

Airport Commission Meeting Minutes
January 9, 2020 – Owatonna Degner Regional Airport
“DRAFT”

1. Call to Order

Chairman Keltgen called the meeting of the Airport Commission to order at 5:00 PM at the Owatonna Degner Regional Airport.

2. Roll Call

Attendance

Todd Hale	Commissioner
Tom Harrison	Commissioner
James Keltgen	Chairman
Greg Krueger	Commissioner
Justin Lindee	Vice Chairman
Dave Beaver	Airport Manager

Visitors

Ron Roetzel	Bolton and Menk, Inc.
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3. Approval of Agenda

Commissioner Krueger made a motion to approve the agenda and Commissioner Harrison seconded the motion. The motion was approved.

4. Minutes

Commissioner Hale made a motion to approve the minutes from the December 12, 2019 Airport Commission meeting and Commissioner Harrison seconded the motion. The motion was approved.

5. Action Items

Chairman Reports

Chairman Keltgen welcomed those in attendance.

Election of Officers

Chairman Keltgen then opened the floor for nominations of the Airport Commission election of officers. Commissioner Krueger made a motion to appoint James Keltgen as Chairman and Commissioner Harrison seconded. The motion was approved. Commissioner Krueger made a motion to appoint Justin Lindee as Vice Chairman of the Airport Commission and Commissioner Harrison seconded the motion. The motion was approved.

Staff Reports

Airport Manager Beaver reported on airport activities and presented the fuel volumes dispensed report to date. The annual combined fuel volumes for 2019 are slightly up from

the previous year. Mr. Beaver provided a brief report on aircraft activity, winter operations, and service activity.

Regarding the 2020 CIP project for new T-hangar design and site preparation, Mr. Beaver introduced Ron Roetzel with Bolton and Menk to discuss. Mr. Roetzel explained that the project is scheduled as a multi-year project with design, site preparation and footings in one year and the actual hangar building the following year. Mr. Roetzel also recommended a change to provide for the design and apron site preparation in 2020 and moving the concrete footings, and floor to 2021 with the building. This will allow for potential construction cost savings and review of design alternatives. Mr. Roetzel provided a summary of costs for the multi-year project that match projections but would have lower local share costs in this year. After discussion, there was general agreement that the recommendation would be acceptable.

There was a discussion regarding project funding for the hangar project that is eligible for 90% federal funding with an additional 5% state funding participation. Mr. Roetzel explained that the federal portion was expected to use annual FAA allocated funds to the airport with additional needed funds coming from borrowed funds from other airports. Borrowing federal allocation from other airports is increasingly difficult due to increased demand for like projects and increased construction costs. A number of alternatives were discussed. Commissioner Krueger suggested that project bonding may be something to look at. After discussion, Mr. Beaver explained that he would look at the potential funding alternatives with the director of finance.

Business Development Working Group Update

Airport Manager Beaver reported that the working group met on January 7th to facilitate discussions and review business proposals with representatives of Daedalus flight Training Innovation and Accelerated Aviation LLC. Mr. Beaver explained that Accelerated Aviation would like to relocate their flight training business to the airport and has been looking at the space currently occupied by the Civil Air Patrol (CAP) as well as the attached dome hangar. Accelerated Aviation has also completed initial coordination with the CAP, the proposed Daedalus business, and Langer Aviation. There was a brief discussion regarding the proposed services and a number of proposed improvements to the space, the associated costs, and how improvements would be paid for. Mr. Beaver reported that Accelerated intends to take on the costs of the improvements but may want to work with the city to accomplish over time if an arrangement can be worked out as additional to any base rental rates as established under a lease agreement.

Regarding timing of the proposed lease agreement with Accelerated Aviation and based on their timing needs, Commissioner Krueger suggested that the Airport Commission set a date of January 30th for a tentative special meeting for Airport Commission consideration in the event that an agreement might be ready for City Council consideration for the first meeting in February.

Consideration of Commercial Office Lease with Daedalus Flight Innovations LLC

Airport Manager Beaver presented the draft airport Commercial Use Terminal Space Office lease with Daedalus Flight Training Innovations LLC. Daedalus Flight Training proposes to provide ground based flight instruction including instruction using a Federal Aviation

Administration (FAA) approved flight simulation device, sale of pilot supplies, and training courseware. Computer based training will be coupled with conventional classroom instruction and review. The company desires to develop cost-effective pilot training to help pilots and aspiring pilots develop and maintain skills needed to become and remain safe and proficient pilots. All training will be conducted in accordance with all applicable FAA rules.

There was a brief discussion regarding the term and rental rates as well as applicable established airport commercial Minimum Standards for commercial operators. After discussion, it appears that the space requirements as outlined in the standards could be met by utilizing a combination of leased area and airport terminal common areas. After further discussion, Commissioner Harrison made a motion to recommend approval of the commercial use terminal office space lease agreement subject to final review and approval by the City Attorney and Commissioner Krueger seconded the motion. The motion was approved.

6. Adjournment

The Airport Commission meeting was adjourned at 6:15 PM with a motion made by Commissioner Harrison and seconded by Commissioner Krueger.