

LOGAN - CACHE AIRPORT AUTHORITY BOARD MEETING
JULY 6, 2017
MINUTES

The Logan-Cache Airport Authority Board convened in a regular session on July 6, 2017 at 8:30 a.m. in the Cache County Historic Courthouse, County Council Chambers, 199 North Main, Logan, Utah.

ATTENDANCE

Members of the Airport Authority Board in Attendance:

John Kerr – Chairman
Craig W Buttars – Cache County Executive
H. Craig Petersen – Logan City Mayor
Karl Ward – Cache County Council
Gar Walton
Bill Francis

Members of the Airport Authority Board Absent:

Jeannie F. Simmonds – Logan City Council

Also in Attendance:

Scott Weaver – Leading Edge Aviation
Aaron Dyches – Utah State University
Matt Bunnell – Utah State University
Kim Hall – Leading Edge Aviation
Matt Smith – Mountain Ridge Helicopters
Janeen Allen

CALL TO ORDER

Chairman John Kerr called the meeting to order at 8:29 a.m.

ITEMS OF BUSINESS

Approval of Minutes – June 1, 2017

ACTION: Motion was made by Ward and seconded by Walton to approve the minutes of June 1, 2017 as written. The vote in favor was unanimous, 6-0, Simmonds absent

ITEMS FOR DISCUSSION

Manager's Report – Lee Ivie

Lee Ivie presented the Manager Report which is part of these minutes as Attachment A."

Sale of FBO Building

Scott Weaver of Leading Edge Aviation presented a proposal to the board which is part of these minutes as "Attachment B." He explained that they took over the lease in 2004 and would like to get an extension, possibly a month-to-month one.

Weaver said he was approached last fall by Kerr and Francis about the sale of the FBO building. He was asked to put together an offer, so he obtained an appraisal of the building through the bank. Based on the information from the appraisal, the proposal puts the offer at \$260,000. However, because of the age of the building, which was built in 1969, some significant repairs and upgrades need to be completed including electrical, siding, carpet, and HVAC at a total cost of \$90,000. Therefore, as outlined in the proposal, the offer for the FBO building is \$170,000 (\$260,000 minus the cost of the upgrades totaling \$90,000).

Additional items contained in the proposal cover ground lease, ramp lease, tie downs, and the fuel farm. Board members discussed the proposal and came to an agreement that it would be beneficial to the community to have an FBO that presents a positive impression that would attract more traffic to the airport.

Weaver said he would like to have all of the improvements completed within 3 to 5 years and will begin as soon as the 30-year lease is in place.

ACTION: Motion was made by Ward and seconded by Petersen to approve the sale of the Flight Line 8 (FL8) building as outlined in the proposal to the current tenant, Leading Edge Aviation. The vote in favor was unanimous, 6-0, Simmonds absent

Bid Results – Taxilane India

Kerr said they went through the design process and received bids from LeGrand Johnson and Staker Parson Company. The engineer's estimate of \$151,577.50 was significantly lower than the bids due to them coming late in the construction season. The bids were as follows:

- Staker Parson: \$243,043.00
- LeGrand Johnson: \$252,106.25

Kerr said the motion to award the bid should be contingent upon a final scheduling with Cache Valley Electric because they have to remove their existing building before any construction can begin with this project.

ACTION: Motion was made by Petersen and seconded by Buttars and Walton to award the bid to Staker Parson contingent upon final scheduling with Cache Valley Electric. The vote in favor was unanimous, 6-0, Simmonds absent

Committee Reports

Audit & Finance – Craig Buttars

Buttars said he would come prepared to the next meeting with a report of the reserve balance.

Kerr said with all of the projects taking place at the airport, the board needs to be apprised of the financial position. He believes the Taxilane India project will exceed the airport's reserve balance. However, the sale of the FBO building will bring \$170,000 which should cover the project. In addition, the airport will receive reimbursement from the FAA for the Taxilane India project. He anticipates the first \$150,000 to come in two years and total reimbursement in five years.

Operations Committee – Kim Hall

No Report

Capital Improvements - Bill Francis

No Report

Economic Development / Public Relations – Gar Walton

No Report

Open Items

- Kerr has been in communication with Jeff Moffitt and believes he would like to attend the August meeting of the Airport Authority Board. However, Kerr may defer to September if it is the only item on the agenda.
- Francis said the company that bought S&S is wondering about flying their drone once a week at an altitude of less than 100 feet. He is working with them. Ivie said the FAA has left this to airports' discretion, but a NOTAM has to be issued.
- Francis said the cement left behind the temporary buildings Utah State had needs to be removed before the battery company comes. Dyches said they haven't owned the buildings for 3 or 4 years and believe the responsibility for removing the cement lies with the new owner.
- Bunnell proposed having the 5K run on August 19th and hoped that would work with all of the construction projects taking place. He will work with Ivie on the details.

Next Meeting

Thursday, August 3, 2017 at 8:30 a.m.

Adjournment

The meeting adjourned at 9:15 a.m.

**LOGAN – CACHE AIRPORT AUTHORITY BOARD
JULY 6, 2017**

ATTACHMENT A



June 2017 Manager's Report

1. Current AIP Projects.

- a. **FAA Project #3-49-0016-028-2016 Taxiway C & Northwest Ramp Rehabilitation.** Waiting for a grant from the Denver ADO.
- b. **Taxiway I, CVE Hangar Project:** To be discussed as another agenda item.

2. Buildings, Grounds, and Vehicle Maintenance.

- a. Two thirds of the airport has been mowed, and the entrance to the airport was mowed the last week of June for a second time.
- b. I've made arrangement for the county weed department to spray for weeds around the hangars to kill those weeds that the first application of herbicide didn't kill.
- c. Straight Strip has completed the warranty work that they were required to perform in regards to the painted and seal coat areas of pavement that needed to be redone.

3. Wildlife Management.

On June 22nd the annual training for those involved in wildlife control at the airport was conducted. Additionally a review of the wildlife hazard management plan (WHMP) was done. Both the training sessions and the plan review are required elements of the airport's 139 certificate. I've submitted a copy of the WHMP review as part of this report.

4. Airport Property Leases.

The annual billings for property leases at the airport was turned in to the county finance department June 26th, and all property leases that needed to be either renewed or updated has been completed. The property lease for Electrical Power Systems Inc. is still a work in progress due to some of the language in our standard lease needing to be changed to accommodate their operation.

5. Zip Line Tower.

The controversial zip line tower southeast of the runway approach zones is being dismantled.

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ATTACHMENT B

LEADING EDGE AVIATION



July 1, 2017

Chairman John Kerr
Logan-Cache Airport Authority
2500 North Airport Drive
Logan, Utah 84321

Mr. Chairman:

Subject: FBO Lease Proposal

Thank you and the Airport Authority for the opportunity to provide a proposal to continue as the Fixed Base Operator (FBO) at the Logan-Cache Airport (KLGU). As you know, Leading Edge has been dedicated to providing professional FBO Services, Aircraft Maintenance and Flight Training to the General Aviation Community since its inception in 2004. Our goal has been to promote general aviation by making it fun, exciting and safe. Leading Edge Aviation is about the whole experience and thanks to your help, one of the best aviation environments in the country. We are fortunate to have created a culture of employees which includes young enthusiastic pilots and older experienced pilots who are dedicated to seeing our customer goals reached. Our culture begins by molding students into future Leading Edge employees who strive to be the best they can during their tenure at Leading Edge Aviation. We constantly work at improving our services by continually seeking feedback to improve our training programs and customer service.

We appreciate the support and environment you have provided which has allowed us to realize the above goals. If we are fortunate enough to continue working together, we will continue to promote general aviation in the manner you are accustomed to and work hard to improve and expand our services. Some of the services we want to expand are as follows:

- Flight Training. An emphasis on more Advanced Training, Executive Pilot Service and Executive Training.
- Aircraft Management.
- Charter Service
- Maintenance. Expansion of the current piston maintenance program to include becoming a service agency for some of the manufacturers. The addition of Turbine service to keep up with and expand as the airport grows.

We believe these increased services will bring jobs and help our community grow and thrive.

Our proposal is as follows:

FBO Lease Term: 30 year FBO lease to provide FBO services at the Logan-Cache Airport.

Building Purchase: We would like to purchase the building FL8. Our offer is \$260,000.00 less the cost of the following upgrades:

Electrical: We currently only have 100 amps entering the building. We need a minimum of 200 amps to offer ground power to our customers aircraft and serve our additional needs. Electrical improvements include a new service from the main power house. A new meter and electrical panel will need to be installed with increased distribution.

Siding & Insulation: The building is in need of new siding and insulation. The building was painted 5 years ago and is in need of attention again.

Carpet: The carpet is over 22 years old and needs upgraded.

HVAC: The current furnace and air conditioning is reaching 15 years of age and will need to be replaced in the next few years.

The anticipated cost of these upgrades:

Electrical:	\$49,000.00
Siding:	\$25,000.00
Carpet:	\$6,500.00
<u>HVAC:</u>	<u>\$9,500.00</u>
Total:	\$90,000.00

In the event we need to sell the FBO we offer the airport authority first right to purchase the building back.

Ground Lease: The square footage of the building is 6,552. At the prevailing rate of \$0.245 a sq. foot our annual ground lease \$1,605.24 annually with the standard airport 2% increase annually.

Ramp Lease: We would like to lease the ramp area between taxiway A and the inside taxi lane from the tie down area to 300 feet to the north, 30,000 sq. ft. At the prevailing rate of \$0.195 a sq. foot our annual ground lease \$5,850.00 annually with the standard airport 2% increase annually.

Tie Down: We would like to lease the tie downs in use at \$12.00 a month per tie down space. We will collect funds from the aircraft owners, create a monthly report and submit to the airport. The standard airport 2% increase annually will apply.

Fuel Farm: We would like to continue leasing the fuel farm until such time we are able to install a new self-serve fuel farm. The current monthly lease rate is \$322.10 a month plus a flowage fee of \$0.06 a gallon to be reevaluated every 5 years.

Thank you again for allowing us to continue our relationship. You will not be disappointed.

Sincerely yours,

A handwritten signature in dark ink, appearing to read 'S. Weaver', followed by a long horizontal line extending to the right.

Scott A. Weaver
President