

AGENDA
SHAWNEE AIRPORT AUTHORITY
May 7, 2018 AT 6:00 P.M.
COMMISSION CHAMBERS AT CITY HALL
SHAWNEE, OKLAHOMA

CALL TO ORDER

DECLARATION OF A QUORUM

All motions will be made in the affirmative. The fact that a commissioner makes or offers a second to a motion does not mean that the commissioner must vote in favor of passage.

1. Consider approval of Consent Agenda:
 - a. Minutes from the April 16, 2018 regular meeting.
2. Discussion and consideration of execution of a Letter of Interest to accept capital funds from the Oklahoma Aeronautics Commission.
3. Discussion and consideration of a proposed lease agreement between the City of Shawnee and Red Cloud Aviation, LLC.
4. Discussion and consideration of a request to amend the existing lease between the City of Shawnee and FlyOkAir, LLC.
5. Discussion and consideration of a request to execute an agreement between the City of Shawnee and Heartland Aviation governing a public aviation memorabilia display.
6. New Business

(Any matter not known about or which
could not have been reasonably foreseen
prior to the posting of the agenda)
7. Adjournment

Respectfully submitted

Phyllis Loftis, CMC, City Clerk

Shawnee Airport Authority

1.a.

Meeting Date: 05/07/2018

SAA Minutes

Submitted By: Kacie Eck, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Minutes from the April 16, 2018 regular meeting.

Fiscal Impact

Attachments

Minutes

THE TRUSTEES OF THE SHAWNEE AIRPORT AUTHORITY OF THE CITY OF SHAWNEE, COUNTY OF POTTAWATOMIE, STATE OF OKLAHOMA, MET IN REGULAR SCHEDULED SESSION IN THE COMMISSION CHAMBERS AT CITY HALL, 9TH AND BROADWAY, SHAWNEE, OKLAHOMA, MONDAY, APRIL 16, 2018, DURING THE BOARD OF CITY COMMISSIONERS MEETING AT 6:00 P.M., PURSUANT TO NOTICE DULY POSTED AS PRESCRIBED BY LAW. UPON ROLL CALL, A QUORUM WAS DECLARED WITH THE FOLLOWING MEMBERS IN ATTENDANCE:

PRESENT: Bushong, Gillham, Harrod, Finley, Rutherford, Shaw, Salter

ABSENT: None

Call to Order

Declaration of a Quorum

AGENDA ITEM NO. 1: Consider approval of Consent Agenda:

- a. Minutes from the April 2, 2018 regular meeting.

A motion was made by Trustee Shaw, seconded by Trustee Salter, to approve Consent Agenda Item No. 1(a). Motion carried 7-0.

AYE: Shaw, Salter, Bushong, Gillham, Harrod, Finley, Rutherford

NAY: None

AGENDA ITEM NO. 2: Consideration of a resolution accepting Fiscal Year 2018 Airport Improvement Program Grant Funds offered by the Federal Aviation Administration and authorization to execute the Grant Agreement.

Airport Manager Bonnie Wilson gave a staff report. She stated the proposed resolution is required to accept any funds that may be offered by Federal Aviation Administration (FAA). The FAA allows only a 72-hour window to accept the grant funds.

Resolution No. SAA-2018-1 was introduced.

A RESOLUTION ACCEPTING A GRANT OFFER FROM THE U.S. DEPARTMENT OF TRANSPORTATION FEDERAL AVIATION ADMINISTRATION (FAA) FOR THE CONSTRUCTION OF T-HANGAR TAXILANE PROJECT NO. 3-40-0088-018-2018 FOR THE SHAWNEE REGIONAL AIRPORT.

A motion was made by Trustee Shaw, seconded by Trustee Salter, to approve a resolution accepting Fiscal Year 2018 Airport Improvement Program Grant Funds offered by the Federal Aviation Administration and authorization to execute the Grant Agreement. Motion carried 7-0.

AYE: Shaw, Salter, Bushong, Gillham, Harrod, Finley, Rutherford
NAY: None

AGENDA ITEM NO. 3: Discussion and consideration of publishing a Request for Bids for Construction for Taxilane and Pad to support construction of T- Hangars at Shawnee Regional Airport contingent on availability of funding.

Airport Manager Bonnie Wilson said this is a companion item to Agenda Item No. 2. The FAA will require a hard-bid figure at the time of the grant offer. The bid documents will include a clause contingent on the FAA awarding the grant to the Shawnee Regional Airport.

A motion was made by Trustee Harrod, seconded by Trustee Bushong, to approve the publishing a Request for Bids for Construction for Taxilane and Pad to support construction of T- Hangars at Shawnee Regional Airport contingent on availability of funding. Motion carried 7-0.

AYE: Harrod, Bushong, Gillham, Finley, Rutherford, Shaw, Salter
NAY: None

AGENDA ITEM NO. 4: New Business (Any matter not known about or which could not have been reasonably foreseen prior to the posting of the agenda)

There was no New Business.

AGENDA ITEM NO. 5: Adjournment

There being no further business to be considered, the meeting was adjourned by power of the Chair. (7:02 p.m.)

RICHARD FINLEY
CHAIRMAN

ATTEST:

LISA LASYONE, CMC, SECRETARY

Shawnee Airport Authority

2.

Meeting Date: 05/07/2018

Okla Aeronautics Comm.

Submitted By: Kacie Eck, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Discussion and consideration of execution of a Letter of Interest to accept capital funds from the Oklahoma Aeronautics Commission.

Fiscal Impact

Attachments

Okla Aeronautics Comm



Date: April 27, 2018

To: Shawnee Airport Authority

The Honorable Richard Finley, Mayor
Dub Bushong, Commissioner
Ron Gillham, Commissioner
James Harrod, Commissioner
Darren Rutherford, Commissioner
Ben Salter, Commissioner
Lesa Shaw, Commissioner

From: Bonnie A. Wilson, CM Airport Manager

A handwritten signature in blue ink, appearing to read "Bonnie A. Wilson", is written over a faint rectangular stamp.

Subject: Letter of Intent – Oklahoma Aeronautics Commission Capital Improvement Program Funding

Nature of Request:

The Shawnee Regional Airport Capital Improvement Plan (CIP) includes a preventative maintenance project intended to extend the life of the runway surface pavement. The estimated cost of the project is \$807,018. An identified funding source for the project is a Federal Aviation Administration (FAA) Airport Improvement Program (AIP) grant.

FAA AIP grants require a local contribution of ten percent (10%) of the allowable costs. The Oklahoma Aeronautics Commission (OAC) is willing to provide five percent (5%) of the required local share to the City of Shawnee on behalf of the Shawnee Regional Airport. In order to secure these funds, the City of Shawnee must provide a Letter of Interest stating such to the Commission.

Staff Analysis and Considerations:

The proposed preventative maintenance project will extend the useful life of the runway at SNL and help to ensure the airport remains in compliance with both FAA and OAC safety and operational standards. SNL does not have sufficient capital funds to undertake the project without the support of the FAA AIP program funds and the funds offered by the OAC.

Recommendation:

Staff is recommending the Shawnee Airport Authority authorize the City Manager to execute the Letter of Intent provided as Attachment 1 to this memorandum.

Budget Consideration:

The estimated cost of construction for the project is \$807,018. The City of Shawnee, as the Airport Sponsor, must provide ten percent (10%), or \$80,701.00, of the funds required. The OAC is willing to provide five percent (5%), or \$40,350.00 of the total amount required to support SNL's project costs. This project is recorded on SNL's Capital Improvement Plan, approved and on file with the FAA.

ATTACHMENT 1



Office of the City Manager

MAY XX, 2018

Oklahoma Aeronautics Commission
110 N. Robinson, Suite 200
Oklahoma City, OK 73102

Dear Commission:

The City of Shawnee (City) on behalf of the Shawnee Regional Airport submits this Letter of Interest to the Oklahoma Aeronautics Commission and requests the project listed below be considered for inclusion in the Commission's fiscal year (FY) 2019-2021 Capital Improvement Program for FY 2020.

1. Rehabilitate Runway and Taxiway Pavement (crack seal and seal coat) – federal/state/local (*total estimated cost \$807,018*)

The City understands its funding share of the total eligible project cost will be ten percent (10%) for federal funding and five percent (5%) for supplemental state funding unless otherwise agreed to by the Commission. The City requests that the Commission provide half (five percent - 5%) of the sponsor's required federal matching share on this project. The City has the capacity and is committed to make available its funding share. Should you have any questions, please contact Bonnie Wilson, Airport Manager, at 405-878-1532.

Sincerely,

Justin Erickson
City Manager
City of Shawnee

Shawnee Airport Authority

3.

Meeting Date: 05/07/2018

Red Cloud Aviation LLC

Submitted By: Kacie Eck, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Discussion and consideration of a proposed lease agreement between the City of Shawnee and Red Cloud Aviation, LLC.

Fiscal Impact

Attachments

Red Cloud Aviation LLC



Date: April 27, 2018

To: Shawnee Airport Authority

The Honorable Richard Finley, Mayor
Dub Bushong, Commissioner
Ron Gillham, Commissioner
James Harrod, Commissioner
Darren Rutherford, Commissioner
Ben Salter, Commissioner
Lesa Shaw, Commissioner

From: Bonnie A. Wilson, CM Airport Manager

A handwritten signature in blue ink, appearing to read "Bonnie A. Wilson", is written over a faint rectangular stamp.

Subject: Proposed Lease Agreement – Red Cloud Aviation

Nature of Request:

Red Cloud Aviation LLC, (Red Cloud), an Oklahoma limited liability company, has proposed to lease the Mezzanine Office space at the Shawnee Regional Airport to support several elements of his existing and expanded business profile.

Red Cloud currently offers flight instruction services and is seeking a location to offer classroom/ground training during both day and evening hours. Access to this office will allow him to conduct the essential pre-flight training during evening hours in particular.

Red Cloud is also in the process of expanding their business profile by seeking certification from the Federal Aviation Administration (FAA) to provide services as a certified 49 CFR Part 145 Repair Station. Services authorized under this program will include repairs and maintenance on airframes, power plants, pitot static systems, transponders and avionics.

Staff Analysis and Considerations:

Red Cloud has facilities in Seminole as well as Shawnee. Red Cloud has expressed a preference to conduct the proposed training in Shawnee if appropriate space can be leased for this purpose. The addition of a 49 CFR Part 145 Repair station to the SNL service profile is significant. There are only three certified stations offering the scope of services proposed by Red Cloud in Oklahoma. Two are based in Oklahoma City, one in Tulsa. Air Flite, Inc. based at SNL has a limited certificate offering services for rotorcraft airframes and power plants. These additional service offerings will increase the utilization of SNL by aircraft owners and operators.

Recommendation:

FAA ORDER 5190.6B; FAA Airport Compliance Manual considers this type of business to be an Aeronautical Use of property, requires the rates charged under these type of lease agreements to be “reasonable”, and allows for fees to be set at a fair market rate.

Therefore, the recommended rental fee should be comparable with similar existing and proposed leases. A comparable lease for an aeronautical user is the lease with FlyOkAir for similar office space at SNL. The rate per annum on that space is currently set at \$720.00. The proposed rate of the Mezzanine Office of \$750.00, per annum is comparable to this rate. The proposed increase is in consideration of utilities and furnishings provided by SNL.

Budget Consideration:

At this time the Mezzanine space is vacant. There will be no cost to SNL for improvements or additional costs for utilities. The addition of both a fixed rental rate and the likely increase in aeronautical activity and associated fuel sales recommends execution of a lease with an aeronautical services provider.

Shawnee Airport Authority

4.

Meeting Date: 05/07/2018

FlyOkAir LLC

Submitted By: Kacie Eck, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Discussion and consideration of a request to amend the existing lease between the City of Shawnee and FlyOkAir, LLC.

Fiscal Impact

Attachments

FlyOkAir LLC



Date: April 27, 2018

To: Shawnee Airport Authority

The Honorable Richard Finley, Mayor
Dub Bushong, Commissioner
Ron Gillham, Commissioner
James Harrod, Commissioner
Darren Rutherford, Commissioner
Ben Salter, Commissioner
Lesa Shaw, Commissioner

From: Bonnie A. Wilson, CM Airport Manager

Subject: Proposed Lease Agreement Amendment – FlyOkAir, LLC

Nature of Request:

FlyOkAir leases both an office and hangar from the City of Shawnee at the Shawnee Regional Airport (SNL). Under the terms of the lease agreement, FlyOkAir is responsible for providing and paying for 100% of the supporting utilities including water services.

At this time there is a water spigot on the northeast corner of the leased hangar that has traditionally been used by T-Hangar tenants for the purpose of washing aircraft. This public use of the water line has created an unintended financial burden on FlyOkAir. FlyOkAir is requesting an amendment to the lease agreement releasing them from the obligation to pay for water services at this location.

Staff Analysis and Considerations:

The location of the spigot makes it readily available as a customer service to numerous hangar tenants. The average monthly meter reading from this source is reported as 1,500 gallons. The average monthly cost for water is reported at \$43.44. In order to continue to provide water services to multiple tenants without unduly penalizing FlyOkAir, it would be appropriate for Shawnee Regional Airport to assume the cost of providing water at this location.

Recommendation:

The Lease Agreement should be amended to remove the requirement for FlyOkAir to address the cost of providing water and retain the requirement to pay for all other utilities at this location.

Budget Consideration:

The cost of supplying water will increase the operations and maintenance budget for utilities by approximately \$500.00 per year.

Shawnee Airport Authority

5.

Meeting Date: 05/07/2018

Heartland Aviation

Submitted By: Kacie Eck, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Discussion and consideration of a request to execute an agreement between the City of Shawnee and Heartland Aviation governing a public aviation memorabilia display.

Fiscal Impact

Attachments

Heartland Aviation



Date: April 27, 2018

To: Shawnee Airport Authority

The Honorable Richard Finley, Mayor
Dub Bushong, Commissioner
Ron Gillham, Commissioner
James Harrod, Commissioner
Darren Rutherford, Commissioner
Ben Salter, Commissioner
Lesa Shaw, Commissioner

From: Bonnie A. Wilson, CM Airport Manager

Subject: Aviation Memorabilia Display Agreement

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Nature of Request:

The Heartland Aeronautical Experience, Inc. (HAE) an Oklahoma non-profit corporation with a mission to inspire individuals to choose aerospace careers, with a special emphasis on reaching out to youth and students, underserved populations, women, disabled persons, and veterans. HAE is seeking to display historic materials, memorabilia and information in a fixed display at the Shawnee Regional Airport in support of their mission.

Staff Analysis and Considerations:

The Shawnee Regional Airport serves as a gateway to the City of Shawnee. As a public entity it is appropriate to partner with non-profit organizations to support aviation related educational materials and information. As HAE is a non-profit corporation they are seeking this opportunity at no cost.

Recommendation:

Staff is recommending the Shawnee Airport Authority authorize the City Manager to execute a one year agreement governing the display of materials.

Budget Consideration:

The display will be housed in the main lobby area of the airport. This area is not generally leased or otherwise used to generate revenue. HAE will be required to assume all costs associated with the installation and display.