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## DeKalb airport firm seeks lower rate

By Angela Mapes  
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Kruse

AUBURN – The DeKalb County Board of Aviation Commissioners hasn't given up on keeping Victory Aviation as the DeKalb County Airport's fixed-base operator, board members said Friday.

Last month, negotiations to extend Victory Aviation's current contract for five more years failed, and the board announced it would prepare requests for proposals to operate the airport.

As the fixed-base operator, Victory Aviation leases space from the airport and receives its cash flow from fuel sales and its charter air operation.

Dean Kruse, Victory Aviation's owner, spoke at Friday's meeting and said he was willing to continue negotiations. Victory Aviation is operating the airport on a month-by-month basis, Kruse said.

Brad Stump, the board's treasurer, said Misner and Associates of Fort Wayne had appraised space in the airport's terminal building at \$4 per square foot and in the service hangar at \$2.65 per square foot.

The board offered to let Victory Aviation rent space the first year based on 60 percent of the appraisal rates, with smaller increases for the next four years. The rate for the first year would be \$2.40 per square foot of terminal space, and \$1.59 per square foot of hangar space. The company rejected that offer last month, Stump said.

But Kruse told the board his company would be willing to pay the \$2.40 rate for 2,500 square feet of terminal space – half of what it rents now – and let the board rent out the other 2,500 square feet to another tenant. Additionally, Victory Aviation will pay \$1.40 per square foot of hangar space, Kruse said.

Victory Aviation believes it is being charged too much for the space already, Kruse said. Based on the company's research, it pays more than fixed-base operators at larger airports in Kokomo, Muncie, Goshen, Elkhart and other cities. Victory Aviation has the option of getting another appraisal at its own expense but has not done so.

Kruse said he would like to see Victory Aviation stick with the airport, with the hopes that the airport's airstrip will be expanded and more jets can be brought in, generating more revenue.

As it is, "this has not been a money-making deal," Kruse said.

Victory Aviation has operated the airport since 2002, when it was formed from Kruse Aviation.

Jeff Turner, vice president of the board, said Kruse's terms were not far from what had already been proposed.

"We're not at battle with Victory," Turner said. He said negotiations have been amicable, and the board is not anxious to switch operators.

However, Turner and the board's treasurer hadn't been able to make an informed decision based on the research of rental rates provided by Victory Aviation, he said.

Turner added that the board can't ignore Misner and Associates' professional appraisal, which cost \$7,500.

"We can't just pull a number out of the air," Turner said.

Board members agreed to create a new proposal for Victory Aviation's consideration.

The board's next public meeting is April 21 at 1 p.m. in the airport terminal building, 2710 County Road 60, Auburn.

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