

CITY OF MAPLE LAKE
AIRPORT COMMISSION MINUTES
Wednesday, November 02, 2022

Call To Order

The Airport Commission meeting was called to order by Chairman Greg Thomes at 5:00 p.m.

Roll Call

Present: John Haack, Kristen Logas, Peter Radintz, James Aarestad and Greg Thomes.

Absent: none

Also present: Al Hudek, Airport Manager, Renee Eckerly, City Administrator; David (DJ) Brown, Deputy Clerk; Doug Ouverson, Doug Olson, Kyle Weatherly, Elaine Morrow, Wayne Flury, Jon Miller, Steve Miller, Jim Shadduck, Bob Shadduck.

No minutes were available at the meeting for approval.

Airport Managers Report

Hudek, Airport Manager reported on the status of the crack sealing project, burying of the power lines, trees have been removed and two poles are still up for Charter Communications. Fuel was delivered today and price will be \$5.70 per gallon.

Old Business

a. Review lease rates per square foot (40 cents per square foot)

Haack reported that he contacted the City of Buffalo and obtained their financial information for the airport. Buffalo charge \$.20 per square foot for their lease. The Commission discussed a Fixed Base Operator (FBO) which provides aviation services such as fuel, and mechanical services. Jim Shadduck, who operates the flight school, appreciates no additional charges since COVID. Bob Shadduck has had a hangar at the airport since 1980's. He pays \$.15 per square foot for lease in Tower, MN. He pays \$6,000 in property taxes here along with the lease payment. He expressed that more hangars and additional pilots is the best way to generate more revenue. The city currently rents space from Bob Shadduck for the weather station, restrooms and office area for the computers.

A motion, m/s/p, Radintz/Aarestad to table any action on the base rate until after item f. brainstorm on getting airport out to the negative balance or until the next meeting. All present voted in favor. Motion carried.

b. Update on Grant status

Brown reported that he has submitted payment requests for the Operating & Maintenance grant. He will be submitting for reimbursement on the crack seal maintenance grant as soon as the invoice from Wright-Hennepin Electric is received. There was a discussion regarding grant dollars being used to fix a hangar apron. It was mentioned that Maple Lake is not eligible for Federal grant funds like Buffalo. Brown reported that the State of Minnesota doesn't pay the full amount back to the city right away and it could take over a year to get the full reimbursement.

c. Update on city 2021 audit – Airport fund

Eckerly presented the 2021 audit of the Airport fund. The Commission stated they had never had this information in the past. The following items were questioned: why property taxes from the airport

leases are not shown as revenue instead of being put in the General fund, consider charging businesses that are operating at the airport a licensing fee as done in the past, verify the total amount of lease payments – it should be more, why is fuel costs more than fuel receipts and why is depreciation charged to the airport. Eckerly will contact Schlenner and Wenner auditing firm for answers. Brown reported that not all leases are paid up to date. It was questioned how accurate is the square footage. Brown reported there are a lot of discrepancies in the bookkeeping and documents in each lessee file.

Eckerly reported that the City of Maple Lake has the airport setup as an enterprise fund, which would be like a business. Some cities have their airports under the general fund like a park. Because it is an important amenity but doesn't cash flow so has to be subsidized. Commission discussed the benefits to the community but the benefits are not tangible.

A motion, m/s/p, Radintz/Aarestad to recommend to the City Council to move the Airport from an enterprise fund to under the general fund. All present voted in favor. Motion carried.

d. Capital Improvements for 2023

The Commission discussed the need for papi and rail lighting, hangar apron repair, taxiway for new hangers in the green area.

e. Status of Hangar C-5 & C-1

A letter has been sent and received by Diane Jude that the lease will be terminated by the city on December 31, 2022. Then Aarestad can submit a letter to request a lease agreement with the city, which would be approved by the City Council.

Robert Eddy leases hangar C-5 & C-6. Brown has been attempting to contact Eddy to get inspection, lease payment and insurance coverage. He received a check for the lease payment but no insurance or inspection. Brown is working with the city attorney on proceeding.

A motion, m/s/p, Logas/Radintz to recommend to the City Council to proceed with terminating the lease with Robert Eddy as of December 31, 2022. All present voted in favor. Motion carried.

f. Brainstorm on getting Airport out of the Negative balance

Kyle Weatherly, former Chairman of Buffalo Airport Board, was present to share his knowledge regarding Buffalos airport having a positive financial balance. He informed the Commission that MNDOT will come to the Airport Commission meeting and speak on the 20 year plan for airports in the state.

Wayne Flury does the announcing at the air shows and helps with the fundraising events. Flury, Thomes and Aarestad have plenty of contacts to have an air show.

Elaine Morrow is a member of the Minnesota 99 organization. She has organized poker runs and other events to increase the volume of stops at airports. The compass rose on the tarmac is from the Minnesota 99.

A Fixed Base Operator (FBO) was discussed again that there isn't enough traffic to keep someone busy. Discussed a public seaplane base being an option but would need to invite the Minnesota DNR out for a visit to get certified.

A motion, m/s/p, Radintz/Logas to recommend to the City Council not to increase the per square foot rate from \$.40. All present voted in favor. Motion carried.

Other Business

Next meeting will be Wednesday, January 4, 2023.

Adjournment

A motion, m/s/p, Logas/Haack to adjourn the meeting at 6:40 pm. Motion passed.