

**Airport Advisory Board Minutes
November 20, 2013, 5:30pm
Airport Administration Building
8807 Airport Boulevard
Leesburg, Florida**

Attendance: Alun Jones
Jake Kertz
David Lewis
Jon VanderLey

Call to Order

Chairman David Lewis called the meeting to order at 5:30pm.

Jon VanderLey gave the invocation and led the Pledge of Allegiance.

Approval of Minutes from September 18, 2013 Meeting

Chairman Lewis asked if all members had read the minutes from the September 18, 2013 meeting. Jon VanderLey made a motion to accept the meeting minutes. Jake Kertz seconded the motion and it was approved unanimously.

Alun Jones arrived at 5:32pm

Project Update

Michael Moon of Hanson Professional Services said there are two active projects. He provided the following information.

Interim Airport Layout Plan Update: The plan has been adopted by the City and sent to FAA and FDOT. They have received comments from FAA but are still waiting to hear from FDOT. Once they have the comments from both agencies they will write a report to address everything at the same time.

Taxiway A Realignment: They are beginning the redesign that is needed due to changes in the FAA Advisory Circular. They plan to meet with FAA in the next week or two to determine exactly what changes must be made to the design to meet the new requirements.

Through the Fence Operations – Discussion

Airport Manager (AM) Treggi said the FAA has passed a new law that requires an access agreement to be in place by October 1, 2014 for all through the fence operations. The condo hangars are considered to be a through the fence operation. They are a privately owned property that has access to the airport and use of airport infrastructure. If there is no agreement, the airport's funding through FAA and FDOT could possibly be jeopardized because it will not be in compliance with the FAA grant assurances. The airport *must* comply with this rule.

The FAA law also says that a reasonable fee must be charged as part of the agreement. These properties do not contribute any money directly to the airport (ie – land lease payments, tie-down payments, etc). The law says the property owner must pay access charges that are comparable to those charged to tenants and operators on-airport making similar use of the airport. AM Treggi noted that although the condo hangar owners pay property taxes, that money does not go directly to the aviation system.

The law also requires the property owners to maintain infrastructure necessary to provide access to the airfield. It requires that the property must be maintained for residential, non-commercial use during the duration of the agreement. It also requires the owners to prohibit access to the airport through their property. This final requirement is to address security concerns.

AM Treggi said he has talked to the condo hangars owners. He initially proposed two options – develop an access agreement or for the City to purchase the hangars on a time buy-out plan. If the City owned this site it would no longer be considered through the fence and an access agreement would not be needed. In return for the buy-out, the owners would be allowed to remain in the property for a certain amount of time with no rent or fees. This would be determined by an appraisal. However, he does not believe there is enough time before the FAA deadline to finalize the buy-out plan so at this point we need to move forward with developing an access agreement.

AM Treggi said the difficult thing is to determine the proper fee for the access agreement. The FAA does give some guidelines. There are several options that can be considered. The condo hangar owners are basically storing their aircraft. On the airport that could be compared to a square footage property lease or t-hangar rental. The fee related to both of these would be pretty high. He also considered the fee the FBO charges for tie-down spaces which is \$75 month. He thinks that is the most economical way to move forward. He realizes there are many factors that need to be considered but an agreement has to be reached.

Chairman Lewis noted that although the deadline is October 2014, this process may take a while to finalize so it needs to be started now. The agreement has to be approved by the condo hangar owners and then it must go before this Board and the City Commission before it is sent to FAA. He said he has not read the entire regulation but his understanding is that the rule covers a very broad scope from residential owners to industrial owners. AM Treggi said that is correct. If an operation is through the fence, there must be an agreement.

Jon Vanderley noted that Section 136 (t)(2)(B)(iii) says the property must be maintained for residential, non-commercial use. He asked if there will be a problem for the airport if an owner uses their condo hangar as a base for their business. AM Treggi said there would not be a problem unless someone tried to do something such as operating a repair shop in the hangar.

Jon Vanderley asked if the gate currently at the condo hangars will satisfy the requirement of Section 136 (t)(2)(B)(iv). AM Treggi said their current gate system is fine. The agreement basically puts in writing that they are responsible to limit

access through their property to the airport. That is something they already do. Chairman Lewis said he has been to the condo hangars many times in the past two years and has never seen a problem. Their gate is very secure.

Don Disher said he is the owner of hangar Echo at the Weir Condo Hangars. He said AM Treggi has only mentioned a few ways to calculate the fee. The FAA lists several options including fees based on the following: property square footage; tie-down rates; established ground lease; capital cost of infrastructure; and a local tax assessment. AM Treggi said he did consider all of these options and feels the \$75 per month will be the cheapest. He noted that a tax can be levied but it will be in addition to the taxes they already pay.

Don Disher said AM Treggi cannot be a dictator. He asked what will happen on October 1st if nothing is done. He said AM Treggi mentioned in an earlier discussion that their access gate would be locked.

AM Treggi said there are many options, but the City must comply with the law. That must be done with or without the help of the property owners. He is trying to reach an agreement because if nothing is done it will be bad for both sides. He will be glad to look at all five options again but still thinks the tie-down rate of \$75 per month is the best choice.

Chairman Lewis said he has spoken to AM Treggi on this issue. He truly believes AM Treggi is trying to find the least expensive option. Perhaps he could calculate the rate of all five options that Mr. Disher mentioned and present them to the condo hangar owners.

Don Disher again asked what will happen if nothing is done by October 1st. Chairman Lewis said his understanding is the gate must be secured if an access agreement is not in place. Don Disher asked what the legal rule is in this case.

AM Treggi said he will look at anything the property owners present that is within the FAA guidelines. Don Disher said it is not logical for someone to buy property and then have to pay rent. You cannot charge them the same way you do someone who rents a t-hangar on the airport. AM Treggi said he understands his concerns. He has spoken to the FAA about this issue but they do not have any sympathy.

Jon VanderLey said this discussion is becoming adversarial. It is not a fair law, but many laws are not fair. At this point we need to figure out a way to make this work that is acceptable to all parties including the FAA. Don Disher said this was started because of new residential through the fence developments. The condo hangars have been here for 30 years. AM Treggi said Congress made the law applicable to new and existing through the fence operations.

Chuck Bondar said the condo hangar property is not on the airport. He compared it to someone who purchases a home next to a country club. You are not given free use of the club just because you own that property. You still have to pay their fee. In this case the fact is the condo hangar property is off the airport – end of discussion. The owners should pay a reasonable fee to use the airport.

Alan Riesman asked if the condo hangar board has to agree or if each individual owner has to agree. Charlie Taylor said the association does not own the hangars. They are owned individually. The association does have deeded access which they obtained in 1983 for \$10.00. They are not opposed to an access agreement. However, the fee must be reasonable. They are light years away from agreeing on the fee. Chairman Lewis said Charlie Taylor and AM Treggi will continue to discuss this issue. When they reach an agreement, it can be presented to the property owners.

Tim Shea of AvCon suggested that AM Treggi reach out to the Florida Airports Council and see what other airports have done. He knows that there have been similar situations in Punta Gorda and New Smyrna. There may not be exactly the same situation we are dealing with here, but he is sure it would be helpful.

Charlie Taylor said he sat on the Airport Advisory Board several years ago. The airport received grants to buy the property on 441. He suggested approaching the FAA to get a grant to buy the hangars. This is the easiest long-term solution. AM Treggi said he would love to purchase the hangars. He has talked to FAA about buying them. FAA said they will not provide funding. He spoke to FDOT who also said they will not fund the purchase. It is possible funding may be available in the future, but the problem then becomes finding the matching funds. Land acquisition is usually funded at two levels – 80/20 and 50/50. Even at an 80% level, the City's match of 20% could be several hundred thousand dollars. With current budget constraints that is not feasible.

Chairman Lewis said the Board will support whatever agreement is reached between the property owners and the City.

Charlie Taylor said just because the FAA has set the guidelines does not mean they are not negotiable. He is willing to go to the Orlando FAA office with AM Treggi for a face to face meeting. He suggested that they start with a fee of \$0 with an explanation of why the condo hangar owners should not have to pay this fee. It never hurts to try. If the FAA will not accept that, they can move on from there to establish a fee. He believes AM Treggi is amenable to any agreement that the FAA will accept.

Chairman Lewis said the bottom line is an agreement must be reached that the FAA will accept.

Air Show – Discussion

Chairman Lewis showed a PowerPoint presentation with some ideas for activities that could be part of an air show at Leesburg International. Ideas included the following: car & motorcycle show; static displays; gourmet food trucks; youth activities with the EAA and CAP; sky diving; military units; and firefighting demonstrations. There are many possibilities.

They would like to have the show in November 2014. The estimated cost is \$150,000. Jet performances would not be permitted but there could be aerobatics. If there is enough interest, he would like to hold a workshop in January and set up committees. Logistics, especially parking, could pose problems. It has been

suggested in the past to have spectators park at the college and take shuttles to the airport. He would like to get businesses to sponsor the show and rent spots to vendors to help pay for it.

Chairman Lewis said Mike Moon has run the air show at Stuart for the last 17 years. He has offered to give us some help as this project moves forward. Mike Moon noted that if we want to have the show in November it should be no later than Veterans Day. The ICAS (International Council of Air Shows) conference is the first week in December so scheduling acts later than Veterans Day can be difficult,

Hans Vosseler said he has 10 years experience organizing air shows in Germany. He will be very glad to assist with this effort.

Chairman Lewis asked anyone that has an interest or ideas to contact AM Treggi or a Board member. He thinks an air show will help raise awareness of the airport in the community.

Airport Manager Update

AM Treggi provided the following information.

He attended the NBAA (National Business Aviation Association) convention last month. He talked to many, many companies to introduce them to our airport and what it has to offer.

The first step in the application process for the Free Trade Zone has been done. Documents were submitted electronically and it is now in the "pre-docketing stage". He is waiting for comments back on that. Once he has received that information, he can submit the hard copies for consideration.

The new Airport Technician position has been filled. Wesley Pierson started working at the airport on November 14th.

During the annual airport inspection, several issues were found that need to be corrected. He is working now to address those items. The items include: realignment of RW 21 threshold lights; RW 21 taxiway markings; RW 3 and 31 obstruction clearing; standardization of the weather equipment disconnect box; and erosion in the RW 31 safety area.

The project to clean the pond behind the Airport Administration Building is moving forward. The contract is expected to go before the City Commission in December. This is being handled by the Stormwater Department.

The air traffic control tower reported that the number of operations in October 2013 increased by 830 over October 2012. Jet traffic seems to be increasing while smaller GA aircraft traffic is decreasing. Recently he has had several requests from large aircraft to land at the airport including a G6 and 737. The airport cannot accommodate a 737 but the G6 did land.

New Business

Chairman Lewis asked the Board members and public in attendance if anyone had new business for discussion. There was none.

Adjournment

Jon VanderLey made a motion to adjourn the meeting. Alun Jones seconded the motion. The meeting adjourned at 6:41pm.

Chairman

Secretary