

## AIRPORT COMMITTEE

Time and Place: Wednesday, March 18th, 2015 at 6:00 p.m. at the Wausau Downtown Airport Terminal Conference Room

Members Present: Mohr, Mielke, Gehrt, Kellbach, Prehn, Abitz

Members Excused: Nagle

Others Present: John Chmiel, Airport Manager, Tara Alfonso, Assistant City Attorney, Burt, Robert Monk, Robert Starr, Amy Burt, Laural Harding (American Cancer Society), Jerry Kronschnabel (Boy Scout Troop 465)

In accordance with Chapter 19, Wisconsin Statutes, notice of this meeting was posted and copy sent to the Daily Herald in the proper manner.

Vice-Chairman Mohr called the meeting to order at 6:00 p.m.

### Minutes of Previous Meetings

The minutes of January 14th, 2014 were reviewed and modified. Abitz presented the committee with written recommendations for airport committee minutes modifications by Dr. Burt (see copies of written recommendations). Kellbach moved to approve the minutes with Dr. Burt's modifications. Second by Mielke. Motion approved 6-0.

Chmiel recommended to the committee that the order of the agenda be changed to accommodate Alfonso's schedule better. It was agreed that the order of the agenda to address items 4, 5, and 6 first.

### Discussion and Possible Action on Boy Scout Troop 465 Request For Storage Shed Location on Airport Property – Jerry Kronschnabel

Chmiel described the troop request to the committee. The Boy Scout Troop sponsored by Wausau Flying Service, Inc. requires a storage area for some of their equipment. There is currently no such area available in buildings at the airport. The troop is proposing that they be allowed to place a secure, movable yard storage building, onto airport property. Chmiel stated that he was not opposed to the concept, but the only appropriate location will be outside the airport security fence, in an area such as the airport parking lot.

Alfonso confirmed that after checking with the BOA to verify compliance with grant assurances, the BOA stated that the storage building was considered a non-aeronautical use of the airport. Although not in support of the plan, the BOA would approve the plan should the airport committee choose to enter into an agreement with the troop to locate the storage facility on airport property, contingent upon the structure be located outside the fence. It must be a non-

permanent, mobile structure, and the agreement a short term lease. A one year term was recommended.

A conversation before the airport committee meeting between Mr. Kronschnabel and Mr. Chmiel confirmed those terms would not be a problem for the troop. Kronschnabel and Chmiel agreed the location will be next to the blue storage building on the north side of the parking lot. Troop trailers were previously located in this proposed location.

Alfonso stated that the BOA was not in favor of this agreement because it is a non-aeronautical use, but the BOA stated they would not revoke our grant assurance agreement because of it. In order to ensure the grant assurances, the BOA stated we would need to have the lease agreement pre-approved and the City should charge a fair market rental fee to use the property. Most funding comes from the FAA and the City does not want to jeopardize that funding source. Mielke questioned what a fair fee would be for a non-profit organization. Chmiel and Alfonso indicated that fair market value determination can include contributions to the airport, help with airport activities and volunteer services. Chmiel stated that if a monetary value was set, the burden would not be on the troop. Wausau Flying Service, Inc. would pay the fee as part of its sponsorship of Troop 465.

Gehrt questioned what liability the City would incur if the agreement was made. Kronschnabel stated that the Boy Scouts of America have a liability policy for these types of agreements and that he would pursue having the City of Wausau named as insured on the policy to meet City requirements.

Mielke recommended the City Attorney create a draft FAA approved lease to allow Troop 465 to install a portable storage shed on airport property. Alfonso stated that the lease would be presented for approval by the airport committee at a future meeting and the issue would also have to go to Finance Committee and City council.

Gehrt questioned whether this agreement would be the first of this type on airport property. Prehn pointed out that the Police Department uses the storage shed on the north side of the parking lot and that was also a non-aeronautical use of airport property. Alfonso said that the storage shed is a City building used by a City Department so it is different. Gehrt questioned whether there is a parallel between the medical facility agreement currently being pursued with Dr. Burt and the Boy Scout agreement. Chmiel stated there is not a parallel because the FAA determined that the FAA medical exam facility is an aeronautical use of the airport and the Boy Scout storage facility is a non-aeronautical use.

Kronschnabel showed the committee two examples of storage sheds. Prehn made a motion to direct staff to draft a 1-year lease to allow the Boy Scout portable storage shed (shed choice #1) to be stored on airport property. Second by Mielke. All proved 6-0

Mohr stated that “Public Comment” should be added to airport committee minutes on future airport agendas after the call to order. Alfonso stated that public comment can also be taken as part of each agenda item.

- Discussion And Possible Action on Request Discussion And Possible Action Rates & Fees to Operate FAA Medical Exam Service from Private Hangar – Abitz

Alfonso explained to the committee that a draft resolution has been prepared that would be forwarded to Finance Committee and City Council for approval after it is approved by the Airport Committee. The resolution would approve the modifications to Dr. Burt’s land lease allowing him to conduct an FAA medical services business from his private hangar. It will establish an appropriate fee for permission to conduct medical services on the airport. Alfonso explained that the BOA/FAA recommended a fee for Dr. Burt because if no fee was charged to Dr. Burt to operate a commercial aeronautical related business, the City could not charge a fee to future aeronautical businesses that it may give permission to in the future. Alfonso stated that the resolution would also include a modification of the minimum standards ordinance directly addressing Dr. Burt’s FAA medical service business and the minimum standards required to operate this type of business from the Wausau Downtown Airport. (see copy of draft ordinance)

Alfonso went on to explain the details of the draft ordinance and resolution. The significant issue which needs to be decided by the Airport Committee and Finance Committee is what additional fee should be charged to Dr. Burt to allow the FAA medical services at the Wausau Airport. The fee must be fair to Dr. Burt and in line with rates charged to other businesses. A fee that had been brought up by Chmiel to start discussion was \$200/month. Chmiel explained that Wausau Flying Service paid \$52,000 in fees to the City in 2014 to give the committee perspective. Chmiel also explained that Dr. Burt’s projected annual income for medical services was 50-60 exams per year at a fee of \$100 each. With a gross income of \$6000 annually, and an airport “commercial service fee” of \$2400 annually, which would equate to greater than 30% of Dr. Burt’s gross income, the \$200/month fee was not realistic. Dr. Prehn agreed. Chmiel stated that he had proposed \$200/month to begin discussion and he felt the proposed rate was too high. Prehn questioned how the City calculates fees. Mohr reiterated that the airport needs to charge a fee, because the airport costs the City money to operate. If a company is going to directly profit from being based on the airport, that company should pay a fee to the City for permission. Garbage collection, snow removal, etc. are just some of the services provided to maintain the airport that costs money. Prehn agreed but stated that we need to create a fee that is fair. He questioned whether the fee should be based on gross income, square footage of office space, or some other basis. Abitz agreed that a fee should be charged and the City could charge based on square footage or gross income, but she felt square footage would be fair.

Robert Monk, a T-hangar tenant on the airport, stated to the committee that the Wausau airport is one of the best around. The airport is well maintained, the FBO provides great services, the

airport manager does a great job, and there is great camaraderie. Monk stated that an FAA medical facility would add to that great combination and attract even more people to the airport with this unique FAA medical service on airport. He stated that a business license might be a better way to generate income for the airport rather than a fee based on gross income or square footage. Mr. Monk stated that he was not in favor of any kind of fee charged to Dr. Burt because the amount of business generated by Dr. Burt would not be a large profit source.

Abitz stated that we must charge a fee. Chmiel stated that the idea of a fee was not created by the City. The fee concept is recommended by the FAA. Chmiel stated that the City cannot afford to not follow FAA recommendations since the majority of capital improvement projects at the airport are funded with FAA money.

Prehn suggested to the committee that based on Dr. Burt's estimated gross projected income of \$6000, a fee of \$360 annually would equate to 6% of Dr. Burt's estimated gross income in the first year. If this rate was applied to 180 sq. ft. office space, this rate would be \$2/sq. ft.

Abitz questioned whether that would be equivalent to an aircraft maintenance facility. Abitz expressed that gross income would be a more fair way to figure it.

For the purpose of discussion, Mielke proposed \$50 per month.

Robert Starr, a T-hangar tenant on the airport, questioned whether all the businesses currently located on the airport are required to pay a fee to do business at the Wausau Airport. Mr. Starr asked if Aircraft Maintenance of Wausau pays a fee to operate an aircraft maintenance facility. Chmiel stated that Aircraft Maintenance of Wausau is subcontracted by Wausau Flying Service, Inc. to provide aircraft maintenance services at the Wausau Airport, and it is compliant with the minimum standards ordinance through the Wausau Flying Service, Inc. FBO agreement with the City. The airport committee and City Council approved this subcontract agreement. Mr. Starr questioned whether Aspirus was paying a fee to operate an air ambulance service from the airport. Chmiel stated that a recent conversation he was part of had brought up the fact that Aspirus does not pay a fee. Chmiel stated that this oversight would be addressed at a near future airport committee meeting.

Prehn made a motion to charge Dr. Burt \$360 annually and that the charge be reviewed in one year to determine if the charge is still appropriate based on one year's business. Dr. Prehn stated that he based that amount on project gross income by Dr. Burt.

Amy Burt commented that the typical fee charged by Dr. Burt for an FAA medical exam is \$125. That rate would increase if an EKG is required. Amy explained this is much less than what other medical facilities charge where nearly \$300 is normal.

Prehn explained \$360 is a place to start. It's based on 6% of projected gross income. As a business owner Prehn feels it is fair, and it will be reviewed by the committee to re-determine

fairness. Future businesses can be determined by gross income or square footage. Mielke second the motion.

Monk told the committee that rule changes by the FAA could eliminate FAA medical requirements for private pilots, which could greatly reduce Dr. Monk's income. Prehn stated that review of income for Dr. Burt in one year could cause the committee to greatly reduce Dr. Burt's fee if he has a bad year. Abitz stated that she understood the importance of medical exams for pilots and that Dr. Burt's service is important to pilots.

Mohr questioned whether the approved conditional use permit would be visited annually. Alfonso stated that typically conditional use permits are a one-time approval and apply only to the applicant and are not transferrable and would not be tied to any fee decisions made.

Prehn questioned Amy Burt whether Dr. Burt's business would be willing to forward annual business records to the City for the annual review during the fee evaluation process. Amy Burt agreed that she would.

A vote was taken on the motion and the second. All approved 6-0.

#### Discussion and Possible Action Modification of Airport Minimum Standards to Allow FAA Medical Exam Service from Private Hangar – Chmiel

Chmiel stated that Dr. Burt provided Alfonso descriptions for an FAA medical exam service to address specific requirements within the minimum standards ordinance. Alfonso presented and explained the proposed minimum standards ordinance specifications specific to Dr. Burt. (see copy) Alfonso explained that she did her best to keep it simple and still comply with FAA standards. The only difference that Alfonso changed was to increase liability limits from \$1,000,000 to \$2,000,000 because that is the current limit specified by the City. Customers driving in will be required to be escorted to/from Dr. Burt's office through the security fence/gate. No security codes would be given out to Dr. Burt customers.

Abitz questioned whether the minimum standards, lease, conditional use were transferrable. Chmiel explained that the FAA medical exam service will be non-transferrable. Abitz questioned whether Dr. Burt could post a sign. Alfonso stated that he could post a sign on his door. Abitz questioned whether there will be a problem with Dr. Burt operating Monday-Friday 0800-1700. Alfonso stated that she wrote the standard to allow Dr. Burt provide services by appointment.

Prehn made a motion to approve the draft lease and minimum standards created by the City Attorney. Abitz second. All approved 6-0.

#### Discussion and Possible Action Micro Surface 05/23 in 2015 – Chmiel

Chmiel explained that the current 6-year plan for the airport includes "micro surface" of runways 05/23 and 13/31 within the next 3 years. The BOA can do a micro surface project on runway

05/23 in 2015. The City's cost of this project will be \$7000. The City already has \$32,000 set aside for future capital projects on hold in Madison. Chmiel asked that the airport committee approve a \$7000 transfer from this fund to allow this project to be completed in 2015. Mielke made a motion to transfer \$7000 to allow this project to be completed in 2015. Second by Kellbach. Prehn questioned when crack sealing would take place. Chmiel stated the entire airport would be crack sealed in 2015.

### Discussion and Possible Action about "Relay for Life" on Airport Property

Chmiel explained that the American Cancer Society was requesting permission to use the airport as a secondary location for their "Relay for Life" event. On airport property, the event would take place in the same location as the balloon rally. Whether the airport will be used or not depends on whether there are any additional snow days within the Wausau school district. The event is currently located on school property and would interfere if school was in session.

Checks with the BOA determined that it is a non-aeronautical event. But, as long as it didn't require closing the airport, close runways, or interfere with airport operations the BOA would not oppose it. An additional requirement would be to apply for an aeronautical study with the BOA to determine whether the event could interfere with the airspace. Chmiel stated that he felt it would not be an issue.

Prehn made a motion to approve the event location on the airport contingent upon approval by the BOA. Mielke second. All approved 6-0.

### Discussion and Possible Action on TV9 and Internet Airport Promotion Plan

Wausau Flying Service, Inc. is pursuing a promotion plan to promote aviation services and the airport. The plan includes internet and TV advertising on WAOW TV9. Since WFS and the City are partners in the airport, Chmiel is requesting that the City and WFS partner 50/50 on the costs associated with this promotion.

Funds donated to the City by Wisconsin Airshows Inc. could be used as the City's portion. That is why this donation was made. Right now the costs are approximately \$4000. The money is already in place and available to the airport.

Mielke made a motion to partner with WFS on costs associated with this promotion. Second by Kellbach. Gehrt questioned whether the economic impact of the airport would be included in the ads. Chmiel stated that the ads would be more business related rather than political in nature. The goal of the campaign will be to increase public awareness of the airport as a business tool and transportation artery for business. The ads will steer interest to flyausau.com, the Wausau Flying Service, Inc. website.

Abitz stated that the ads might be a good thing to promote on the City website and newsletter as well. On the vote all approved 6-0.

### Airport Manager's Report – Chmiel

Chmiel explained the Airport Manager's Report for March 2015; and the report was placed on file. See copy on file.

### Airport Budget Review - Groat

Groat was unable to attend the airport committee. Airport budget review was tabled until the April airport committee meeting. No further discussion.

Mielke moved to adjourn the meeting, second by Kellbach. Motion carried unanimously and meeting adjourned at 7:15 p.m.

Respectfully Submitted by John P. Chmiel, Airport Manager