

**Airport Advisory Board Minutes
May 21, 2014 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 5:32pm.

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

Approval of Minutes from March 19, 2014 Meeting

Chairman Lewis asked if all members had read the minutes from the March 19, 2014 meeting. Jon VanderLey made a motion to approve the meeting minutes. Alun Jones seconded the motion and it was approved unanimously.

Chairman Lewis said at the last City Commission meeting he read a statement into the record. (See Attachment A) Michael Moon from Hanson Professional Services noted that FDOT is currently updating the economic impact studies for airport. Mary Soderstrum said AVCON is working with FDOT on this update. It should be done by October.

Airport Budget Update (Enterprise Fund and Airport Re-structuring)

Airport Manager (AM) Leo Treggi reviewed the airport budget as it stands after his last meeting with the City Manager. It is still subject to change. With the new budget the airport will become an enterprise fund. All accounts will be separate from the general fund. This will make it easier to budget and control expenses and will also comply with FAA accounting regulations.

The revenues are projected to be \$999,572. This includes the pass through revenues related to the US Customs fees that are paid by The Villages. Total operating costs including personnel are \$578,800. There is a cost allocation of \$46,636 to cover services provided to the enterprise fund by general fund staff members. Capital Fund projects are budgeted for \$2,795,000.

There were some cuts made and next year will be tight. There will be no improvements to structures or other assets. The only projects done will be those that are grant funded.

Alun Jones asked AM Treggi to go over account 4980 again. AM Treggi said this is the expense for property taxes on the Family Furniture building and the old tractor store site. Alun Jones asked why we are paying taxes on the Family Furniture building. AM Treggi said there was a mistake made when the lease was written. Alun Jones asked how much Family Furniture pays for rent. AM Treggi said they pay \$100,000 per year. The property taxes are about \$28,000 per year. AM Treggi noted that the City used to pay property taxes on some airside facilities but he was able to work with the Property Appraiser's office and have them removed.

Hans Vosseler asked AM Treggi to give a breakdown of salaries in the personnel costs. AM Treggi said he is paid approximately \$54,000 and the airport technician is paid approximately \$27,000. Hans Vosseler said this does not seem to be enough. The airport manager is doing a good job and should be paid accordingly so he does not leave. Chairman Lewis said when the City was advertising this position he did some research and found that the average salary for an airport of this size is \$90,000-\$100,000. He noted that the airport manager's salary is determined by the City Manager and City Commission. It is out of the Board's hands, but he does agree with Mr. Vosseler. Alun Jones agreed that AM Treggi has done a good job.

Alun Jones made a motion to ask the City to review the size of this airport compared to other airports in the Central Florida area, see what the airport managers' salaries are (including benefits), and if necessary update the airport manager salary for Leesburg. David Lewis seconded the motion and it was approved unanimously.

Chuck Brainerd asked when the allocation payments to the general fund will start. AM Treggi said they will start with the beginning of the new fiscal year in October 2014. That is when the change to the enterprise fund will occur. Chuck Brainerd asked who is responsible for the transition to the enterprise fund. AM Treggi said he worked to have it done. Chuck Brainerd congratulated him on taking care of this.

Aimee Fried asked for an explanation of an enterprise fund. David Lewis said it is a system that will allow for transparency and accountability for the airport funds.

New Leases and Tenants Update

AM Treggi said there were three leases on the last City Commission agenda. Of the three, the only one that was approved was the agreement with SunAir Aviation. The agreements for the bunker hangar and the old Tropical hangar were tabled.

The company that was considering the Tropical site (Stempro) has withdrawn their offer. The hangar is need of major repairs to many things including the roof, ramp and landscaping. The City must now decide if they want to undertake the repairs or try to find a tenant who is willing to invest the money to make these improvements.

The bunker hangar is under Aerostat. Lewis Puckett attended the City Commission meeting and said he did not know the City was planning to sell the hangar. He made an offer to buy the hangar. Chairman Lewis said that several years ago Mr. Puckett worked out an agreement to swap out sites in return for a \$10 per year lease. Under the agreement, the lease term for the bunker hangar was reduced to five years. The

City has the option to terminate the lease within that five year period by giving a six-month notice to Mr. Puckett. If that is done City has to pay Mr. Puckett rent for the remainder of the five year term. At the end of the five years, the hangar reverts to the City. AM Treggi said he had a party interested in the hangar and when Mr. Puckett found out he said he would pay cash to get it back. He said Mr. Puckett did know the City was considering selling the hangar because he personally hand delivered a letter to him. Mr. Puckett also opened the hangar for him twice – once to take pictures and another time to show the interested buyer around.

Chuck Brainerd asked if this Board made recommendations on these agreements. Chairman Lewis said that because the last meeting was cancelled and these agreements were time sensitive, he and AM Treggi discussed them. He believed that since they were for the maximum time allowed and the maximum rate it would be acceptable to the Board to move forward with them. Chuck Brainerd said he thought it was agreed that all leases would be reviewed by the Airport Advisory Board before going to the City Commission. Chairman Lewis said that was discussed; however, there are some circumstances where that is not always possible. Jon VanderLey suggested that AM Treggi could send an e-mail to each board member individually in these instances. That way he would have input from each member but it would not be a violation of the Sunshine Laws because there would not be a group discussion. AM Treggi said he can check with the City Attorney to make sure this is acceptable. He noted that if there are time sensitive issues it may be necessary to hold a special meeting. Alun Jones said if a lease agreement is for more than 24 hours, this Board should know about it.

AM Treggi said he is in negotiations for three possible new leases – two are commercial and one is aviation. He will provide the Board with an update when he has more concrete information.

Chairman Lewis asked if the City has considered doing standard background screenings and financial checks on tenants. AM Treggi said he asked about that when he was hired and was told the City has not done that in the past. The City Attorney advised they only check the perspective tenant for identity to ensure they are who they say they are. If background checks are started the process needs to be fair and must be done for everyone. Chairman Lewis said if someone signs a release as part of the lease process there should not be a problem. AM Treggi said this would be a policy so it should probably be initiated by the City Manager or City Commission. Chairman Lewis said Am Treggi should meet with the City Manager and develop a standard procedure for perspective tenants.

Airport Manager Update

AM Treggi said Blackbird Aviation has started construction on their new hangar.

The Free Trade Zone was published on the Federal Register and is open for public comment. The comment period will close on June 10th. Final approval will be made after that.

Storm season has started. There are some cameras down right now. The NDB is down again. The contractor is coming out next week to check it. Operating costs are expected to rise over the summer as a result of storm damage. Hans Vosseler asked if the NDB is necessary. AM Treggi said it is not mandatory but some people do still use it and it is used for training.

The TSA did an inspection of the airport yesterday. The inspector did not find any issues. She did not make any comments on the gates, including the personnel gates at SunAir. Chairman Lewis said he spoke to her and she did not indicate any problems. Brian Sapp of SunAir Aviation said she had no comments during the time she spent there.

The survey was just received for the land being considered for acquisition. There were no easements found. The City Attorney is writing the contract for the purchase and it will be taken to the City Commission at a future meeting.

The terminal facility and Administration Building will be pressure washed on June 2nd. That may cause some accessibility issues. The t-hangars will be pressure washed some time after that.

The sprinkler system has been repaired so the landscaping should start to look better.

The retention pond at the east entrance will be rehabbed on May 26th.

The monthly report from the air traffic control tower shows there was a small increase in aircraft operations for April 2014 over April 2013.

Project Update

Michael Moon of Hanson Professional Services provided the following project information:

Interim Airport Layout Plan Update: The update has been sent to the FAA and FDOT for final comments. They hope to have it back soon. AM Treggi is working with Jim Wikstrom at FDOT on the Taxiway A extension to the seaplane ramp.

Taxiway A Realignment: The CSPP is still under review. FDOT has given AM Treggi authorization to hold a pre-construction meeting on May 28th. Construction is scheduled to begin the next day.

Signage: The Joint Participation Agreement and FDOT for the design update, CSPP and DBE is scheduled for the May 27th City Commission agenda. The Hanson Task Order for this work is also on this agenda.

The projects for extending taxiway A to the property line and the seaplane ramp are waiting for clarification from FDOT.

Former Deputy City Manager Doug Drymon had them working on four other small projects: 1 – Relocation of the NDB to the top of the ATCT; 2 – Radar repeater; 3 – Runway obstruction clearing; and 4 – Wildlife Management Plan. There has been no activity on the NDB relocation and radar repeater for some time so these two items will be dropped from the report. The obstruction clearing and wildlife management plans are complete so they will be dropped from the report as well.

New Business

Chairman Lewis acknowledged Hans Vosseler and thanked him for jumping in and becoming involved in the airport. He values him as a part of the airport family.

Chairman Lewis acknowledged Commissioner Elise Dennison and thanked her for her support of the airport.

Chairman Lewis said he would like to see more people attend these meetings. He encouraged everyone at this meeting to ask other airport tenants they know to come to future meetings. Having many people involved in this process makes a difference when items are taken to the City Commission for approval.

Chuck Brainerd said there has been a lot of interest among tenants to have a restaurant on the airport. He and some other tenants are in discussion to form a consortium to build a restaurant. They would hire someone to operate the restaurant – they would simply provide the financial backing. They would like to put it in the northwest corner of Wilco and US 441. From that vantage point it would be possible to watch landings and takeoffs on RW 13/31. He noted that restaurants create a lot of jobs. He thinks it would be great for the airport and would like the Board to support this effort. Aimee Fried asked if they would charge a tie-down fee for people who fly in to eat. Chuck Brainerd said that is something they do not want to have to do. When you fly to Lakeland or Ocala to eat, it costs \$50 to \$70 just to get off the airport. They do not want to charge those fees here. He also learned from speaking to people at the Lakeland restaurant that over 90% of their customers come from off the airport. He thinks this would be a great way to bring people from the community in and educate them about Leesburg International. The Board members agreed that a restaurant would be a benefit to the airport. Chuck Brainerd said he will come back to the Board with more details as the project progresses.

Adjournment

Jon VanderLey made a motion to adjourn the meeting. Alun Jones seconded the motion. The meeting adjourned at 6:57pm.

Chairman

Secretary

My Name is Dave Lewis and I have been the Chairman of the Leesburg International Airport Advisory Board for over two (2) years.

However, today, I am here as a concerned individual to clear up some misunderstandings among my fellow citizens that was expressed at a previous City Commission Meeting.

At the present time, the income from the airport is placed into the City of Leesburg "General Fund". The Airport Manager then comes to the City Commissioners requesting the City return the amount necessary for a particular project. This is Airport Money in the General Fund.

When the Airport Manager comes before the City Commission to ask for approval for funding a project, he is not asking for "Taxpayer Money", he is asking for the airport money back.

Item 2. What our airport means to Leesburg....

According to the **FDOT**, in **2010**, the Leesburg International Airport's Economic Impact to the Community was **\$63,729,000.00**. ...

Let Me Repeat that: **\$63,729,000.00 in 2010**.

The Airport supported **509** jobs then, totaling **\$17,607,900.00**.

These are **2010** figures and can easily be increased by **20%** for the past four years for a total present day Impact of **\$76,474,800.00 in 2014**.

The Airport is an "**ASSET**" to the community with an economic impact of approximately **\$76, 474, 800.00**.

THE ECONOMIC IMPACT OF

Leesburg

International Airport (LEE)

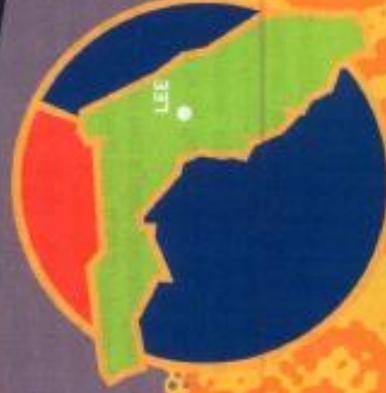
Aviation's Benefit for Florida

Florida's economic well-being is intrinsically entwined with its vibrant airport system and its robust aviation industry. The aviation system in Florida allows the state to capitalize on an increasingly global marketplace. Aviation in Florida both sustains and leads economic growth and development. Airports in Florida are important economic engines, and support vital health, welfare, emergency, and safety-related services.

Florida's system of commercial service and general aviation airports are important to businesses throughout the state. Air travel is essential to tourism, Florida's number one industry. Protecting and investing in airports throughout Florida will support the aviation industry and the economic benefits described in this report. With continued support, Florida's dynamic aviation system will continue to provide a significant economic return in the years to come.



Florida Department of Transportation
Aviation Office
www.dot.state.fl.us/aviation



MARCH 2010

Florida's Statewide Benefits from Aviation

Florida realizes significant annual economic benefits from aviation. The Florida Department of Transportation completed a comprehensive economic impact analysis to measure these benefits. Benefits measured in the FDOT study considered direct and indirect economic impacts and induced impacts that result from the multiplier effect. A summary of Florida's annual economic benefits from aviation follows:

Impact Category	Total Employment	Total Payroll	Total Output
Airports	16,217	\$2,752,947,000	\$4,319,171,000
Visitors Arriving by Air	753,353	\$19,315,262,400	\$39,179,042,200
Construction at Airports	25,321	\$1,042,077,000	\$2,295,734,000
Air Cargo	69,256	\$2,054,339,000	\$4,369,912,000
Aviation Education	4,197	\$109,339,000	\$62,538,000
Military Aviation	116,663	\$2,968,970,000	\$12,784,228,000
Aviation Businesses	31,491	\$1,259,259,000	\$2,311,242,000
Federal Aviation Administration	4,545	\$110,218,000	\$97,780,100
Total Annual Economic Benefits	1,171,159	\$48,784,142,260	\$114,738,373,600

Total annual economic output shown above represents more than 15 percent of Florida's gross state product (GSP). Many employers in Florida also rely on aviation to support their daily activities. Use of aviation helps to improve business efficiency. The FDOT study shows that, annually, by using all facets of air transportation, the efficiency of Florida businesses is increased by an estimated \$94.5 billion. This increased business efficiency is in addition to the total annual economic benefits noted above.

Leesburg International Airport

Located approximately three miles northeast of Leesburg in central Florida, Leesburg International Airport serves a variety of general aviation activities. With its two intersecting runways, the longest of which is 5,000 feet, the airport can accommodate aviation business jet aircraft. The airport's terminal is ideal for serving local users as well as those visiting the area.

Leesburg International's two major tenants include Sunair Aviation, a fixed base operator (FBO), and Brainerd Helicopter, a helicopter charter company. Several aircraft maintenance businesses offer services including airframe and powerplant maintenance, aircraft painting, upholstery, avionics installation, and instrument repair services. The airport supports flight training, corporate/business operations, recreational/sport flying, and transient general aviation activity. Local businesses such as The Villages Equipment Company, Pringle Development, Mission Inn, Orlando Financial Group, Phillips Auto Sales, and Aerostat Inc. are among the frequent users of the airport. All of the airport's tenants and flight activities are important to the airport's revenue streams and to the airport's economic impacts.

The annual economic impact of Leesburg International Airport is associated with direct impacts that come from tenants/businesses located at the airport and construction projects that are undertaken by the airport or by on-site businesses. Indirect impacts are associated with spending from visitors who arrive in the area via general aviation aircraft. The airport's total annual economic impact follows:

