

City of McCall
Airport Advisory Committee
Minutes

January 5, 2012
Noon
Legion Hall

The meeting was called to order at 1202 by Dan Scott acting as meeting chair. Committee members Dan Scott Mark Thorien, Rik Poston, and Rick Feredey were in attendance. Also attending were Mike Anderson, Brian O'Morrow, Kevin Bissell T-O Engineers, and John Anderson Airport Manager.

1. Minutes from the November 3, 2011 AAC Meeting were approved unanimously.
2. Public Comment- There was no comments from the attendees.
3. Runway Closeout Update- Kevin Bissell reported that the project was completed except for lighted runway/taxiway sign repair which should be in late January or February.
4. Land Acquisition Discussion- FAA will be advising us soon as to which land they wish us to appraise. Kevin Bissell handed out an exhibit that we have sent to FAA detailing land parcels and acreage associated with each parcel.
5. SRE Building Update- rough plumbing, connection to water and sewer, footings and stem walls, and concrete floor have been completed. Masonry work is scheduled to commence during 2nd week in January. Metal building is scheduled for delivery in late January with erection of building and completion of interior scheduled to be completed by the mid-March.
6. AAC Annual Report to City Council January 19. Committee will report on annual activities to City Council on January 19.
7. Land Lease Rate Discussion-Information attached
 - a. Resolution 10-90

- b. Resolution 00-05
- c. Resolution 07-12
- d. 7/12/08 Memo to City Council on Rates and Charges.

How do we untangle rates going forward, especially considering many leaseholders are not aware of the implications of lease rate changes at five year intervals?

The discussion revolved around several items:

- The annual CPI increase which is included in the majority of leases, has led to rates that are higher than real estate prices would otherwise indicate in this economy in the opinion of several members.
- Several people felt that the \$.35 per square foot rate for all land is too high and that we should go back to a rate for the land covered by the hangar and a rate for the remaining bare ground.
- It was acknowledged that there is a built in inequity between the footprint only leases (those hangars which lease only the land under their hangars) and the lot leases (those that lease a lot for their hangar.
- The consensus was that inclusion of rate adjustment mechanisms in exhibits which are attached to leases, primarily Resolution 10-90 and Resolution 00-05 leads leases to misunderstanding of rate mechanisms and the wording of the 10 and 5 year rate increases is potentially unfair to lease holders.
- The committee agreed that we should re-write the standard lease agreement, include the rate adjustment mechanisms into the lease agreements and come up with incentives to get existing lease holders to sign the newly formulated agreement. This would be an attempt to standardize all agreements.
- It was the stated intention of the AAC to have the Airport Manager survey similarly situated airports, analyze the data, and make recommendations regarding airport rates and charges with emphasis placed on the hangar land lease rates.