

Minutes of the
 GILLESPIE COUNTY AIRPORT ADVISORY BOARD
 Monday, May 16, 2022
 @ County AgriLife Building

MEMBERS PRESENT:	STAFF PRESENT:	GUESTS PRESENT:
David Smith	Tony Lombardi, Manager	Ethan Crane
Paul Hannemann	Keith Kramer, County	Tim Lehmborg
Keith Keller	Bobby Watson, City	Darren Flores/Chandler& Monica Bartley
Judie Mooney, EAA Rep		Ralph Ragland/Chris Welch
Steve Allen		Randal Fuchs
Greg Snelgrove		Adam Sheffield
Chad Ellebracht		Bev Smith
	Absent	Dawn Duley
		Lindy Segall

CALL TO ORDER

The meeting was called to order at 1:30 PM by the Chairman, David Smith

APPROVAL OF MINUTES

Minutes of the regular Apr 18, 2022, meeting were approved.

AIRPORT MANAGER’S REPORT

- Upcoming Events/Court Actions – The AM reviewed the upcoming events for the airport and the recent commissioners court actions.
 - Event Update
 - July 4th Fireworks
 - Court Action – On Apr 25th, the Commissioners Court approved the proposal from Straube Machine & Welding for the manufacturing and installation of an entry gate to the Forest service apron; the amendment to the 224 Business Court LLC lease; and the hiring of the airport’s grounds keeper/custodian.
- T-hangars occupancy update. The AM stated that we are 100% full...waiting list is at 30
- Airport Status – the AM notified the board that everything is in the “green”, and he noted that he is still working with the County to schedule a herbicide application for the airport, Fair dr. and Business Court.

	Lights (PAPIs, Beacon, Rwy Edge, Taxiway, Signs)
	Communication (CTAF, GCO, AWOS)
	Weather Station
	Facilities
	Miscellaneous (Construction, Closures, etc)

- Airport Development Update:
 - Active Private Projects

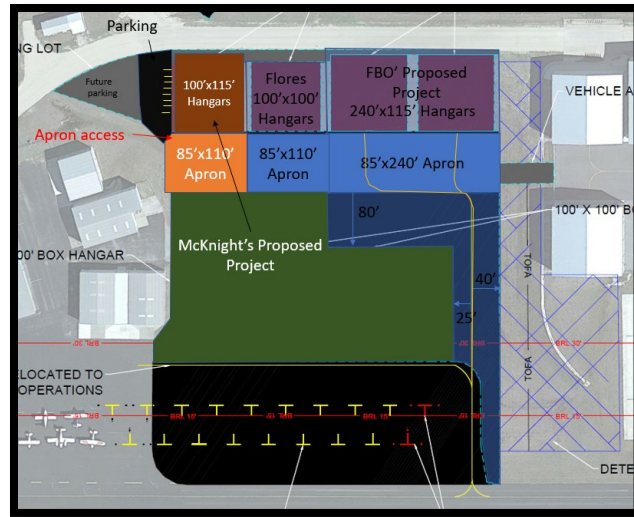
#	Developer	LOI Date Rev'd	Status	Comments
1	SSBT Expansion	09/15/21	Rec'd Approval by AAB (Oct '21)	Presented to the Judge on Oct 21 st . Under review by the Judge...Amend current lease vs Create a new lease?
2	Rhett Hawk Expansion	12/28/21	II	Response required by 01/18/23
3	FBO Expansion	02/02/22	II	
4	Darren Flores (Private Hangar)	02/18/22	II	
6	224 BC LLC (~1.26 ac expansion)	3/9/22	II	
7	McKnight	5/12/22	AAB	

OPEN FLOOR

- Texas Forest Service –Randal Fuchs provided a quick update for the Forest Service. He mentioned the due to the recent weather some of the air assets have been released. There are only 3 SEATS at T82.

NEW BUSINESS

- Review of lease rates, plus lease terms and conditions. Mr. Smith requested support from the board to undertake a full review of all the leases to include lease rates, terms and conditions. (Please see attachment for his proposal)
- Tom McKnight's LOI. Since Mr. McKnight was unable to attend, the AM presented Tom's proposal to the board. Adam Sheffield (McKnight's representative) was available to answer any questions. McKnight requested support to build a 100'x115' business hangar in the midfield area for the planned purpose to manufacture aircraft.



- After the AM gave a summary of lease details (the requested square footage, lease rate and lease amount), the Board discussed the request. After a long open discussion, the board recommended to table the request to allow Mr. McKnight to be in attendance so the board could ask him questions. Note: An email vote (on 5/18/22) was conducted and approved the McKnight's request.
- Ragland's LOI. Ralph Ragland requested support from the board to sale his private hangar to Chris Welch. In addition, Chris was requesting a new 30-year lease from the County. To accommodate the new lease, Chris was willing to accept all the new requirements according to the Min Operating Standards. After a long open discussion, the board recommended approval (Chad Ellebracht abstained from the vote)
- CIP Pavement Project Discussion. After reviewing the CIP pavement project for FY 23 with the board, the AM discussed the Pavement meeting that was held on May 12th. The following people attended the meeting: Tony, David, Greg and Nathan (Garver) and Phillip (Garver). The meeting was a tabletop discussion and a walking tour. The group recommended the following area of concerns:
 - #1 Priority is the Runway and Parallel (which will be taken care of next year)
 - #2 Priority is the Terminal Apron, followed by the North Apron and around the Fritz' T-hangar.
- RAMP Projects Review. The AM presented the board with a list of projects that have been discussed in the past for review. The board recommended pursuing the top two items (replacing the Beacon and running electricity to the front gate). Here is the entire list that was presented.

#	Item	Cost	Quote Date
1	LED Beacon	\$14,460.00	5/7/21
2	Electricity to front gate/C-47	\$2,000.00	
3	T-hangar Reno	\$62,902.00	2/23/21
4	Erosion (Airport Rd/Fair Dr.)	\$5,000.00	6/5/20
5	Repair Fence (Fair Road)(new lumber and clamps)	\$49,656.40	7/15/20
6	Remove fence (Fair Road)	\$11,350.00	7/15/20
7	Trees in the approach to Rwy 14		
8	New Ramp Lights (near Hotel and Diner)	\$4,580.00	
9	Solar LED taxiway light	\$5,000.00	

- FY23 Budget Presentation. The AM presented the FY23 budget to the board for their review and approval (see attached slides). The board unanimously recommended approval.

OLD BUSINESS.

- CIP updates:
 - Phase II update. The AM gave a quick update on the construction. According to the Contractor, they are 25% complete.
 - Planning Study Update. The AM mentioned that Garver is working on the CIP list and the property map. The AM expects Garver to present both at the next AAB meeting.
 - “FAA Acknowledgment of Turf Options” update. The AM is working with Larry L. Satterfield (FAA Aviation Safety, Flight Standards Service/Aviation Safety Inspector). The AM contacted Larry on May 16th and was told that the FAA was going to meet on May 17/18 to discuss the application/approval process. Larry also mentioned that our airport is the first to request FAA support for “Aircraft Operations in the Unpaved Runway Safety Area (RSA).” Finally, the AM mentioned that he was told that they unofficially supports our request.

REPORTS

EAA report – Mrs. Mooney mentioned that last year’s scholarship winner is still waiting on his check ride. She also mentioned that the EAA is looking at sponsoring another Young Eagles event (maybe in June).

David Smith reviewed the fuel sales for last month and Tim Lehmborg reviewed the sale tax reports for the City and County.

ADJOURNMENT (3:30). The next meeting is Jun 20th.

Note: all minutes are available on the airport website (<http://www.gillespiecounty.org/page/airport%20-%20AAB%20Minutes>)


AAB Project
Land Leases, Rates, Terms & Conditions
Discussion Guide Rev 051222

1. Project Objectives
 - a. Lease Agreements must be consistent with FAA Grant Assurances and C of G governance principles – Non-exclusive, non-discriminatory, assured public access, for maximum long-term benefit to the majority of our community and airport, with identical rates, terms and conditions, for investors in the same or similar business purposes.
 - b. Consider and recommend Land Rental Rates and Fuel Flow Fees that are defensible in relation to Fair Market Value of the land, and equitable between our Airport Sponsor (C of G) and private investors.
 - c. Consider the unique challenges of Lease Agreements for Private Hangars, and recommend policies to address these issues.
 - c.1. What happens if the Lessee wants to sell his lease-hold improvements?
 - c.2. What happens when the Lease Agreement nears its expiry date?
 - d. Review every Lease Agreement in effect at our Airport and Business Park for consistency of Rates, Terms and Conditions.
 - d.1. What business activities form a class of same or similar business purposes?
 - d.2. What Land Rental Rates should apply by location of land in question? Adjust current Tier 1, 2 & 3 definitions? Consider comparable Rental Rates of other airports in our region. Relate to FMV of land.
 - d.3. Consider appropriate Fuel Flow Fees, and where applied.
 - d.4. What are appropriate Terms & Conditions by class of business purpose?
 - d.5. If and when discrepancies arise through this project, consider how these should be cured. (Lease Agreements are contracts, and they may be amended only by mutual agreement of both parties)
2. Participation in Project – Full Airport Board, with input of our Commissioners, private investors, and interested public, in public discussions. Make this project an agenda item in our monthly AAB meetings.
3. Proposed time frame – 5 months to get to recommendations to our Commissioners Court.

David D. Smith



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Agenda

1. Call to Order
2. Approval of Minutes
3. Airport Manager's Report
4. Open floor (Crosswind, TFS, Tac Aero, and guest)
5. New Business
5. Old Business
6. EAA report/update/comments
7. Comments-FBO, EDC, and Board Members
8. Adjourn

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AAB

- Apr's Minutes Approval – vote needed
- Airport Manager's Report
 - Event Update (*Italicized - Unconfirmed*)
 - July 4th Fireworks

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AAB

- Airport Manager's Report
 - Court Review –None.
 - T-Hangar Occupancy – 100% (30)
 - Airport Status:

	Lights (PAPIs, Beacon, Rwy Edge, Taxiway, Signs)
	Communication (CTAF, GCO, AWOS)
	Weather Station
	Facilities
	Miscellaneous (Construction, Closures, etc)

Working with the County to get a Herbicide application for the airport (this will include Fair Rd. and Business Court)

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AAB

- Airport Development Update:
 - Active Private Projects:

#	Developer	LOI Date Rcv'd	Status	Comments
1	SSBT Expansion	09/15/21	Rec'd Approval by AAB (Oct '21)	Presented to the Judge on Oct 21 st . Under review by the Judge...Amend current lease vs Create a new lease?
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4	Darren Flores (Private Hangar)	02/18/22	II	
5	224 Bus Crt LLC (~1.26 acs south of current location)	03/9/22	II	
6	McKnight	05/12/22	AAB	


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AAB

- Open Floor
 - Crosswind
 - TFS
 - Rhett Hawk
 - Tac Aero MX
 - Guest

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AAB

• New Business–

- Tom McKnight's LOI

May 12, 2022

Airport Advisory Board
 Gillespie County Airport
 C/O Tony Lombardi, Airport (T&Z) Manager
Lombardi@gillespiecounty.org

Re: Proposal to build a business hangar in the midfield area. (see attached location exhibit)
 Phase 1 request to the Airport Advisory Board

Dear Airport Advisory Board,

I am proposing to lease up to approximately .5 acres, situated north of the Flores proposed hangar (along Airport Road), for the purpose of constructing a business hangar to manufacture aircraft and aircraft components.

We would like to build a 100' by 115' aircraft hangar that will include office space, part storage area, paint booth, composite layup area, lounge and restrooms. We are requesting a Phase 1 approval prior to moving forward with design of a site plan and meetings with DRC and survey. In addition, once approved to move to phase II, we will determine the location of the required parking locations.


Site utilities are available along airport road including CT&C electricity, City of Fredericksburg water and sanitary sewer. We will work with the other midfield developers to ensure proper storm water drainage.

We will pay for site development of all on-site infrastructure. We desire to connect to the City's utilities and will pay their respective impact fees.

We propose to use the standard lease term of 30 years with an option of renewal for further 10 years on such terms as may then be agreed between the parties.

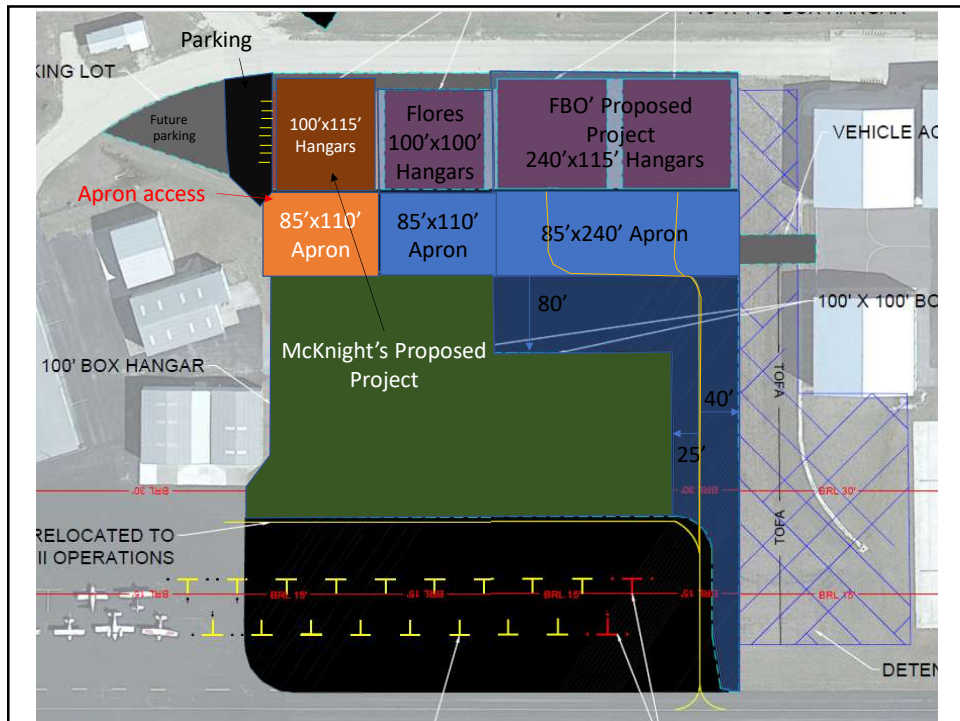
Please advise if you need further information to consider our proposal.

Sincerely,




Thomas N McKnight
 405 North Llano St.
 Fredericksburg, Texas 78624

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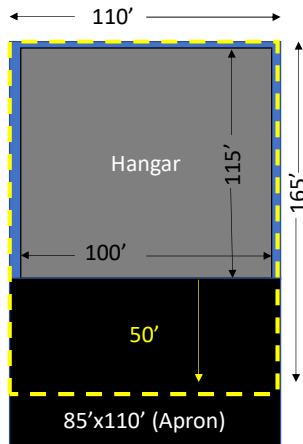


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Proposed Private Hangar (Mid field)

- Total Lot – 18,150sqft
 - Hangar - 100'x115'
 - Apron – 50'x110'
 - 5ft on both sides and back
 - Parking area required (~1000sqft)
- Est Rent (Tier I (\$.28)) - ~\$447 monthly
- Parking area.
 - Option 1 - Area north of Hangar
 - Option 2 – Across airport road




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AAB

- **New Business–**
- **Ralph Ragland’s LOI to sale his hangar to Chris Welch**



Date: May 16, 2022

To: Gillespie County Airport Advisory Board

From: Ralph Ragland, LLC

Re: Letter of Intent and proposal to transfer the leasehold ownership interest in the real property land located at 510 Airport Rd (T82 Airport) from Ralph Ragland, LLC. to Lighter Side of Travel, LLC.

Attention: Dave Smith, Chairman, Steve Allen, Co-Chairman and other Advisory Board members

Thank you for allowing Christian Welch and me to present this letter of intent to you.

Ralph Ragland LLC, lessee, under that certain ground lease dated December 14, 2009, desires your approval to transfer its leasehold interest in the real property land located at 510 Airport Road to Lighter Side Of Travel, LLC, an entity wholly owned by Christian Welch and his wife, Jennifer Welch.

Lighter Side Of Travel, LLC, has agreed and hereby desires to enter into a new ground lease with Gillespie County subject to a new land lease incorporating the terms and conditions recently provided by Tony Lombardi which include, among other terms, using Gillespie County's new ground lease form, airport rules and regulations, rental rates, revised plat measurements, initial lease term of 30 years, option for a renewal term of 10 years, etc.

Upon your and Gillespie County's approval of this proposed transaction, Lighter Side Of Travel, LLC, agrees to enter into and execute a new ground lease with Gillespie County and Ralph Ragland, LLC, agrees to enter into and execute a lease termination agreement for the existing ground lease with Gillespie County.

Should you desire any additional information or have any questions please feel free contact us as follows:

Christian Welch, Lighter Side Of Travel, LLC., by phone at (830) 889-0082 or by email at Chris@swissomation.com, and

Ralph Ragland, Ralph Ragland, LLC., by phone at (713) 208-8822 or by email at ralphr@me.com

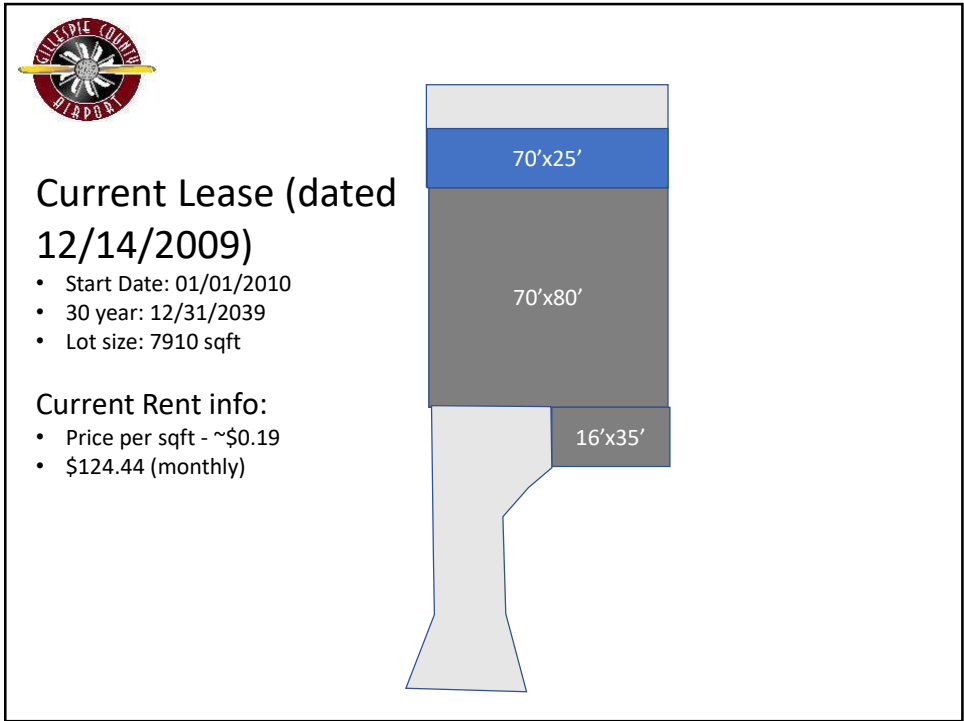
We would like to close this transaction at the earliest date of your approval.

Best Regards,

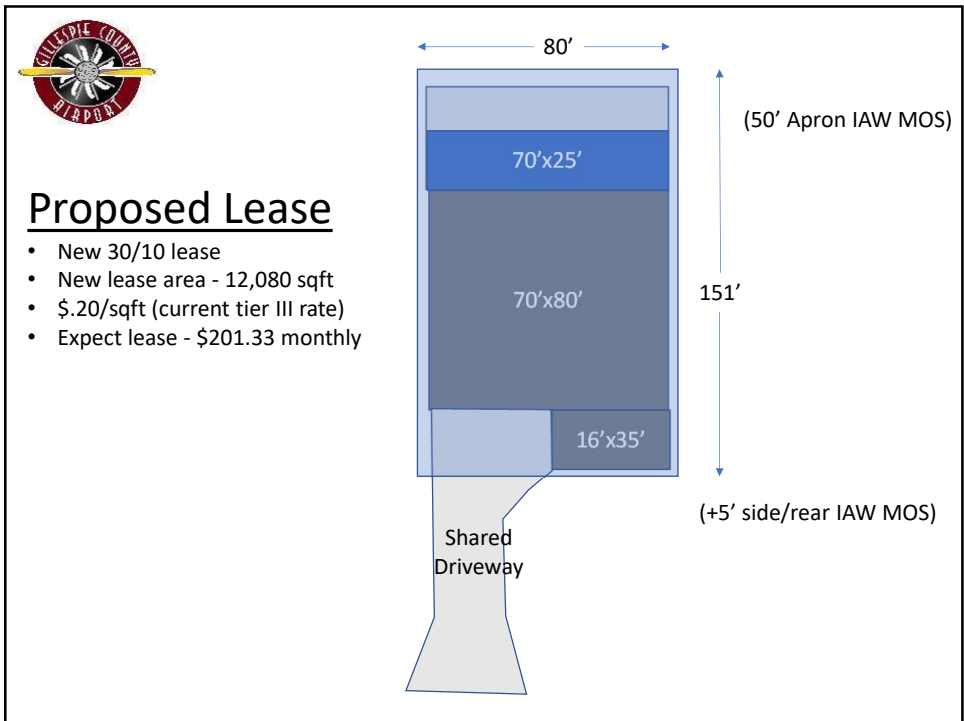
Ralph Ragland, LLC
By Ralph Ragland, Member, and

Lighter Side Of Travel, LLC.
By Chris Welch, Member

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AAB

- New Business Cont:

- CIP Pavement Project discussion
 - FY 23 CIP
 - Payment Meeting Summary – May 12th
 - Attendees: Tony, David, Greg and Nathan and Phillip (Garver)
 - Pavement Discussion and Tour
 - Recommendations
 - #1 - Runway and Parallel
 - #2 - Terminal Apron
 - #3 - North Apron/around the Fritz' T-hangar
- Note: It was recommended that we add coring of the terminal/north apron to the scope of work for the runway project (if possible)

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AAB

- New Business Cont:

- Review of lease rates, plus lease terms and conditions
 - Mr. Smith

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3. Proposed time frame – 5 months to get to recommendations to our Commissioners Court.

David D. Smith

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AAB

- New Business Cont:
 - RAMP Project list Review
 - Budget Review

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RAMP Projects

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Airport Operating Fund

Current Balance Sheet Amount (as of May 2022)	\$534,807.58
Remaining Expected Revenue (\$10k-20K low)	\$81,727.10
Remaining allotted Budget (\$20K-\$40K high)	(\$129,799.78)
Expected Amount at the Beginning of the FY	\$486,734.90

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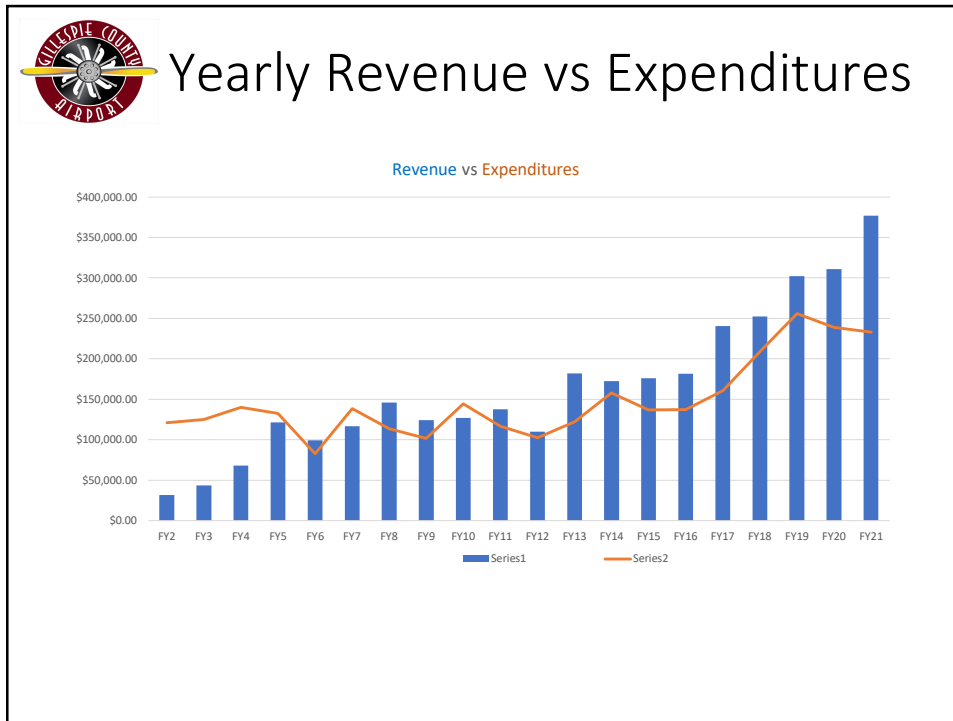
Projected Revenue

Projected Revenue	
State Revenues (RAMP)	\$45,000.00
Interest Earnings	\$2,000.00
Land Lease (Airport)	\$110,000.00
Rental County T-Hanger Space	\$55,000.00
Fuel Flowage Fee	\$25,000.00
3% Revenue	\$12,000.00
Ramp/Tie Down Fee	\$2,000.00
Business Park Leases	\$59,000.00
	\$310,000.00

Special Circumstances (State/Fed) Revenue		
FY22-23	American Rescue Plan Act (ARPA)	\$59K
????	Repayment for land	\$600K

Projected New Lease Revenue	
Land Lease (FBO/DF/TM)	\$25,000.00
Business Park Leases (SSBT & 224 BC LLC)	\$30,000.00
	\$55,000.00

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CIP List

PROJECT YEAR	FEDERAL	LOCAL	TOTAL	PROJECT DESCRIPTION
2023	\$ 130,500	\$14,500	\$145,000	Engineering and Design for Runway and Taxiway Reconstruction (NPE 2022)
2023	\$1,606,500	\$178,500	\$1,785,000	Runway and Taxiway Reconstruction (NPE 2023)
Awaiting the Completion of the Planning Study				
????	\$600,000	\$66,667	\$666,667	Land Reimbursement

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ACCOUNT DESCRIPTION	ACTUAL 09-30-2020	ACTUAL 09-30-2021	FY22 BUDGET Adopted	FY23 BUDGET REQUEST	Comments
POSTAL EXPENSES	.00	17.79	100.00	100.00	
OTHER / OFC SUP	610.59	576.12	1,000.00	1,000.00	ink/paper, etc
FUEL & OIL	741.58	675.03	2,500.00	2,500.00	
CUSTODIAL	.00	.00	3,000.00	3,000.00	Cleaning supplies
OTHER / OPER SUP	1,323.32	1,460.29	5,000.00	5,000.00	Non RAMP maintence items
BUILDINGS	702.78	74.99	5,000.00	5,000.00	Contingency for AC failure and other issues
OFFICE EQUIPMENT	.00	.00	1,000.00	1,000.00	Contingency for computer failure
AUTOMOTIVE/ROAD EQUIPMENT	852.15	326.11	3,000.00	3,000.00	Contingency for Truck and tractor, etc
OTHER / R&M SUP	44,848.21	57,394.08	100,000.00	100,000.00	RAMP Budget
SUBSCRIPTIONS	.00	.00	40.00	40.00	FAR subscription
ENGINEERING/ARCHITECT SERV	.00	.00	.00	35,000.00	SWPPP update (\$15K) and South dev plan (\$20K)
OTHER / PROF SERV	775.00	499.00	10,000.00	10,000.00	Surveying + Tree Expert Consultation
LANDSCAPING	.00	75.76	.00	.00	


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ACCOUNT DESCRIPTION	ACTUAL 09-30-2020	ACTUAL 09-30-2021	FY22 BUDGET Adopted	FY23 BUDGET REQUEST	Comments
JANITORIAL	.00	.00	.00	.00	
TELEPHONE	4,930.95	4,435.98	4,000.00	4,000.00	
CONFERENCE/TRAVEL EXPENSES	275.00	200.00	1,500.00	1,000.00	TXDOT Avn Conf
ADS & LEGAL NOTICES	.00	.00	200.00	200.00	
ELECTRICITY/WATER	13,257.00	10,409.97	14,000.00	14,000.00	
OFFICE EQUIPMENT	.00	.00	.00	.00	
OTHER / RENTALS	.00	.00	.00	.00	
DUES	.00	59.96	.00	.00	
INSURANCE	1,952.00	2,390.00	2,200.00	3,500.00	
CONTRACT LABOR	.00	.00	.	.	
OTHER / MISC SERV	4,219.19	4,132.49	4,500.00	4,500.00	Property TAX (\$4335.93)
OTHER	.00	.00	.00	.00	


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ACCOUNT DESCRIPTION	ACTUAL 09-30-2010	ACTUAL 09-30-2021	FY21 BUDGET Adopted	FY22 BUDGET REQUEST	Comments
AIRPORT BUILDINGS	.00	.00	.00	.00	
OTHER / IMPROVEMENTS	5,069.58	.00	48,000.00	.00	
OTHER	43,950.00	24,894.00	178,214.00	193,000.00	Sponsor's share (\$178.5K+14.5K)
FEDERAL GRANT IMPROVEMENTS	.00	.00	.00	.00	
OFFICE EQUIPMENT	.00	.00	.00	.00	
AUTOMOTIVE	.00	.00	.00	.00	
OTHER / M&E	.00	.00	20,000.00	23,000.00	Utility Vehicle with Herb kit (CRRSAA Funds)
GENERAL FUND	.00	.00	.00	.00	
AIRPORT CAPITAL PROJECT GR	.00	.00	.00	.00	
	123,507.35	107,621.57	403,254.00	408,840.00	
(minus CIP&CRRSAA)	123,507.35	107,621.57	225,040.00	192,840.00	

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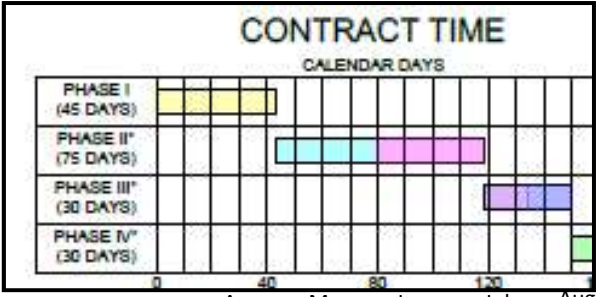
AAB



- Old Business:
 - Capital Improvement Projects (CIP)
 - Phase II update T82
 - 25% complete (1 day lost to weather)

CONTRACT TIME

CALENDAR DAYS



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AAB

•Old Business:

- Capital Improvement Projects (CIP)
 - Planning Study Update – CIP list and Property Map update
- “FAA Acknowledgment of Turf Options” update
 - Working with FAA Larry L. Satterfield, Aviation Safety, Flight Standards Service/Aviation Safety Inspector

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AAB

- EAA report/update/comments
- Comments-FBO, EDC, and Board Members

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Questions

Next Meeting: June 20th