

Minutes of the
 GILLESPIE COUNTY AIRPORT ADVISORY BOARD
 Monday, Jul 18, 2022
 @ County AgriLife Building

MEMBERS PRESENT:	STAFF PRESENT:	GUESTS PRESENT:
David Smith	Tony Lombardi, Manager	Ethan Crane
Chad Ellebracht	Keith Kramer, County	Tim Lehmborg
Keith Keller		Darren Flores/Chandler Bartley
Judie Mooney, EAA Rep		Clint Hawn
		Tim Pierson (TFS)
		Gwen Fullbrook
		Tom Bierschurale
	Absent	Dawn Duley
Greg Snelgrove	Bobby Watson, City	Jessica Sanders
Steve Allen		Nathan Polsgrove
Paul Hannemann		

CALL TO ORDER

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

Opening Comments: Mr. Smith mention that the board was at its minimum number and could vote on a few items, but will need to table a few items. He also mentioned that he will discuss with the board at the next meeting to cancel future July board meetings (like the December meetings).

APPROVAL OF MINUTES

Minutes of the regular Jun 20, 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 – No events scheduled within the next 2-3 months
 - Court Action – On 6/27, the Court approved the quote to repair the tractor shed; the selling of James Kemp’s private hangar to 3K Aero and the termination of J. Kemp’s lease & and the new 30-year lease for 3K Aero; the hiring of Hill Country Storm Water & Environmental Compliance to update our SWPPP; and the quote to remove and replace the beacon by F&W Electric.
- T-hangars occupancy update. The AM stated that we are 100% full...waiting list is at 32.

- Airport Status – the AM reviewed the current status of the lights.

	Lights (PAPIs, Beacon, Rwy Edge, Taxiway, Signs) <ul style="list-style-type: none"> • Runway lights - PIC only • Beacon light – inop (Est time to repair is Aug 10th)
	Communication (CTAF, GCO, AWOS)
	Weather Station
	Facilities
	Miscellaneous (Construction, Closures, etc) briefed during the Phase II update

- Airport Development Update:
 - Active Private Projects

#	Developer	LOI Date Rev'd	Status	Comments
1	Rhett Hawk Expansion	12/28/21	II	Response required by 01/18/23
2	FBO Expansion	02/02/22	II	
3	Darren Flores (Private Hangar)	02/18/22	II	
4	224 BC LLC (1.324 ac expansion)	3/9/22	II	On hold...This will be included in the SSBT expansion proposal.
5	McKnight	5/12/22	II	
6	224 Bus Crt LLC (2.55 acs south of SSBT)	6/22/22	AAB	

OPEN FLOOR

- Crosswind Aviation. Gwen Fullbrook mentioned that they have 12 students in their “in-person” ground school. Gwen also said they are so busy they set a flight time and fuel record for the month. Finally, she also mentioned that two key members of the Sweetwater WASP Museum (Lisa Taylor and Caroline Jensen) visited the airport last week to tour and visit with Tony L. and Ethan Crane. Gwen said they learned a lot and thanked those who helped with the tour.
- Texas Forest Service – Tim Pierson provided a quick update for the Forest Service. He stated that the drought and weather conditions are affecting the entire state. He also mentioned that Texas has the most deployed aviation assets that he has ever seen.
- Rhett Hawk (Dawn Duley) – They are currently working on the C-47 reno (i.e. washing, repainting, new tires, etc)

- Tac Aero MX – Tom said they are busy, and they hired a new intern to help while working on his A&P Certificate.
- Jacobra Aviation – Jessica Sanders introduced herself to the board. She works for Jacobra Aviation (officed in Rhett Hawk). They buy and sell jets, and have several jets based at T82.

NEW BUSINESS

- 224 BC LLC’s LOI. Clint Hawn reviewed their LOI with the board. 224 Business Court, LLC wants to develop the land south of the current SSBT site similar to their location at 224 Business Court. The board unanimously recommended approval to move to phase II.
- FBO’s Phase II Presentation. Mr. Smith gave his phase II presentation to the board. He covered the required items:
 - Engineering Issues of Site Preparation and Development
 - Specs of Building and Aircraft Door
 - Project Budget
 - Finance Plan

Due to the limited number of board members at the meeting (4), and 2 of the members had to abstained from voting, the board tabled the vote until the Aug meeting.

- Flores’ Phase II Presentation. Mr. Flores gave his phase II presentation to the board. He covered the required items:
 - Engineering Issues of Site Preparation and Development
 - Specs of Building and Aircraft Door
 - Project Budget
 - Finance Plan

Same as the FBO, due to the limited number of board members at the meeting (4), and one of the members had to abstained from voting, the board tabled the vote until the Aug meeting.

OLD BUSINESS.

- CIP updates:
 - Phase II update. The AM gave a quick update on the construction and the upcoming taxiway closures.
 - Planning Study Update. Garver presented an update during the executive session.
 - “FAA Acknowledgment of Turf Options” update. The AM mentioned that TXDOT notified him that they have pushed it back to the FAA to do the safety assessment. They stated that it is the responsibility of the FSDO to conduct those assessments.
 - Update of Airport Leases Review project. Mr. Smith reviewed the results of a survey conducted by the AM with neighboring airports. Mr. Smith also reviewed the current and projected revenue charts for the airport with the board and discussed the “3% annual gross fee” clause that effects a few leases at the airport and business park. Mr. Smith provided some history of the “3% annual gross fee” clause. It was meant to help the aircraft storage businesses (i.e. t-hanger rentals). It was never meant to be a fee on the other airport businesses. Mr. Smith stated during the Rhett Hawk lease development there was some miscommunication between the Board and the Airport Manager at the time (Roger Hansen). The “3% annual gross fee” clause was not supposed to be added to that lease. As a result, the “3% annual gross fee” clause has become the standard, and Mr. Smith wants the board to relook at it. A proposal was discussed, but not voted on.

REPORTS

EAA report – Mrs. Mooney mentioned that the EAA is hosted Young Eagles event last month and flew 60 kids.

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

ADJOURNMENT (2:35). The board was adjourned and went into an executive session. The next meeting is Aug 15th.

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

Attachment



1

A presentation slide titled "Agenda". In the top left corner is a circular logo for "SUNSHINE COUNTY AIRPORT" featuring a stylized sunburst or wheel design. The word "Agenda" is written in a large, black, sans-serif font. Below the title is a numbered list of eight items:

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

- Jun's Minutes Approval – vote needed
- Airport Manager's Report
 - Event Update (*Italicized - Unconfirmed*)
 - No scheduled events

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AAB

- Airport Manager's Report
 - Court Review – On 6/27, the Court approved the quote to repair the tractor shed; the selling of James Kemp's private hangar to 3K Aero and the termination of J. Kemp's lease & and the new 30-year lease for 3K Aero; the hiring of Hill Country Storm Water & Environmental Compliance to update our SWPPP; and the quote to remove and replace the beacon by F&W Electric.
 - T-Hangar Occupancy – 100% (32)
 - Airport Status:

	Lights (PAPIs, Beacon, Rwy Edge, Taxiway, Signs) <ul style="list-style-type: none"> • Runway lights - PIC only • Beacon light - inop
	Communication (CTAF, GCO, AWOS)
	Weather Station
	Facilities
	Miscellaneous (Construction, Closures, etc) We brief during the Phase II update

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AAB

- Airport Development Update:
 - Active Private Projects:

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AAB

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

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AAB

- **New Business–**
- 224 BC LLC’s LOI to develop the 2.55 acres in the Business Court (south of SSBT)

June 20, 2022

Airport Advisory Board
 Gillespie County Airport
 C/O Tony Lombardi, Airport (T82) Manager
tlombardi@gillespiecounty.org

Re: Proposal to lease – approximately 2.5 acres in the Gillespie County Business Park

Dear Airport Advisory Board,

As you are aware, 224 Business Court, LLC has requested permission to sell our current lease hold improvements to Security State Bank and Trust. As of today’s AAB approval to recommend to the Commissioners Court, we request to consider of a Phase 1 request (letter of intent) to lease the 2.5 acres immediately adjacent and south of the Security State Bank and Trust operations center. We have not yet designed as site as our current project is in completion. With recent events on our site we have not yet developed a suitable site plan for this proposal.

This project will provide needed office and warehouse space for lease to tenants – similar to our original intent on 224 Business Court.

Site utilities are available including City of Fredericksburg water and sanitary sewer. The site will drain into the adjacent road and into the regional storm water detention pond.

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 20 years on such terms as may then be agreed between the parties.

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

Sincerely

Mark Cornett
 224 Business Court, LLC

Copy: Jacob Grant and Clint Hawn


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LOI Site for 224 Business Court, LLC

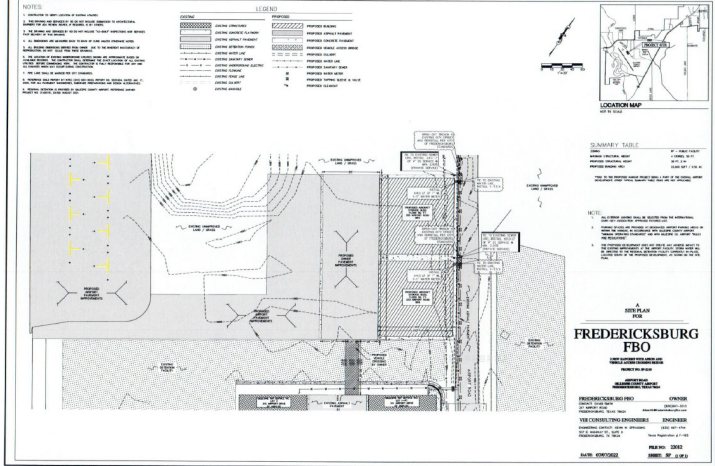


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AAB

- New Business Continued:
 - FBO's phase II Presentation



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FBO's Phase II Presentation

- The Project Description should address in reasonable detail these general subject areas:
 1. Engineering Issues of Site Preparation and Development
 2. Specs of Building and Aircraft Door
 3. Project Budget
 4. Finance Plan

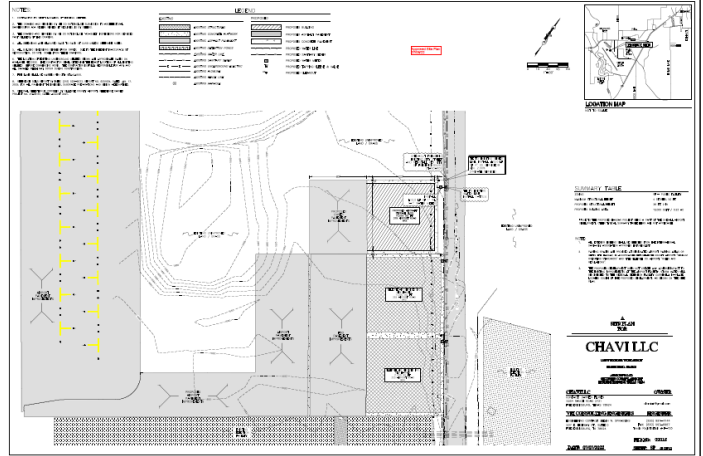
Note: The City/DRC approved the site plan on July 8th

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AAB

- New Business Continued:
 - Flores' phase II Presentation



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Flores' Phase II Presentation

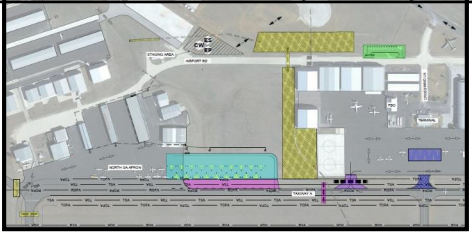
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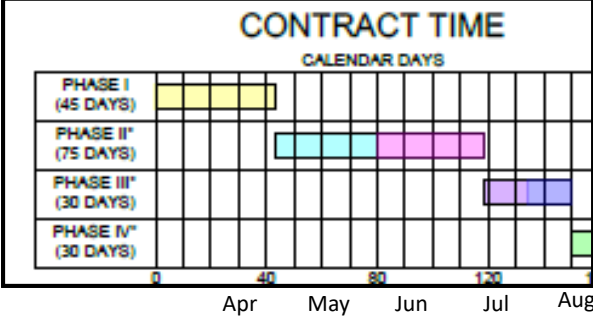
AAB



- Old Business:
 - Capital Improvement Projects (CIP)
 - Phase II update T82

CONTRACT TIME

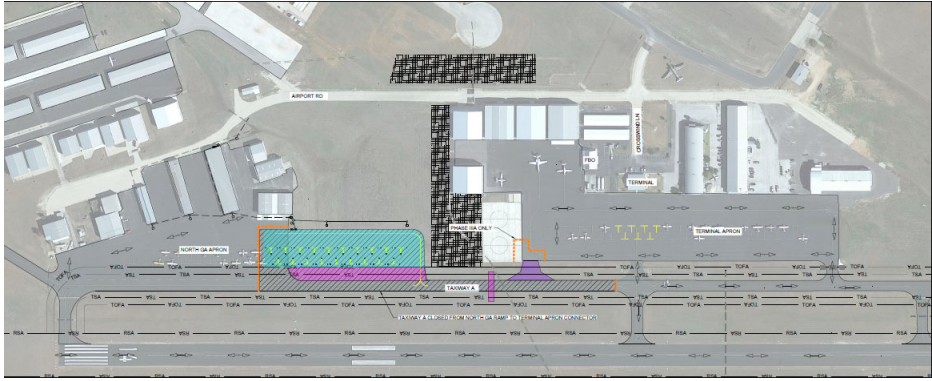
CALENDAR DAYS



Phase	Duration (Days)	Start Date	End Date
PHASE I	45 DAYS	Apr 1	May 16
PHASE II*	75 DAYS	May 16	Jul 0
PHASE III*	30 DAYS	Jul 0	Jul 30
PHASE IV*	30 DAYS	Jul 30	Aug 29

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Taxiway Closures




LEGEND

- PHASE I*
- PHASE II*
- PHASE III* (ADJUTIVE ALTERNATE I)
- PAVEMENT CLOSED FOR CONSTRUCTION
- TSA - TAXIWAY SAFETY AREA
- TOFA - TAXIWAY OBJECT FREE AREA
- AIRCRAFT ROUTE
- LIGHTED BARRICADE

CLOSURE SCHEDULE

CALENDAR DAYS



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AAB

• Old Business:

- Capital Improvement Projects (CIP)
 - Planning Study Update –Update during executive session
- “FAA Acknowledgment of Turf Options” update
 - The FAA delegated it to TXDOT on May 27th to conduct the safety assessment...TxDOT responded... “we need more clarification”
- SSBT Expansion Update – July 25 Comm Court Agenda
- Update of Airport Leases Review project

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Lease Review

(SURVEY OF AIRPORT FEES & RENTS, JUNE 2022)

• Responses (4)

- Aransas County (Rockport)
- South Texas Regional (Hondo)
- City of Granbury
- City of Cleburne

QUESTIONS	Rockport	Hondo	Granbury	Cleburne
Ground Lease Rates - \$ per Sq Ft - Year	\$ 0.12	\$0.23	\$0.22	\$ 0.11
CPI Adjust - Y/N	Yes	Yes	Yes	Yes
When?	Annual	5 Yrs	5 Yrs	3 Yrs
Lease Term - years	30 Yrs	25 Yrs	30 Yrs	30 Yrs
T-Hangar Rents - \$/Mo	\$200 - \$290	\$180	\$305	\$200
Box Hangar Rents - \$ /Mo	No Rpt	\$400 - \$6,000	\$2,000 - \$6,000	\$1,000
Fuel Flow Fee - \$ per gallon	\$0.10	None	No Rpt	None
Sponsor Owns FBO & Services - Y/N	Yes	Yes	No Rpt	Yes

Note: No 3% of Gross Rental Receipts.
All respondents are moving toward Sponsor owns and operates FBO, Fuel Services, Hangars.

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Revenue

Note: Proposed \$.02 increase in fuel flow

Projected Revenue (FY 22 Numbers)		FY23 (CPI adj)
State Revenues (RAMP)	\$45,000.00	\$45,000.00
Interest Earnings	\$2,000.00	\$2,000.00
Land Lease (Airport)	\$133,000.00	\$144,970.00
Rental County T-Hanger Space	\$55,000.00	\$56,650.00
Fuel Flowage Fee (400K gallons sold)	\$24,000.00	\$32,000.00
3% Revenue	\$10,700.00	\$11,083.20
Ramp/Tie Down Fee	\$2,000.00	\$2,000.00
Business Park Leases	\$59,000.00	\$64,310.00
	\$330,700.00	\$358,013.20

Projected New Lease Revenue	
Land Lease (Airport)	\$32,792.00
Business Park Leases	\$33,767.80
Total	\$66,559.80
CPI adj	\$72,559.80

Expected CPI Adjustment for FY23 (9%)	\$18,930.00
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3% Annual Gross Fee

FY 22					
Lessees w/ 3%	Sqft lot	Current Monthly Rent	Current 3% Monthly Revenue	Total Combined Monthly Rent	Annual Projected 3% Revenue
224 Business Court, LLC	66,821.0	\$1,114.03	\$104.00	\$1,218.03	\$1,248.00
Blue Sky Hangars (Allen)	12,000.0	\$198.29	\$60.00	\$258.29	\$720.00
Luftplatz (Rhett Hawk)	53,602.0	\$1,014.22	\$165.00	\$1,179.22	\$1,980.00
Fritz T-Hangar	23,692.0	\$191.66	\$90.00	\$281.66	\$1,080.00
Snowden's T-hangar (all 4)	90,674.0	\$755.76	\$475.20	\$1,230.96	\$5,702.40
		\$3,273.96	\$894.20	\$4,168.16	\$10,730.40

Questions:

- Why do we charge a few Airport Service businesses a 3% revenue fee?
- Proposal: Remove the 3% clause on all current leaseholders and do not add it to any future leases.
 - 1 Stipulation: To remove the 3% clause, the rent will be adjusted to the current combined monthly rent.

Note: This does not apply to Aircraft Storage Businesses (T-hangars)

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FY23 Projection

(CPI Adjusted (9%))

FY23 CPI Adjustment							
Lessees w/ 3%	Sqft lot	Adjusted Monthly Rent	Current 3% Monthly Revenue	Total Combined Monthly Rent	Annual Projected 3% Revenue	New Rent Monthly (no 3%, at Current Combined rent)	Est price per sqft annually
224 BC	66,821.0	\$1,214.29	\$104.00	\$1,318.29	\$1,248.00	\$1,318.29	\$0.24
Blue Sky Hangars	12,000.0	\$216.14	\$60.00	\$276.14	\$720.00	\$276.14	\$0.28
Luftplatz (Rhett Hawk)	53,602.0	\$1,105.50	\$165.00	\$1,270.50	\$1,980.00	\$1,270.50	\$0.28
		\$2,535.93	\$329.00	\$2,864.93	\$3,948.00	\$2,864.93	

- Pros:
 - Less paperwork (ledger/tracking of revenue) (1 check)
 - All Service businesses are the same (no revenue tax)
- Cons:
 - Possible loss of future revenue for the airport from sub-lease rent increases and loss revenue from new facilities that want to sub-lease (i.e. SSBT).
 - For the lessee, the CPI adjustment will be applied to the new rent number for the future of the loan no matter if you stop sub-leasing or not.

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Revenue (relook)

	Projected Revenue (FY 23)	Adjusted
State Revenues (RAMP)	\$45,000.00	\$45,000.00
Interest Earnings	\$2,000.00	\$2,000.00
Land Lease (Airport)	\$144,970.00	\$147,670.00
Rental County T-Hanger Space	\$56,650.00	\$56,650.00
Fuel Flowage Fee (400K gallons sold)	\$32,000.00	\$32,000.00
3% Revenue	\$11,083.20	\$7,135.20
Ramp/Tie Down Fee	\$2,000.00	\$2,000.00
Business Park Leases	\$64,310.00	\$65,558.00
	\$358,013.20	\$358,013.20

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AAB

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

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FBO Fuel Sales

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Total
AvGas - Gals													
Gillespie Air Services @ Retail	8,665	9,307	11,915	12,850	12,679	9,721							
Net Total AvGas Market T&E	8,665	9,307	11,915	12,850	12,679	9,721							
Total Market, Same Month, Prior Yr	9,323	6,051	9,839	11,914	8,800	11,048	9,384	9,918	14,726	13,413	10,574	10,411	126,208
Percent Growth (Decline)	-7%	54%	21%	8%	44%	38%							
Cumulative YTD - This Year	8,665	17,972	29,887	42,737	55,416	65,137							
Last Year	9,323	12,374	22,212	32,127	40,927	47,765	67,166	77,084	91,811	105,224	115,797	126,208	
Percent Growth (Decline)	-7%	17%	19%	15%	21%	13%							
% Total by Month	23.8%	25.7%	20.4%	25.1%	23.8%	16.4%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Jet A - Gals													
			F.F. 12,065 Gal	F.F. 9,883 Gal									
Gillespie Air Services @ Retail	27,790	26,870	46,538	38,290	40,675	49,566							
Net Total Jet A Market T&E	27,790	26,870	46,538	38,290	40,675	49,566							
Total Market, Same Month, Prior Yr	28,532	19,431	31,218	31,285	28,580	45,694	31,347	28,892	35,271	44,024	43,315	38,309	403,868
Percent Growth (Decline)	-3%	38%	49%	23%	53%	8%							
Cumulative YTD - This Year	27,790	54,660	101,198	139,488	180,163	229,729							
Last Year	28,532	47,963	79,181	110,466	137,016	182,715	214,057	242,949	278,220	322,244	365,559	403,868	
Percent Growth (Decline)	-3%	14%	28%	26%	31%	26%							
% Total by Month	76.2%	74.3%	79.6%	74.9%	76.2%	83.6%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Total Fuels													
Total Fuels Market T&E - Gals	36,455	36,177	58,453	51,140	53,354	59,287							
Total Market, Same Month, Prior Yr	37,855	25,481	41,058	43,200	35,396	51,542	40,731	36,811	49,997	57,437	53,889	48,720	530,077
Percent Growth (Decline)	-4%	42%	42%	18%	51%	3%							
Cumulative YTD - This Year	36,455	72,632	131,085	182,225	235,579	294,866							
Last Year	37,855	63,336	104,364	147,568	182,950	240,452	291,223	320,034	370,031	427,466	481,357	530,077	
Percent Growth (Decline)	-4%	15%	26%	23%	29%	23%							
Market Change by Quarter													
Market by Quarter			1st		2nd			3rd				4th	YTD Totals
Percent change 2021 to 2022			26%		30%								
Year 2022 Total Fuels by Quarter			131,085		163,781			129,539				160,046	294,451
Year 2021 Total Fuels by Quarter			104,364		136,058							160,046	530,077

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