

**Airport Commission Special Meeting Minutes**  
**January 30, 2020 – Owatonna Degner Regional Airport**  
**“DRAFT”**

**Note:** This special meeting of the Airport Commission was held to consider the draft airport Commercial Use Terminal/Hangar Space Lease Agreement with Accelerated Aviation LLC.

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
Paula Snitker	Commissioner
Sharon West	Commissioner
Dave Beaver	Airport Manager

Visitors

Jim Jacobson	Accelerated Aviation LLC
Clayton Petersen	Accelerated Aviation LLC
Ryan Heydon	Owatonna Squadron Civil Air Patrol (CAP)

3. Action Items

Consideration of Commercial Use Terminal/Hangar Space Lease Agreement

Chairman Keltgen welcomed those in attendance and introduced the visitors at the meeting.

Airport Manager Beaver presented the draft airport commercial use Terminal/Hangar Space lease agreement with Accelerated Aviation Instruction LLC. Accelerated Aviation proposes to provide flight training and aircraft rental service at the Owatonna Degner Regional Airport.

Mr. Beaver introduced Jim Jacobson and Clayton Petersen representing Accelerated Aviation to provide background on the company and go over proposed scope of services to be provided. Mr. Jacobson explained that the company will initially utilize four aircraft including one multi-engine aircraft as well as a flight simulator. Courses offered are to include training required for private pilot, commercial pilot, instrument pilot, certified flight instructor, and multi-engine ratings. The company currently utilizes five flight instructors but would like to add three instructors by year end. The company may expand to offer aircraft sales ancillary to flight training activities.

Mr. Beaver explained that the agreement with Accelerated Aviation includes the rental of available office (1,620 SF) and hangar (4,500 SF) premises in the airport terminal area facilities. Accelerated Aviation desires to work with existing tenants to provide complimentary services and promote the aviation community. Additionally, the company desires to work closely with the Owatonna Squadron of the Civil Air Patrol (CAP) to accommodate limited CAP space needs.

The initial term of the agreement is for five years. There was a brief discussion regarding the terms of the agreement and applicable airport minimum standards for commercial operations. Mr. Beaver explained that Accelerated in in agreement with the terms of the agreement; however, they are concerned with a provision in section ten regarding taxes, assessments, and other charges. This is being discussed with the city insurance advisor and attorney

Mr. Beaver explained that Accelerated Aviation would like to begin moving into the location as soon as possible. The lease with the Owatonna Squadron CAP was entered into on October 7, 2014 as attached. At that time the parties contemplated that the premises may be needed for future aeronautical related business development which would require the termination of the agreement. Accelerated Aviation LLC now proposes to lease the space for commercial flight instruction related use.

To accommodate this, the CAP would like to move forward with a Mutual Release from Lease with the city for part of the office area to be leased by Accelerated. The Owatonna CAP squadron commander, Ryan Heydon, explained that Accelerated Aviation has offered to allow space for some CAP storage and meeting area needs and that CAP will be working with Accelerated Aviation. There was also a discussion regarding accommodating CAP meeting space needs in common areas of the terminal.

Mr. Beaver explained that Accelerated Aviation would also like to begin staging equipment in the premises for a few days prior to formal approval of the agreement scheduled for Feb. 4<sup>th</sup>. There was discussion that this could be handled through a Memorandum of Understanding allowing for transition subject to proper insurances being in place.

After further discussion, Commissioner Harrison made a motion to recommend approval of the commercial use terminal/hangar space lease agreement subject to final review and approval of section ten by the City Attorney and Commissioner Krueger seconded the motion. The motion was approved.

Commissioner Krueger made a motion to recommend approval of the Mutual Release from Lease with the Owatonna Civil Air Patrol and Commissioner Snitker seconded the motion. The motion was approved.

Commissioner Lindee made a motion to approve the Memorandum of Understanding with Accelerated Aviation to allow for transition from Jan. 31<sup>st</sup>, 2020 through Feb. 4, 2020 subject to receipt of the required insurance and Commissioner West seconded the motion. The motion was approved.

#### 4. Adjournment

The Airport Commission meeting was adjourned at 5:50 PM with a motion made by Commissioner Krueger and seconded by Commissioner Hale.