ is required for the FBO contract; if so to commence the process immediately with an effective date of February 1, 2015, if not extend the FBO agreement for another 5 year term.

The motion carried.

5. AIRPORT UPDATES: Localizer drainage plans were drafted and put out for quotes late last fall, but the quotes came in quite high and the City hopes to get lower bids this spring for that project.

Brett Hoover completed his Eagle Scout project and the three flag poles are installed and lit. The Commission asked staff to write a letter on their behalf commending Mr. Hoover on his success and to thank him for choosing the Airport for his project.

The snow stop guards for the terminal building were authorized to be ordered late in the fall. As such the contractor was unable to get them installed before winter weather started, once there is a warm dry day they can install them over the doors.

Eric Rudningen received his Ag sprayers permit so in the spring he will be able to spray weeds on the airport grounds.

Staff stated that the majority of the t-hangar lease renewals for 2014 have been completed. There are currently two vacant t-hangars open for rent.

Mr. Rudningen explained that the rotating beacon stopped rotating. He was able to order parts and is now waiting for a warmer less windy day to work on the apparatus. He also updated the Commission that a new windsock has been installed that has an LED light on it that was free of charge from MNDOT. He thanks the Public Works Department for their hard work and dedication to keep the airport functioning over the last few weeks, and especially during the rain episode that quickly turned to ice.

6. MINIMUM STANDARDS: Staff distributed the updated drafts of the Airport Minimum Standards for Aeronautical Activity including all the past meetings recommendations for the Commission to review and further discuss at the next meeting.

7. There being no further business to come before the Commission, the meeting adjourned at 5:32 p.m.

Respectfully submitted,

Megan M DeSchepper

Megan M. DeSchepper, AICP
Planner/Airport Manager

Attachment A

Life Link III Background Summary

- Life Link III relocated to Willmar in July 2013 from Hutchinson, MN.
- They temporarily operated their office out of the terminal building (a couple weeks), until they moved in a temporary trailer to operate out of.
- At that time they housed the helicopter in a private hangar.
- Their plan was to either build a hangar (lease or build to suit) or lease an existing hangar prior to the end of 2013.
- In October Life Link III contacted the City asking if they could sublet a portion of the FBO building from the FBO to house their helicopter in as they were no longer able to use the private hangar they had been in and their back up hangar had been sold.
- As this was a temporary (year or less) proposition, and the FBO was willing to sublet a portion as allowed by the FBO agreement of their space, the City agreed.
- In late December Life Link III met with the City to request the City consider allowing Life Link III to house their office and rest quarters in the loft area as well as housing their helicopter in the FBO building, staff let them know that this would be a long term change for the Airport and thus would require Airport Commission action.

Points to consider

- The current FBO agreement with the City is up in January 2015.
- The current FBO agreement allows them to sublet portions of the building as long as they are still able to provide FBO services (FBO collects sublease rent).
- If Life Link III sublets from the FBO for five years and the FBO does not continue to operate after 2015, Life Link would be concerned about their stability to be in the space for five years.
- However, in order to lease the space directly from the City the current FBO agreement would need to be amended (with the FBO approval) to allow direct leasing from the City (City collects sublease rent).
- Would this hamper/limit the future of the FBO at the Airport for the FBO in 2015 and beyond?
- The use of the second level of the FBO building for offices for Life Link III will require improvements, which will be at full cost of Life Link III and be able to be removed when their lease expires.
- The FBO building is owned by the City, the City pays the utilities for electric and any necessary maintenance on the building. The City pumps the holding tank and water is via a City well.

Airport Commissions role

1. Does the Commission support the use of portions of the FBO building by a private helicopter emergency medical service business including office and rest quarters in the City owned FBO building?
2. If no, no further action needed other than to deny the request.
3. If yes, then does the City allow the FBO to sublet to Life Link III for five years, requiring an early FBO RFQ process as the current agreement is up in June 2015- opening up operations to other FBO's?
4. Or if yes, the City amends the FBO agreement and directly leases the space to Life Link III with the FBO's agreement providing the 5 year stability Life Link III requires?