



DeKalb County Airport

Board of Aviation Commissioners

DeKalb County
P.O.Box 4 – Auburn, IN 46706

Layden Rieke, President
George Wappes, Vice President

Derald Kruse, Attorney

James Mason, Secretary
Brad Stump, Treasurer

MINUTES

August 20, 2004

BOAC Executive Session:

The DeKalb County Aviation Board met in Executive Session at the DeKalb County Airport immediately before their regularly scheduled meeting for purposes of discussing matters relating to property acquisition, lease of real property and personnel. Present were BOAC members Rieke, Mason, Wappes, and Stump, BOAC attorney Derald Kruse, and BF&S Engineer Paul Shaffer. The BOAC member’s present discussed matters relating to property acquisition, lease of real property and personnel as advertised. No other topics were discussed during the executive session.

BOAC Regular Scheduled Meeting:

After the executive session the DeKalb County Aviation Board met at the DeKalb County Airport in the conference area for their 12:00 PM scheduled meeting. President Rieke called the meeting to order. BOAC members Rieke, Mason, Wappes, and Stump were present. Also attending was Paul Shaffer from Butler, Fairman, & Seufert, BOAC attorney Derald Kruse, Don Smith (BOAC consultant), airport project manager Gene Powell, Todd McCutchan from Victory Aviation and Tobias Steffen from Butler, Fairman and Seufert.

Secretary Report:

Mason presented the minutes of the previous meeting. A motion by Mason with a second by Wappes to accept the minutes carried when put to vote.

Property Management: Mason reported that all residences are rented except for 6197 CR 29 (Troth) and 6202 CR 26 (Laggner). The home at 6202 CR 27 needs work on the outside of the building. Powell will review the problem and get some estimates for the Board to review at the next meeting. As discussed at the last meeting, Mason feels that pool should be filled in to reduce expense and liability and the other members agreed. Stump noted that we are still having frequent problems with billing for water softener rental from Metters. We rent softeners for two of the homes we currently own. Former Airport Manager Wade Troth and he had looked into the cost of buying softeners. They found that a new softener would pay for itself within two to three years based on the rates we are paying Metters and we wouldn’t have to go through the problem of dealing with the billing issues every couple of months. Wappes motioned that we purchase softeners for the rentals to save money and eliminate the billing issues. Mason seconded the motion and it passed when put to a vote.

Treasurer Report:

Claims: The treasurer presented the following claims for the Board’s approval:

99-1114	Employee Wages		\$14,025.00
7/29/2004	Wade Troth	-\$1,275.00	\$12,750.00
8/12/2004	Wade Troth	-\$1,275.00	\$11,475.00
99-1080	Other Pay		\$2,275.00
7/29/2004	Board Member's Salaries for July 16 Meeting	-\$260.00	\$2,015.00
99-1210	PERF		\$795.90

7/29/2004	8/6/2004 Payroll	-\$66.94	\$728.96
8/12/2004	8/20/2004 Payroll	-\$66.94	\$662.02
99-1220	Insurance		\$2,527.40
7/29/2004	8/6/2004 Payroll	-\$281.80	\$2,245.60
99-1230	Social Security		\$1,138.47
7/29/2004	8/6/2004 Payroll	-\$77.32	\$1,061.15
8/12/2004	8/20/2004 Payroll	-\$77.32	\$983.83
99-1240	FICA (actually medicare)		\$228.39
7/29/2004	8/6/2004 Payroll	-\$18.08	\$210.31
8/12/2004	8/20/2004 Payroll	-\$18.08	\$192.23
99-2211	Office Supplies		\$86.11
7/30/2004	Bassett Office Furniture and Supply Co	-\$33.74	\$52.37
99-3282	Legal Fees		\$4,141.50
8/19/2004	Derald Kruse	-\$600.00	\$3,541.50
99-3284	Consultant Fees		\$4,387.63
7/30/2004	Butler, Fairman and Seufert	-\$583.33	\$3,804.30
99-3288	Permit Fees		\$1,280.00
8/18/2004	Transfer to 0600.99 3333 - Legal Notices	-\$232.00	\$1,048.00
8/18/2004	Transfer to 0600.99 3354 - Utilities	-\$1,000.00	\$48.00
99-3323	Travel		\$1,190.87
7/30/2004	Wade Troth (AAI Conference fees - Indianapolis)	-\$104.60	\$1,086.27
99-3324	Telecommunications		\$586.02
7/30/2004	Wade Troth (reimbursement for cell phone call on NDB)	-\$12.78	\$573.24
8/17/2004	Qwest	-\$10.65	\$562.59
8/17/2004	Wade Troth (reimbursement for service to install AWOS line)	-\$45.00	\$517.59
8/17/2004	Clint Stevens (reimbursement for 2 phone jacks for airport)	-\$11.38	\$506.21
99-3333	Legal Notices		\$282.15
7/30/2004	Wade Troth (reimbursement for AAAE job advertisement)	-\$150.00	\$132.15
8/17/2004	Kendallville Publishing Company, Inc. (job posting)	-\$182.86	-\$50.71
8/17/2004	Fort Wayne Newspapers (job posting)	-\$180.84	-\$231.55
8/18/2004	Transfer from 0600.99 3288 - Permit Fees	\$232.00	\$0.45
99-3351	Electric		\$8,472.81
8/17/2004	American Electric Power	-\$1,745.70	\$6,727.11
99-3354	Utilities		\$1,445.60
7/30/2004	Perkins Septic Service (service 7/2, 7/12, 7/19)	-\$639.47	\$806.13
7/30/2004	Taylor Rental Center (portable restrooms).	-\$150.00	\$656.13
8/17/2004	Perkins Septic Service (service 7/26)	-\$226.96	\$429.17

8/17/2004	Taylor Rental Center (portable restrooms).	-\$150.00	\$279.17
8/17/2004	IDEM annual fee for water testing	-\$33.33	\$245.84
8/17/2004	Mettert's Water Care	-\$114.80	\$131.04
8/18/2004	Transfer from 0600.99 3288 - Permit Fees	\$1,000.00	\$1,131.04
8/18/2004	Transfer from 0600.99 3369 - Runway Repairs	\$2,000.00	\$3,131.04
8/18/2004	Transfer from 0600.99 3370 - Fire Protection	\$550.00	\$3,681.04

99-3360	Grounds Maintenance		\$5,009.27
7/30/2004	J&M Aircraft Supply	-\$93.00	\$4,916.27
8/17/2004	Classic City Lawn Care (svc 7/7, 7/14, 7/21, 7/28 & residences)	-\$1,263.00	\$3,653.27

99-3367	Building/Structure Repair		\$8,048.70
7/30/2004	Rainbow Sky	-\$168.00	\$7,880.70
7/30/2004	Kendall Electric	-\$1.81	\$7,878.89
8/9/2004	Home Depot Credit Services	-\$338.98	\$7,539.91
8/17/2004	Auburn City Hardware	-\$190.93	\$7,348.98
8/17/2004	Discount Carpet Cleaning	-\$125.00	\$7,223.98
8/17/2004	Home Depot Credit Services	-\$153.50	\$7,070.48
8/17/2004	Andrew Powell	-\$1,417.58	\$5,652.90
8/17/2004	Orkin (3070 CR 60)	-\$55.00	\$5,597.90
8/17/2004	Len's Lock Service	-\$14.00	\$5,583.90

99-3369	Runway Repairs		\$18,490.00
8/18/2004	Transfer to 0600.99 3354 - Utilities	-\$2,000.00	\$16,490.00
8/18/2004	Transfer to 0600.99 3433 - Contractual Services	-\$3,500.00	\$12,990.00

99-3370	Fire Protection		\$750.00
8/17/2004	Fire Protection, Inc	-\$197.25	\$552.75
8/18/2004	Transfer to 0600.99 3354 - Utilities	-\$550.00	\$2.75

99-3433	Contractual Services		\$5,730.81
8/17/2004	Robert Battig (runway & area mowing)	-\$150.00	\$5,580.81
8/17/2004	James Mason	-\$662.50	\$4,918.31
8/17/2004	Robert Powell	-\$1,377.50	\$3,540.81
8/18/2004	Transfer from 0600.99 3369 - Runway Repairs	\$3,500.00	\$7,040.81

99-4421	Capital Outlay		\$33,382.67
7/30/2004	Butler, Fairman, and Seufert (AWOS)	-\$809.78	\$32,572.89
7/30/2004	Butler, Fairman, and Seufert (Gen Svcs - Hill Acquisition)	-\$2,500.00	\$30,072.89
7/30/2004	Butler, Fairman, and Seufert (Gen Svcs - Corporate Hangar)	-\$297.88	\$29,775.01

99-5000	Non-Budgeted Expense		
DATE	ITEM	AMOUNT	BALANCE
8/17/2004	Wade Troth (return of security deposit for 6197 CR 29)	-\$500.00	n/a

FUND 0605 LOAN REPAYMENT ACCOUNT

99-5000	Non-Budgeted Expense		\$1,743.18
7/22/2004	Wells Fargo T-Hangar Construction Loan Repayment	-\$1,121.00	\$622.18

7/30/2004	Quietus of rental receipts to cover loan repayment	\$20,678.98	\$21,301.16
7/30/2004	Hicksville Bank Loan Repayment (hangars, residences)	-\$5,450.94	\$15,850.22
8/16/2004	Quietus of rental receipts to cover loan repayment	\$3,387.00	\$19,237.22

FUND 0610 PUBLIC AIRPORT CAPITAL IMPROVEMENT

99-4421	Capital Outlay		\$461,530.76
7/30/2004	Michael Kinder & Sons Inc. (T-Hangar F invoice #4)	-\$25,442.40	\$436,088.36
7/30/2004	Brooks Construction Company, Inc.	-\$12,714.72	\$423,373.64
8/17/2004	Michael Kinder & Sons Inc. (T-Hangar F invoice #3)	-\$15,891.60	\$407,482.04
8/17/2004	JFNew	-\$26,958.75	\$380,523.29

INVOICES TO BE PAID FROM FUNDS OTHER THAN THE AVIATION BUDGET

	Bond		\$236,987.00
8/20/2004	Land Construction Corp (sewer invoice#1)	-\$70,890.43	\$166,096.57

A motion made by Stump to accept the claims as presented and seconded by Mason carried. The Board also received the first invoice for sewer construction as shown on the claims docket. As discussed at past meetings, all sewer construction invoices would be paid from the bond until all bond funds were expended and then from other funds such as the Public Airport Capital Improvement Fund. Mason motioned and Wappes seconded that we pay the invoice from the Bond funds and the motion carried.

Budget: Stump noted a couple of transfers shown on the claims docket in order to move funds between lower-use accounts with surplus funds to higher-use funds needing additional funds to get us through the year. Stump also reminded the Board that once property tax bills are received the Board will also need to transfer funds into the Drain/Real Estate Tax account but at the moment the amount of funds needed is unknown.

T-Hangars and Tenant Accounts: Stump reported that most accounts are current however a couple tenants are behind. Stump recommended the Board review the possibility of late fees when reviewing rental rates to go into effect in 2005. The President directed Stump and Attorney Kruse to review and modify hangar lease and suggest changes and rent fees by the October meeting.

Zoning: Stump noted that since the last meeting he has signed one zoning request and a related noise sensitive waiver. The zoning request and noise sensitive waiver are for the old Auburn Nursery site at the southwest corner of County Roads 60 and 427.

FBO Operator Report: Todd McCutchan reported the FBO Operator Report. McCutchan reported that Avgas sales were up a little but Jet A was much lower than hoped for. Activity at the Flight school may be down a little. The mechanics are still doing very well as is Mid-America's Avionics shop. The white car that was between A & B hangars is gone as requested by Board. Charters have been performed using 9 different companies over the last several months (Miller Aviation, Grand Air, Royal Air, and others). A new charter organization will be filling that need in the future. Aero Indiana LLC will be buying another company and leasing space from Victory. Aviation Management Solutions (Todd's own company) is providing management and pilot services. The leased space will be 128 SF of office space instead of the 200 SF called for in the lease but since there will be several people functioning as both victory and Aero Indiana management then some of the space leased by Victory personnel should count toward the leased space requirement. Once their plane shows up then the hangar space leased will put them over the 200 SF mark (lease apparently doesn't call for any distinction between office space and hangar space). Dr. Al Brothers and John Maag are co-presidents of Aviation Management Solutions while Todd is the chief pilot and director of operations. Currently they are using John Maag's Cessna 182 but are looking to purchase or rent a King Air 414 over the next couple of months. Wappes made a motion to accept the sublease conditional on proof of insurance and meeting other conditions as required by the airport rules and regulations. Stump seconded the motion and it passed. Rieke mentioned that he and Todd had discussed several requests Todd had made to reduce Victory's operating costs as shown below:

- Victory wanted to know if the County would be willing to take over responsibility for flight planning and flight tracks equipment however the Board felt that both should be FBO responsibilities.
- Victory asked if the County might be interested in the boom truck. The Board felt we might be interested in it but feel the cost asked for is to high given that the transmission only has first gear.

- Victory had previously paid for repairs to the Unicom. This issue was initially brought up by Guy Bard some time ago whereupon he and Troth were to investigate it and work something out but never reported anything back to the Board. The Board agrees that they should be responsible for the repair costs and will give them a rebate for the \$5776.25 paid by Victory by way of a lease & flowage fees credit but it must be documented for accounting purposes.

- Victory asked who was responsible for supplying softener salt for the terminal building. Stump noted that the FBO is responsible for all utilities per the lease except for Electricity. It was felt that the softener salt is part of the water utility costs and therefore is Victory's responsibility.

- Victory currently pays for the security system installed at the terminal building. Don Smith said the security system was put in by the County as a result of vandalism and was paid for by the County. He feels that the Board should take over the responsibility of that system such as the \$200/year service fee and any repair costs. The Board agreed. Victory is to send any new bills to the Board for payment.

- Victory requested that the fuel flowage fee for the B-17 be waived as was done last year. Mason motioned and Wappes seconded that we waive the fees and the motion carried.

- To help increase fuel sales to the tenants, Victory is asking the Board to consider waiving fuel flow on 100LL to all airport tenants. They have lowered 100LL fuel fees by \$0.10 and are asking us to waive our \$0.07. The Board feels this may be reasonable but wants to take it under advisement at this time. The Board needs to review the revenues the County would lose and see if there are any legal issues preventing them from waiving the fees for tenants (i.e. discriminatory practices).

Stump noted that some municipalities, when approving Cable TV's ability to service their territory, also include a requirement that basic cable be provided free to a set number of government buildings. This may or may not have been done in DeKalb County's case however the Board needs to look into it and should see if free cable can be provided to the airport now or in the future if possible. Note that this typically applies to cable TV but not cable Internet services. McCutchan noted that this could save Victory Aviation \$500-\$600 per year if it can be done. Stump also noted that Victory has paid their lease and fuel flowage fees this month.

Airport Manager Report:

Stump presented the Airport Manager's report.

Unauthorized Flight Training: Stump noted that a prospective new tenant mentioned he had been given some flight training and approved for his trail-dragger certificate by another tenant at the airport. Stump verified that this tenant was not acting under the guidance of Victory aviation and offering some amount of flight training on his own without any license from the Board or providing proof to the Board that he meets the Airport's Minimum Standards for flight instruction operations. It was discussed and determined that anybody charging for flight training must get a license (\$100) fee if they give flight instruction to someone in the student's plane. If they use a rental and the CFI's plane then they must get a license from the Board (for up to 3 students at any one time) and must meet all requirements of sec 8.031 of the rules and regulations. This means that, in addition to other requirements, they must provide a current list of the students, proof of their CFI license and insurance to the Board. A flying club does allow flight instruction by a member of the club who is a CFI but only to other regular members of the club. Don Smith stated that flight time is also considered by FAA as being a form of compensation. Stump will email info to Don Smith so he can talk to Mr. McCue about the rules and regulations.

Courtesy Phone in Terminal: Stump noted that the old pay phone in the terminal had been replaced with a phone allowing local calls as well as toll-free calls, calling card calls and collect calls. It has been blocked so no long distance charges should be charged to the phone. The cost of the pay phone was \$53 per month while this phone, part of the County's Centrex plan, will be \$17-\$22 per month which should save the airport approximately \$400 per year. Powell will get a phone installed shortly. Paul Shaffer noted that the FAA requires a public phone to be available to pilots so they can access "flight services" (a 1-800 number) which is a flight planning resource for pilots. Since the new phone allows 1-800 calls it should be compliant.

Phones and networking in new conference room: Stump noted that he will work with Powell and the County IS Department to get phones and network wiring in conference room and Airport Manager's office. They will try to have this completed before the new Airport Manager starts.

Warbirds Fly-in/Cruise-in: The Warbirds and other parties have not signed all of the licenses needed for the Fly-in/Cruise-in event taking place on August 22nd. Niles Walton was to get back with Troth with the needed information however he did not do so before Wade left. Troth was authorized to sign the licenses on behalf of the Board. Wappes motioned and Stump seconded that any Board member can sign the licenses. The motion passed. Stump will get as many licenses signed as possible. The Board discussed that a written policy needs to be in place before any further licenses are granted. If it's not followed then no license is granted. It is

important that the County and the Airport be protected from liability when it allows the airport to be used for these events. If the County and Airport aren't protected when a problem occurs and they get involved in litigation then it is likely that future events would not be allowed by the Commissioners.

Warbirds Auction: The Warbirds will hold an auction of their surplus items stored at the Wallace property on September 11. Stump motioned to approve the date and accept the license agreement. Wappes seconded it and the motion carried.

AAI Quarterly Meeting Update: Stump reminded the Board members about the AAI's annual conference coming up in October. The conference will be held at the Brown County State Park on October 12th through the 14th. Don Smith asked that he be allowed to be considered a member of the BOAC for purposes of registration. Attorney Kruse noted that Don, as a past BOAC President and our consultant should be considered to represent the Board and the Board members agreed.

Independent Contracts: Stump noted that the that new independent contracts have been reviewed by Attorney Kruse and are now ready to be signed by Gene Powell (Airport Project Manager) and Bob Battig (Airport Grounds Personnel). Stump will sign the contracts on behalf of the Board as determined at the July meeting.

Maintenance Project Manager Report: Wappes indicated all Maintenance items and airport inspections noted by Powell in his monthly report were normal. Gene mentioned that the FAA is concerned about getting through the gates near Golf-Papa to get to their equipment. Next time the issue comes up we want them to put their concerns in writing so we will know what the problem is, why our current situation doesn't work and what they proposed as a solution.

Management Assistance Consultant Report:

Airport of the year award – Shaffer noted the application for airport of the year has been submitted. The award will be given out at the AAI conference in October.

CIP and Non-primary entitlement – Shaffer noted that the FY 2004 grant application has been turned in for approval. We are awaiting notice from the FAA.

Sewer Design – Shaffer gave a construction report on the sewer project. The jack and bore took longer than expected due to bad soils under CR 427 but Land has made up the difference since then and is currently ahead of schedule. A change order is ready to execute and is about a wash as far as costs due to several deletions to offset much of the additional cost. Wappes moved to approve and have the President sign the sewer construction contract change order. Stump seconded it and the motion passed. Because of the increased length of time for construction the inspection costs will also increase as noted in the July meeting. Stump motioned and Wappes seconded for the Board to sign an amendment to sewer inspection agreement to cover increased engineering costs due to extension of installation time from 75 to 180 days as discussed at a previous meeting and the motion passed. Shaffer indicated that AEP has indicated they will work with us to resolve power pole issue. They are indicating that they will move the pole to meet the sewer construction needs and will negotiate with us later for any fees they feel they are owed. Shaffer explained the benefits and disadvantages of moving the sewer to the North side of CR 60 at the Glenn T. Rieke building parking lot (the last 400' of the sewer line to the terminal building). The BOAC by consensus decided not to pursue moving the sewer line to the north.

ILS/MALSR Grant – ILS parts are all in but the contractor is working elsewhere and will finish those jobs before returning to DeKalb. Shaffer to contact them to determine the schedule for completing the project.

T-Hangar Site Work – A few minor items still exist on F hangar but Powell is working with the contractor to resolve them.

AWOS – The wind sensor is off 180 degrees (Shaffer has asked the contractor to show the data as “missing” until the problem is corrected), clock is wrong, airport ID is wrong, and info is bleeding into the Unicom in the terminal (but not in the planes) because the antennas are too close. The contractor will use a notch filter to prevent the AWOS from transmitting on Unicom 123. Scott Pita will be doing our AWOS maintenance and he will be doing a walk through on Thursday to inspect the system. Shaffer expects many if not all of the problems to be corrected by that time.

Corporate Hangar Location- AIP grant amendment for the AWOS and corporate hangar has been signed and submitted. No word on FAA's action on it.

AAI Economic Impact Survey: The economic impact study has been turned in to AAI.

DBE: The Airport's disadvantaged business enterprise goals are due for 2005.

Visitor's Bureau: Shaffer will be applying for the 2,000 grant from the DeKalb County Visitor's Bureau for airport advertising (either signage and/or airport activities pamphlet as was done for 2003).

Other Business: President asked for discussion on Airport Manager's position. He explained that 50± resumes boiled down to three candidates. Russ Couchman, Brian Payne, Rob Walters were the three candidates interviewed, listed here in order of preference based on qualifications, education and experience. We are recommending them to Co Commissioners for approval on Monday. Stump made a motion to make he recommendation to the Commissioners that Mr. Couchman be our first choice with the other being listed as alternates in order of preference should Mr. Couchman decline the offer. Wappes seconded the motion and it passed when put to a vote. The Board also agreed to rent the home at 6222 CR 27 to Mr. Couchman at a reduced rate to compensate for the difference in his salary and to notify the Commissioners of this decision prior to their acceptance of Mr. Couchman as our preferred candidate.

President Rieke stated that he wants the bales that Lake Farms is storing on the airport to be removed as soon as possible. They have been stored on the grounds long enough. Rieke asked Stump to contact Greg Lake since they serve together on another board and see what can be done.

Don Smith presented historical info on the airport as compiled by the Genealogy Center. The Board needs to reimburse them for copy costs..

Adjournment:

Rieke calls the meeting to adjourn.

Next meeting September 17, 2004
Executive Session at 12:30 PM followed immediately by Scheduled Meeting
DeKalb County Airport
Glenn Rieke Terminal Building.

James Mason Secretary