

**Airport Advisory Board Minutes
November 14, 2012, 5:30pm
Airport Administration Building
8807 Airport Boulevard
Leesburg, Florida**

Attendance: Lester Coggins
David Lewis
Clive Ure

Call to Order

Chairman David Lewis called the meeting to order at 5:32pm.

Chuck Brainerd gave the invocation and led the Pledge of Allegiance.

Approval of Minutes from October 10, 2012 Meeting

Chairman Lewis asked if all members had read the minutes from the October 10, 2012 meeting.

Lester Coggins made a motion to approve the minutes. Chairman Lewis seconded the motion and it was approved unanimously.

Update on EAA Fly-In

Bill Cadiz said they are ready to go. The only thing they are not sure about at this point is the weather, but the event will go on rain or shine. Chairman Lewis asked if they have enough volunteers and pilots. Bill Cadiz said they do have enough volunteers. Sandra Bevan said she believes they have enough pilots but if someone is interested in flying they should speak to Joel Hargis. Pilots must be approved and must carry a minimum of \$100,000 liability insurance. She noted that they will be flying Young Eagles again in December and that should bring them to over 100 for the year.

Consent to Assignment of Lease among the City of Leesburg, Gregg Shaffer & Winton Douglas and JetSky/Q-Free International, AS

Deputy City Manager (DCM) Doug Drymon said that JetSky is currently operating out of the hangar at 9020 Airport Blvd. under the name Q-Free International. They are in the process of purchasing the hangar at 32725 Echo Drive from Gregg Shaffer and Winton Douglas. They intend to use this hangar to expand their current business which includes overhaul, maintenance and repair of corporate jets.

Staff is recommending that the Board move for the City Commission to approve the Consent to Assignment of Lease. DCM Drymon stated and Kim Joynt from JetSky are available to answer any questions regarding this matter.

Lester Coggins asked if JetSky will be picking up the term of the lease as it is written now. DCM Drymon said that is correct. They may need some accommodations for their business plan, but there will be no change in the use of the facility. Kim Joynt said they are satisfied with the agreements. They will be taking over the lease as is.

Lester Coggins made a motion to recommend City Commission approval of the Consent to Assignment of Lease. Chairman Lewis seconded the motion and it was approved unanimously.

Overview of Leasing Policy

DCM Drymon said that most of the comments and suggestions from the October Airport Advisory Board meeting have been incorporated into the latest version of the lease policy. A redline version showing all of these changes was sent to the Board. DCM Drymon commented that he has some additional copies to pass out for those in attendance today.

Chairman Lewis said the policy should strongly emphasize that uses should be for aviation. He knows there are some non-aviation uses now, but for the future the emphasis should be on aviation. DCM Drymon said the Airport Layout Plan (ALP) specifically denotes area uses as aviation vs. non-aviation. He noted that the US 441 properties are designated as aviation *or* non-aviation.

Chairman Lewis said the definition of *Aeronautical Activity* should say that priority should be given to operation activities, not necessarily manufacturing. DCM Drymon said the policy does leave room for aviation manufacturing because certain types of manufacturing can be done anywhere, but some need to be located on an airport. Chairman Lewis said he brought this up because of previous discussions related to the need to increase the number of aircraft operations at the airport. DCM Drymon said the direction of the airport is primarily toward operational uses, but there needs to be some latitude for manufacturing uses.

Chairman Lewis said the definition *Commercial Activity* should be called *Commercial Aviation Activity*. DCM Drymon said that had been considered. However, there are still locations with non-aviation uses that would fall under this policy, such as the Cracker Barrel restaurant and other 441 properties. Chairman Lewis said he thought some current non-aviation leases would be grandfathered, but for the future it should be aviation uses. City Manager (CM) Jay Evans said staff needs to be able to provide for non-aviation uses on future leases. Chairman Lewis said it will be acceptable to leave this definition as written.

DCM Drymon said he added *Attachment A* to the policy which is a map of the airport showing the boundaries to help clarify what areas this policy will apply to.

DCM Drymon noted that *Section IV Use of Airport Property* includes a statement that the City Commission has the right to allow an interim use on airport property. This does not mean the use would be long-term.

Chairman Lewis noted that the definition of *Master Plan* says the plan may be updated from time to time. His understanding is that the FAA and FDOT recommend a Master Plan be updated every five years. Michael Moon from Hanson Professional Services said five years is a very quick turnaround. Most airports try to have it updated every seven to eight years. Chairman Lewis said he believes this should say it must be reviewed. Lester Coggins said this is just a definition. CM Evans said the language here does not determine how the update process is handled.

DCM Drymon said *Section VI Lease Application Process* includes a list of items that a prospective tenant will be asked to provide. He has added *Exhibit C* to the policy to offer an example of the type of information we will be looking for during the application process.

Chairman Lewis suggested changing the last sentence regarding the standard lease term in *Section VIII Lease Rates, Lease Terms and Preparation of Lease Documents B-1* to include language so it reads "...will not be more than 5 years or as adjusted by the IMPLAN program..." DCM Drymon said the statement was left as written to allow for someone who may need a lease but is not bringing additional jobs or improvements to the airport. CM Evans noted that number 2 in this section provides for longer terms dependent on the economic development considerations of the prospective tenant. Chairman Lewis noted this section said the City will consider a term up to 35 years. He suggested changing that to state the City will consider the maximum term allowed by FAA and FDOT. That does not tie the city to a specific number if these entities change their rules, and 35 is more than FDOT allows at this time. DCM Drymon and CM Evans agreed to this change.

Chairman Lewis said the sentence in *Section VIII Lease Rates, Lease Terms and Preparation of Lease Documents A-3* needs to be corrected. It should be changed from Part 139 A&P Program to Part 145. Vidar Einarsson said Part 147 is the regulation that covers schools.

Chairman Lewis suggested the clawback provision discussed in the last paragraph on page 9 should be written to allow either a reduction in the length of the lease or an increase in the lease rate, as mutually agreed on by the City and the tenant. CM Evans said although an increased lease rate may seem beneficial, it is very possible that the issue triggering the clawback has also resulted in an underutilization that must be resolved. It must be considered that activity generated on the airport by a business may be more important than the revenue from the lease payment. Chairman Lewis said he is trying to look at this from the company's point of view.

Lester Coggins said there should be some sort of time frame for re-evaluation of the business, such as every five years. Chairman Lewis said rather than automatically reducing a lease term perhaps the tenant could be put on probation or notice for a certain time period. CM Evans said that is how the clawback will be handled. The specific terms will be spelled out in the actual lease agreement. The City must provide the tenant with an opportunity to cure. He does not think that level of detail needs to be in this policy. DCM Drymon said the policy is a guideline. The leases will be more detailed.

Lester Coggins said this same paragraph contains a sentence about renegotiating leases with current tenants that states, "...but in this case the number of employees and average wages may include existing positions." He believes the tenant's initial investment should also be given consideration in the calculations. CM Evans said that amount was considered in their initial lease. Lester Coggins said there may be a business that initially qualified for a 25 year lease. But several years down the road they have been very successful, having hired more employees and invested much more money in the business than was initially anticipated. He believes in a situation like that the renegotiation and calculation of the lease term should include all of their investment (at inception and in the interim). The new longer lease term would begin from the date of the original lease and just add the extra number of years they are now qualified for under the matrix. CM Evans said the idea as written was to start over with

a new agreement; however it may be possible to accommodate this idea. Part of the language is already in the policy. They will work to clear up the process for existing tenant re-evaluations.

Kim Joynt asked how the process will work for a tenant who is trying to sell their hangar to a potential purchaser who wants a longer lease. CM Evans said in cases such as that the City would re-negotiate a new lease with the new tenant.

Justin Edwards of Hoyle, Tanner & Associates said that *Section V Consideration of Lease Requests #2* regarding Airport Grant Assurances includes a reference to *Attachment B*. He suggested incorporating the Grant Assurances by legal reference only and including the statement "as may be amended from time to time". He also noted that Attachment B is only the FDOT Aviation Program Assurances. FAA has their own set of rules that airports must follow which are often more strict than FDOT's. Both programs should be referenced.

Justin Edwards said that overall this is the best thought out leasing document he has seen in his career. He commended staff and the Board for their work on this policy.

There was no further discussion on the lease policy.

Project Update

Michael Moon from Hanson Professional Services provided an update on four on-going projects.

Wildlife Hazard Assessment – The project is complete and they are working on the close-out documents. Clive Ure asked if there were any surprises found during the study. Michael Moon said there were not.

Airfield Lighting – The internal technical review of the preliminary plans and specs is done. They also need to complete the Operational Safety Plan and will file for an extension on the FDOT Joint Participation Agreement (JPA).

Security Fence and Automated Gates – The construction plans and specs are 95% complete. The ad requesting bids should run in November. Chairman Lewis asked for confirmation that the final decision was to use cantilever style gates. CM Evans said the cantilever gates are a significant cost savings. Chairman Lewis asked if the gates will be purchased new. Michael Moon said gates currently on the airport will be relocated.

Chuck Brainerd said the gates have been discussed at several meetings. Funding should be found for the vertical lift gates they want. They are more efficient and provide better security. Not using the proper gates negates the purpose of having a gate and compromises security.

Clive Ure suggested that instead of replacing the entire fence, only the really bad sections could be replaced and the cost savings could be used toward the lift gates. CM Evans said the scope of the project cannot be changed at this point. Michael Moon noted there are several grant related deadlines coming up that must be met and the timeline is very tight. The fence must be done by February 1st or an extension will have to be requested.

DCM Drymon asked if an alternate for the lift gates can be added to the bid package to see if a bid might come in at a cost that could be met by the City. CM Evans noted that FDOT has already said they will not pay for new gates from the current JPA. Michael Moon confirmed that FDOT has said they will not fund new gates with the 100% funded JPA currently available for this project. FDOT also said they are disinclined to approve a change in the gates.

Michael Moon said they can add an alternate to the bid package. If a decision is made to go with the lift gates Hanson will have to change their scope to allow for engineering differences in the design resulting from the gate change. CM Evans asked if the alternate can be prepared without the design documents. Michael Moon said that can be done.

CM Evans noted that a request can be made to the City Commission to find the funding needed for the lift gates. However, it will require a very convincing argument. He noted that a request will also be made to the Commission for funding to build a seaplane ramp. There is a prospective business staff is working with that would look very favorably on a seaplane ramp. Considerable thought must be given to which requests are made to the commission for funding and what the priorities are for the airport. Chairman Lewis said the argument for the gates is the security issue.

Michael Moon said he would recommend that the project move forward as it is currently designed. If there is a major problem with the gates, a request for new funding to replace the gates can be made to FDOT at that point. CM Evans said that will show the City has made a good faith effort and tried to use the old gates. The Board members agreed that due to the funding constraints the project should proceed as currently designed. Michael Moon said that once it goes out to bid, they will determine if an extension is needed.

Chairman Lewis commended DCM Drymon for the quick response provided earlier in the week to a malfunctioning gate.

Airfield Signage – The construction plans and specifications are complete. The anticipated schedule for construction is during the first quarter of 2013. The Construction Safety Phasing Plan (CSPP) is still in process. They are waiting for comments on the Plan from the air traffic control tower (ATCT). Once they have those back, it can be submitted to FAA for approval.

New Business

DCM Drymon said the ATCT has a new supervisor. Jimmy Mills left to take over the new tower at Brooksville. Fred Sanchez is now our tower supervisor.

DCM Drymon said he has met with the City's IT Director and staff from SmartWatch, the company that supports the airport security camera system. It may be possible to add some additional terminals to the system to allow real time viewing. This would be done after the first of the year. The number of terminals will be limited due to software constraints and may include the ARFF (aircraft rescue fire fighting) station, SunAir and possibly the Police Department.

Chairman Lewis asked for an update on relocating the beacon. DCM Drymon said the City Manager has approved a structural study to determine if the roof of the ATCT will support the weight of the beacon. The cost for the study will be about \$3,500.00.

Chairman Lewis asked if the buildings on the airport can be numbered so they are easily identifiable. CM Evans said that idea has been under consideration. They do not have a cost estimate, but can work with staff to get one.

Chuck Brainerd said the lights are being left on all the time on the runways and taxiways. That is using a lot of electricity. CM Evans said in the past they have had the fire department check on this when it has occurred. DCM Drymon said he will contact the ARFF staff and ask them to watch for this. He will also speak to the ATCT staff to ensure they are switching the lights to automatic when they leave at night. Staff is trying to monitor this issue. Sometimes it is the result of human error and sometimes there are technical issues. He thanked Alan Reisman for letting him know about this and asked that whenever anyone sees something like this to please call him.

Chairman Lewis asked if anything can be done about the lift station odor during the fly-In on November 17th. CM Evans said there is really nothing that can be done at this time. They have looked at many remedies for this problem. The improvements needed to resolve this are very expensive. Staff is looking at different filtration system, but they are not convinced it will fix the problem. Clive Ure noted that the odor problem negates that area from being developed.

Davie Taisch said there is still a NOTAM for the Automatic Direction Finder (ADF). He asked if it will be fixed. DCM Drymon said he is working with the company to get it back in operation. The necessary parts have been received. He has had a difficult time getting them to schedule the repair. Clive Ure said Jim Wilburth knows how to repair this equipment. Jim Wilburth said his nav-aid license is no longer current.

Chairman Lewis acknowledged City of Leesburg Commission–Elect Elise Dennison and thanked her for attending.

Lester Coggins moved to adjourn the meeting. Chairman Lewis seconded the motion and the meeting adjourned at 6:42pm.

Chairman

Secretary