

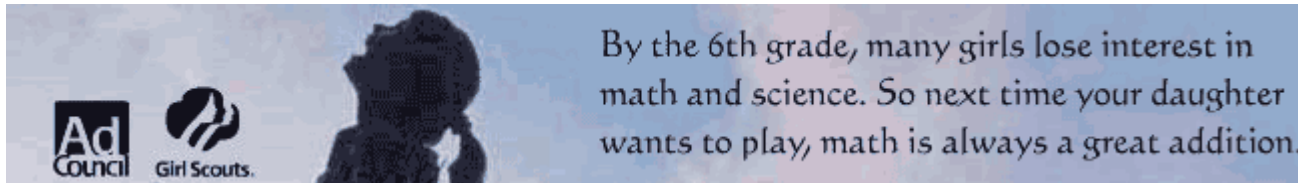
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Tuesday, May :



The Evening Star

## Aviation board will seek bids for airport operator

*Victory Aviation*

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rejects extension

 By Bill Gisell  
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AUBURN — The DeKalb County Board of Aviation Commissioners Friday agreed to seek bid proposals for a fixed-base operator of the DeKalb County Airport.

The action came after Victory Aviation, the current fixed-base operator, announced it was rejecting the BOAC's proposed five-year contract.

Victory, owned by Dean V. Kruse, has been at odds with the airport authorities over an appraisal of the airport facilities by Misner and Associates of Fort Wayne earlier this year.

Misner's appraisal sets the value of the terminal building at the airport 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 \$1.30 per square foot for the entire 30,000 square feet of space, under a renewable five-year contract that expired last year.

Victory Aviation maintains Misner doesn't have the expertise and the background to do an airport appraisal, according to Todd McCutchan, president of the aviation company that is a part of Kruse International.

Misner's comparisons of the DeKalb County Airport with other airports in the state are flawed, McCutchan said, and many figures are wrong, he added.

At the board meeting in March, Kruse countered the rent increase by proposing that Victory lease only half of the terminal space at \$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, he suggested.

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 board's negotiators.

Two members of the board who are negotiating the next five years of a contract with Victory Aviation, Jeff Turner and Brad Stump, looked at the proposal and met once with Victory's attorney, Shannon Kruse, in an effort to resolve the issue.



Shannon Kruse notified the board by letter Friday morning that Victory would not agree to a new contract.

During Friday afternoon's meeting, McCutchan said the 20-cent increase over five years was above the actual market value of the airport facilities, in the opinion of Victory Aviation. He previously said Victory operates the airport at a loss, and said the increase in rent would make the losses "unsustainable."

"We will be happy to provide FBO services in the interim," McCutchan said, and he added that Victory will participate in the upcoming bid process.

Turner said the letter from Shannon Kruse indicated that an inability to "bridge the gap" in the negotiation process led to Victory's decision. Turner defended the Misner appraisal, however, pointing out that the board "has no other data to go by" in setting its contract goals.

As part of a new contract, the board wants to first update the airport's minimum standards document, which guide the airport's operation and specifies responsibilities. The update would be completed before the bid request goes out.

Privately, McCutchan said 40 percent of the available space in the main hangar is used by aircraft owned by Victor Aviation. He predicted that if Victory is replaced by a new operator, Kruse would find a new home base for his aircraft.

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