

AITKIN AIRPORT COMMISSION
AITKIN CITY HALL

October 4, 2018

4:00 P.M.

MEMBERS PRESENT: Chairman Tibbitts, John Welle, Jim Larson, Mark Wedel, City Administrator Kathleen Ryan

MEMBERS ABSENT: Rich Peterson.

ALSO PRESENT: Ron Roetzel, Adam Forsberg, Peter Dunn, Mike Geary, Tom Philstrom, Dale Johnson, Carl Kurtz, Bob Cummings, Tom VanderMay, Leo Offerman, Rich Monteleone

1. Call to Order: Chairman Tibbitts called the meeting to order at 4:00 p.m.
2. Approval of Agenda: Additions: None. A motion to approve the agenda as presented was made by John Welle and seconded by Jim Larson. All aye.
3. Approval of Minutes: A motion to approve the minutes of the September 6, 2018 meeting as amended was made by Mark Wedel and seconded by Jim Larson. All aye.
4. Maintenance & FBO Report.
The rotating beacon light has burnt out Adam will contact an electrician to get this replaced.

At the September meeting Adam explained some concerns to the Commission regarding the duties and contract language that insurance his agent has brought to his attention. Kathleen Ryan reported that she has been working with the League of Minnesota Cities Legal Department to develop separate agreements for the FBO and Field Manager Contracts to resolve these issues. She is also updating the Fuel Facility Agreement. A final draft of each of these agreements will be brought to the Commission in November for approval.

5. Old Business.
Pilot's Lounge – The Pilot's Lounge Agreement has been sent to the City and County Attorney for review. Included in that agreement is a short-term loan payment, this is contingent on the EDA's approval of Adam's loan application at the October 18, 2018 meeting. If that loan is approved the Pilot's Lounge agreement could be finalized between the Commission and Adam.

Apron & Taxiway Crack Repair – A need to delay the crack repair project is needed. Due to late issuance of the grant and contract the project was unable to be completed. Change Order No. 1 – extending the project completion date to, on or before, May 3, 2019. The contract price remains the same. A motion to approve was made by John Welle and seconded by Jim Larson. All aye.

Aitkin Growth Land Acquisition – Ron Roetzel reported that grant documents are all in order and the Commission can now formalize the offer and make payment to Aitkin County Growth.

Fuel Alarm – Westmor has completed the repairs to the fuel facility alarm system. John Welle questioned why this work was not covered under warranty. Ron Roetzel stated that the warranty was only 1 year. Welle questioned if the equipment itself carried a longer warranty. Roetzel said he would verify and update the Commission in November.

CIP Update and Supplemental Appropriation– A draft CIP dated 9/24/2018 was presented to the Commission. Welle questioned the need for a complete runway reclamation project in state fiscal year 2020. He is not in favor of moving forward with a project that may be unnecessary just because funding is available. Roetzel stated that this project was farther out on a previous CIP but was moved up because of the potential for funding. After discussion it was decided to move forward with the Supplemental Funding Application with the idea the project could be scaled back or even scratched entirely if it is determined to be unnecessary. A motion to approve the CIP and application for Supplemental Funding was made by Mark Wedel and seconded by Jim Larson. All aye. If awarded the scope of the project will be decided upon at that time.

6. New Business.

Lot Lease Agreement – The current lot lease agreement has been reviewed by City Attorney, Henry Brucker and County Attorney, Jim Ratz. Both had suggestions for updates to the lease. Most suggestions were minor changes to clarify language. The most significant change suggested was in Section 8 regarding insurance coverage. Both attorneys suggested to increase the umbrella general liability from \$300,000 to \$500,000 and increase the total bodily or personal injury from \$300,000 per occurrence to \$1,500,000 per occurrence. It was also suggested that the Lessor be required to provide annual notification of coverage or it would be deemed a breach of the lease. After discussion at the last meeting, the Commission was concerned what the increase in insurance requirements may mean to the hangar owners. Hangar owners were mailed a letter notifying them of the proposed changes on September 20, 2018. Bob Cummings, insurance agent of record for the City of Aitkin, was present at the meeting to help provide clarification on the insurance requirements. Cummings has discussed the insurance requirements with Kathleen Ryan and the legal department at the League of Minnesota Cities and he feels the suggested amounts are appropriate. He has also priced out the increase and estimates this to cost the hangar owners approximately \$60 a year. Leo Offerman, owner of 16 Oscar, stated that his liability is extended from his homeowners' insurance and said his agent estimated an increase of \$600 per year. John Welle explained to the Hangar owners that were in attendance that this is a requirement across the board from government entities. He was pleased to hear Bob Cummings estimate the increase at a reasonable amount and feels that maybe hangar owners should shop around and compare prices. Jim Larson investigated several other municipal airports and found that insurance requirements are all over the board. Chairman Tibbitts asked the Pilot's to contact their agents and investigate what the increase will mean to them and bring these results to the Commission at the November meeting. No action was taken at this time. Formal action will be considered at the November meeting.

Lot Lease Increase – Kathleen Ryan stated the 2018 CPI is 2.7%. The Commission will formally consider an increase at the November meeting.


Windcone Replacement – The windcone was damaged in the Labor Day storm. Kathleen has received a quote for repair in the amount of \$2,611.70 and reported the damage to the insurance. Adam Forsberg, Jim Larson & Dale Johnson have discussed and feel that they can repair the existing for significantly less. Welle asked if this may be reimbursable through FEMA. Kathleen stated that the adjuster from LMC has included the damage on the City's damage report.

Change in Meeting Time – A motion to permanently move the Airport Commission meetings from 4:30 to 4:00 p.m. was made by Mark Wedel and seconded by John Welle. All aye.

7. Approval of Bills. A motion to approve the bills as presented in the amount of \$4,396.15 was made by Jim Larson and seconded by John Welle. All aye.
8. Comments from Visitors. Tom Philstrom read a letter from Bruce Thompson addressed to the Commission. Mr. Thompson thanked the Commission and the City staff for their efforts and expressed his admiration for the Aitkin Municipal Airport.
9. Adjournment. A motion to adjourn the meeting at 5:45 was made by John Welle and seconded by Jim Larson. All aye.



Mayor Gary Tibbitts



Kathleen Ryan
City Administrator/Airport Manager