

MINUTES AIRPORT BOARD MEETING

OCTOBER 29, 2024

The meeting was called to order by Chairperson Tom Fread at 4:30 p.m. Members present were John Bayer, Shawn Reinke and Harlen Leusink. Phil Bailey was absent. Advisory members present were Ron Mergen, Public Works Director, Chuck DeWolf, Bolton & Menk, Inc. and Tariq Al-Rifai, City Administrator. Also present were Robin Gray, Hudson Gray and Joe Klocker.

Motion was made by Reinke to approve the minutes from the April 3, 2024 Airport Board meeting. Seconded by Bayer and unanimously carried.

CAPITAL IMPROVEMENT PLAN

DeWolf reviewed the airport CIP 2025 – 2026 plans:

1. Taxi lane pavement rehab
2. Installation of security fence, members questioned this item noting they see gates on other airports and most of the time the gates are wide open.
3. 80 x 80 FBO Hangar

Members reviewed the 2026 Airport Master Plan, 2027 repayment to the City of Aitkin and the 2028 – 2029 plans:

1. Runway rehab design overlay
2. Taxiway and connector design overlay
3. Parallel taxiway design and construction
4. Runway lighting upgrade to LED

Motion was made by Reinke to approve the CIP Plan and recommend such to the City Council with the moving of the security gate to 2029. Second by Leusink and unanimously passed.

BIL FUNDS – FBO PROJECT

DeWolf reviewed the FBO proposal. The planned hangar is currently laid out as an 80 x 80 ft unit, which is fully insulated and heated. Total cost estimate is \$1,006,086.00. The cost share will be 95% Federal or \$955,782.00. Of this, the BIL funding is \$592,000.00 and Entitlement funding is \$363,000.00. The remaining 5% will be split equally between the City and State:

- State 2.5% or \$25,152.00
- Local 2.5% or \$25,152.00

FBO LEASE

Members are looking for potential maintenance and mechanic opportunities at the airport. Robin Gray introduced himself along with his partners Hudson Gray and Joe Klocker. Robin Gray noted their current business in the motor sports world and upholstery for such. So expanding into the aviation world is something they are looking into, especially since the nearest plane upholstery shop is in Grand Rapids. There was one in the Cities, but it closed

down. This could be a great opportunity for the Paynesville Airport. Robin Gray noted they were looking into a piece of property to build on or buy, until this FBO option was presented to them. Robin Gray said they currently do not have a business model, but they are looking into avionics and aircraft; looking to lease the FBO building.

No one else is currently doing aviation upholstery that they are aware of and think it would be a good fit. Robin Gray asked members what the lease terms would be. The City will need to research this to see what others are charging and staff would get back to them with a price. Members discussed what other airports are charging for FBO buildings, and asked what the City is charging CentraCare for the Ambulance garage. A list will be compiled and brought back to the next meeting.

PRIVATE HANGAR LEASE WITH NO AIRCRAFT

There are currently two private hangars with no aircraft in them. The current ground lease was reviewed noting the verbiage needs to be updated and a penalty included. Members all agreed this is not a storage facility and any aircraft would need to be airworthy. Staff will have the City Attorney review and draft an updated version.

INFORMATIONAL

The next meeting will be on November 18, 2024 at 4:30 p.m.

There being no further business, the meeting was adjourned at 5:25 p.m.