

CLOSE WINDOW



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Airport hangar expansion bids come in below estimate

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AUBURN - Two construction bids for a 12,000-square-foot addition to the DeKalb County Airport's main hangar were taken under advisement Friday by the Board of Aviation Commissioners.

Michael Kinder and Sons of Fort Wayne offered a base bid of \$592,200 while Schenkel & Sons of Fort Wayne bid \$549,000. Both contractors priced alternate options, and totals were below the engineering estimate of \$645,000 to complete the project.

The addition would be built on the east end of the existing hangar next to the terminal building, and would open on the east end.

The addition is vital improvement to attracting more aviation businesses to locate at the airport, said airport manager Russ Couchman.

The cost of the project will be paid from revenues of a \$2 million bond issue last year. The bonds also paid for acquiring the Lloyd and Barbara Dollier farm east of the airport, which was needed to proceed with plans to extend the airport runway. The longer runway would accommodate larger jet aircraft.

Also Friday, the board heard an update on negotiations with Victory Aviation, the fixed-base operator at the airport, for a new five-year lease.

The two members of the board who are negotiating the contract, Jeff Turner and Brad Stump, have met with Victory's attorney, Shannon Kruse, but several issues remain unresolved, Turner reported. Turner said plans are to meet again in about two weeks.

The main issue in the negotiations has been the price Victory Aviation is willing to pay to lease the airport facilities, and the value placed on the facilities in an appraisal by Misner and Associates of Fort Wayne.

The appraisal sets the value of the terminal building at \$4 per square foot, and the value of the service hangar at \$2.65 per square foot.

Victory has been paying the equivalent of \$1.31 per square foot for the entire 30,000 square feet of space.

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Victory's owner, Dean V. Kruse, has proposed leasing only half of the terminal space, at a cost of \$2.40 per square foot. That would give Victory 2,500 square feet of space, and give the airport the opportunity to rent the remaining space for other purposes, according to Kruse.

Kruse said he would be willing to pay \$1.40 per square foot for terminal space, or 19 cents less than a 60 percent hike proposed by the BOAC negotiators.

The board decided to let idle land surrounding the airport drop out of the federal Crop Reduction Program when current agreements expire. Land in the program cannot be managed in ways best suited for long-range planning because of CRP restrictions, such as when and how often land can be mowed, according to Couchman.

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