

AIRPORT ADVISORY BOARD MEETING

January 16, 2019

5:30 P.M.

SHAWNEE REGIONAL AIRPORT

2202 AIRPORT DR.

SHAWNEE, OK

AGENDA
AIRPORT ADVISORY BOARD
JANUARY 16, 2019
5:30 PM
SHAWNEE REGIONAL AIRPORT TERMINAL
2202 AIRPORT DR.
SHAWNEE, OK

CALL TO ORDER

DECLARATION OF A QUORUM

ITEM ONE: Consideration and Approval of Minutes from the December 19, 2018 Meeting

ITEM TWO: Discussion and Consideration of Proposals for Lease of Hangar #13 Space for Commercial Aeronautical Use

ITEM THREE: Discussion Tenant Fuel Discount Options

ITEM FOUR: Discussion of Minimum Standards Comments/Responses Scheduling of Public Meeting

ITEM FIVE: Discussion of Advertising at the Airport - Program Development

ITEM SIX: Staff Report

1. Current Fuel Price Comparisons
2. Shawnee Regional Airport Fuel Sales
3. Other Matters

ITEM SEVEN: Citizen Comments
(A three-minute limit per person)
(A twelve-minute limit per topic)

ITEM EIGHT: New Business

ITEM NINE: Board Comments

ITEM TEN: Adjournment

**MINUTES
AIRPORT ADVISORY BOARD
DECEMBER 19, 2018 5:30 PM
SHAWNEE REGIONAL AIRPORT TERMINAL
2202 NORTH AIRPORT DR.
SHAWNEE, OK**

I. CALL TO ORDER

PRESENT	Mr. Huddleston, Chairman, Mr. Smallwood, Vice Chairman, Mr. Fogerty, Mr. Freeman, Mr. Humphreys, and Mr. Smith
ABSENT	Mr. Klaser
OTHERS PRESENT	Mr. Chance Allison, Treasurer/Finance Director/Assistant City Manager, City of Shawnee Ms. Bonnie Wilson, Shawnee Regional Airport Mr. Wes Elliott, FlyOkAir Mr. Ruben Abilez, Shawnee Regional Airport Tenant Mr. Justin Benard, Martin Aircraft Mr. Pacer Hill, Martin Aircraft, Scissortail Skydiving, Flycatcher Aviation Mr. Scott Lee, Red Cloud Aviation Mr. James K. Martin, Martin Aircraft Mr. Brandon Miller, Martin Aircraft Mr. Randy Rogers, Shawnee Regional Airport Tenant

II. DECLARATION OF A QUORUM

Six members of the Advisory Board were present meeting the requirements for a quorum. The Chairman Declared a Quorum.

**III. ITEM ONE - CONSIDERATION AND APPROVAL OF MINUTES FROM
OCTOBER 17, 2018 MEETING**

Approval of Minutes from the October 17, 2018 Meeting.

The Chairman called for a Motion to Approve the Minutes,

Mr. Smallwood made a Motion, Mr. Fogerty provided a Second.

The Chairman called the Question, five Members of the Advisory Board present approved the Motion, Mr. Freeman abstained from voting.

A copy of the Minutes of the October 17, 2018 Meeting is provided as Attachment 1 to these Minutes.

IV. ITEM TWO: Discussion and Consideration of Publication of Request for Qualifications for Engineering Services

Staff presented a memorandum for consideration regarding the publication of a Request for Qualifications for professional engineering services for the purposes of soliciting and engaging a civil engineering firm to support the Airports Capital Improvement Program.

Per the Federal Aviation Administration regulations, airports may use Airport Improvement Program (AIP) grant funds to address professional service fees, if such services are solicited using an RFQ process.

Shawnee Regional Airport selected a firm via this process in 2014. These service agreements may not exceed five years in duration. Staff recommended soliciting and selecting a qualified firm for a five-year period commencing at the end of the term of the current agreement.

The Chairman called for a motion on the matter.

Mr. Freeman offered a Motion to recommend the Shawnee Airport Authority approve the publication

Mr. Smith provided a Second to the Motion.

The Chairman called the Question and the Members of the Advisory Board present unanimously approved the Motion to recommend the Shawnee Airport Authority approve the publication of a Request for Qualifications for professional engineering services.

A copy of the memorandum is provided as

V. CITIZEN COMMENTS

A. Mr. Pacer Hill was recognized and offered the opportunity to comment. Mr. Hill had extensive comments on a variety of topics, and agreed to provide information in written form to supplement his statements.

B. Mr. Wes Elliott also offered comments.

Mr. Humphreys suggested the Board of Advisory set a date for a Special Meeting to allow tenants to provide comments on all topics of interest. No formal vote was taken, the Members of the Advisory Board agreed that the date of January 8, 2019 was an acceptable date for the session and requested staff to proceed with publication of the date and time of the Special Meeting.

VI. ITEM FIVE – NEW BUSINESS

No new business was introduced.

VII. ITEM SIX – STAFF REPORT

The following topics were presented as part of the monthly Staff Report:

1. Current Fuel Price Comparisons
2. Shawnee Regional Airport Fuel Sales
3. Sales Trends
4. Other Matters

No actions requiring a vote of the Airport Advisory Board were taken. A copy of the Staff Report and supporting documents is included as Attachment 1 to these minutes

VIII. ITEM SEVEN – ADJOURNMENT

The Chairman called for a Motion to Adjourn the meeting.

Mr. Humphreys made a Motion to Adjourn.

Mr. Smith provided a Second to the Motion.

The Chairman called the Question and the Members of the Advisory Board present unanimously approved the Motion.

The meeting was adjourned.

KEVIN HUDDLESTON
CHAIRMAN

DATE

ATTEST:

BONNIE A. WILSON, SECRETARY

DATE



To: Shawnee Regional Airport Advisory Board
Kevin Huddleston, Chairman
Will Smallwood, Vice Chairman
Barry Fogerty
Donald "Andy" Freeman
Bert Humphreys
John Klaser
James Smith

From: Bonnie A. Wilson, CM
Airport Manager

A handwritten signature in blue ink, appearing to read "Bonnie A. Wilson", is written over the printed name.

Date: January 10, 2019

Subject: Proposals for Lease of Hangar #13 Space for Commercial Aeronautical Use

Summary

Scissortail Skydiving, LLC provided notice of their intention to terminate their lease and release the Office, Storage Space and Standard Bulk Hangar lease space within the Hangar # 13 complex.

Red Cloud Aviation (RCA) and Allied Asset Management have both provided proposals for use of these facilities (Attachment 1 & 2).

AAM is seeking to use the space to support Two Citation II, model 550 and a few small single engine Cessnas. RCA proposes to use the space to consolidate their current commercial aeronautical services into a single hangar facility. If approved RCA would release their current leasehold on Hangar # 16 and two T-Hangars.

Both proposals contain provisions for undertaking capital improvements to the facility. For the purposes of comparison, a list of current rates for various commercial and non-commercial storage, hangar, and office leases is provided as an attachment to this memorandum. (Attachment 3.)

Per the Minimum Standards a notice was provided to all persons conducting commercial aeronautical activities that the Shawnee Airport Advisory Board will be discussing and considering proposals to lease space at Hangar #13 for the purpose of supporting commercial aeronautical services.

Action Requested

Authorize staff to present a recommendation to the Shawnee Airport Authority to enter into a commercial lease agreement for Hangar # 13.

Allied Asset Management

Summary of Proposed Use of Hangar #13

Allied Asset Management

Allied Asset Management is an aircraft management company that specifically manages aircraft for part 91 operations. (*Federal Aviation Administration CFR Title 14 part 91 defines a Part 91 Operator as the operator of small non-commercial aircraft within the United States.*)

Proposed Operations

Maintaining aircraft for owner groups, arranging for maintenance, and maintaining flight crews.

Current Aircraft Under Management

Two Citation II, model 550 and a few small single engine Cessnas. Proposed additional aircraft include a Challenger 600 or a Falcon 50, to be hangered by Pacific Air Holdings/Delta Wings Equipment.

Proposed Use of the Space

Hangar Area – storage of aircraft under management.

Office Area - storage area for log books, spare parts and pilot briefing room.

Proposed Rental Rate

Allied Asset Management proposes to pay the standard rate per square foot for commercial space of:

Hangar Space @ \$0.12/square foot per month or \$1,529.52 per month

Office Space @ \$0.25/square foot per month or \$240.00 per month

Allied Asset Management is interested in providing capital improvements under a tenant improvement allowance.

Estimated Fuel Purchases

Citation II – 500 gallons per operation / two operations per month on average

Citation II – 500 gallons per operation / two operations per month on average

Challenger 600 or a Falcon 50 – 1, 500 gallons per month

Proposed Business Expansion

Management of turbine rotorcraft



December 12, 2018

Bonnie Wilson
Manager
Shawnee Regional Airport
2202 Airport Drive
Shawnee, OK 74804

Ms. Wilson,

I received correspondence from Ms. Brooklyn Benjamin that Scissortail Skydiving intends to leave the Shawnee Regional Airport 28 December 2018. Please accept this as notice that Red Cloud Aviation (RCA) is seeking to exercise the "Right of First Refusal" for additional space made available in Hangar #13 during the term of our lease which was granted by the Shawnee Airport Authority at their meeting November 5, 2018.

RCA is seeking to execute a lease for the 960 square feet of office area as soon as possible in order to include this space in the renovation project we are currently undertaking in the adjacent shop and storage areas.

RCA proposes a lease for the same ten-year term, with renewal options governing the shop and storage space, at the current rate of \$0.25 per square foot per month for conditioned aeronautical use office space, commensurate with the rate for the Mezzanine Office currently leased to RCA. RCA also proposes to expend no more than \$5,000.00 to improve this area, and will be seeking a tenant allowance or rental rebate to address 50% of these costs. RCA also intends to undertake general improvements to the interior of the office area, to include paint and carpet replacement, at the 5-year point of the agreement, at Red Cloud Aviation's sole cost.

In addition to the office space another 1,768 square feet of hangar space will be available following the departure of Scissortail Skydiving. RCA is seeking to exercise our right of first refusal to lease this hangar space immediately upon the departure of Scissortail Skydiving at the current rate for commercial aeronautical hangar space of \$0.10 per square foot per month.

In an effort to consolidate our business facilities and accommodate the increased number of customers seeking our Certified Repair Station services, flight training services and our agricultural aviation operations, RCA is also seeking the opportunity to lease the remaining aircraft storage space within Hangar #13, aircraft parking ramp area along the perimeter of the building creating a 35-foot perimeter easement. The interior space is estimated at 10,978 square feet.

If this additional space is made available for lease, RCA will commit expending not less than \$228,000.00 over ten (10) years to renovate the hangar and construct covered aircraft parking facilities for transient customers of RCA's maintenance and repair services, storage of aircraft and other equipment.

RCA will undertake the improvements in return for a term of lease concurrent with the lease granted for the shop and storage areas of Hangar #13, and a 100% of cost rental rebate.

As per the proposal submitted and accepted by the Shawnee Airport Authority, RCA will surrender commensurate aircraft storage space at the Shawnee Regional Airport on the date of beneficial occupancy of the space within and around Hangar #13. Specifically, RCA will release Bulk Hangar # 16 at 5,320 square feet, and two t-hangar's at 1,000 square feet each.

A detailed proposal addressing each location listed above, RCA's commitments for capital improvements and lease rates and terms is attached for your consideration. I look forward to your favorable response and that of the Shawnee Airport Advisory Board and Shawnee Airport Authority.

Respectfully,



Scott D. Lee
Owner / Chief Pilot



**Proposal for Lease of Commercial Aeronautical Use Space
Shawnee Regional Airport**

**Submitted for Consideration to The
Shawnee Regional Airport Advisory Board
For Review and Recommendation to The Shawnee Airport Authority**

December 12, 2018

This proposal for lease of additional commercial aeronautical facility space in and around Hangar # 13 at Shawnee Regional Airport is provided in accordance with the *Minimum Standards and Requirements for Commercial Aeronautical Services and Activities Shawnee Municipal Airport Shawnee, Oklahoma 2000* (Minimum Standards) and the Right of First Refusal to Lease Available Space (Shawnee Airport Authority – November 5, 2018)

1. Legal Name and Business Address of Entity

RED CLOUD AVIATION, LLC (RCA)
OKLAHOMA FILING NUMBER: 3512422181

REGISTERED AGENT: SCOTT D. LEE
30581 PARKWOOD RD
MCLOUD OK 74851

2. Proposed Land Use, Facility and/or Activity Sought.

- a. Expansion of current Hangar # 13 Shop and Storage area lease to include an estimated 960 square feet of immediately adjacent Office Area to provide space for customer service, flight training and administrative support of RCA's commercial aeronautical activities at the Shawnee Regional Airport.
- b. Lease of an estimated 10,978 square feet of interior space within Hangar #13 to support Certified Repair Station services, flight training services and agricultural aviation operations, to include a 35-foot easement around the north and west side of the building to

promulgate free movement of support equipment and parking.

- c. Future lease of an estimated 9,500 square feet of exterior aircraft parking ramp area along the north and west perimeter of Hangar #13 (encompassing the easement requested above) for the purpose of constructing covered aircraft tie down parking for transient customers of RCA's maintenance and repair services, and storage of aircraft, with this lease portion to commence upon commencement of construction.
 - d. Amendment to current commercial aeronautical services agreement to authorize the provision of agricultural aviation services.
3. Schedule of Operations/Service Hours.

RCA provides services on request from aircraft owners, as well as undertaking routine maintenance and repair of the 12 aircraft owned and operated by RCA.

RCA services are available daily through the calendar week, and also through scheduled appointments and call out response services.

4. Number of Personnel Employed.

RCA provides direct employment for 7 full time personnel and 2-part time personnel.

5. Names and Qualifications of Personnel Conducting the Activity.

Owner - Operator/Chief Pilot/Lead Mechanic - Scott D. Lee

Current Mechanic Certifications: Airframe/Powerplant, Avionics/Pitot
Static Test Certified, 3M Microminature Circuit Repair Certified,

Current Pilot Ratings: Airplane Single Engine Land; Airplane
Multiengine Land

Operations Manager – Paul Shaver

Current Mechanic Certifications: Inspection Authorization, Airframe/Powerplant, Avionics/Pitot Static Test Certified, 3M Microminature Circuit Repair Certified.

Current Pilot Ratings: Airplane Single Engine Land.

Flight Instructor/Mechanical Advisor/IA – William J. Rowden

Current Mechanic Certifications: Airframe; Powerplant; Inspection Authorization

Current Pilot Ratings: Airline Transport Pilot; Airplane Single Engine Land; Airplane Multiengine Land; Glider

Current Flight Instructor Ratings: Airplane Single and Multiengine; Instrument Airplane; Glider

Flight Instructor -Matthew Berggren

Current Pilot Ratings: Airline Transport Pilot; Airplane Single Engine Land; Airplane Multiengine Land

Current Flight Instructor Ratings: Airplane Single and Multiengine; Instrument Airplane

Flight Instructor - Josh Peck

Current Pilot Ratings: Airline Transport Pilot; Airplane Single Engine Land; Airplane Multiengine Land

Current Flight Instructor Ratings: Airplane Single and Multiengine; Instrument Airplane

Aircraft Technician (Student Intern) – Calvin Minesinger

Aerial Application Manager – Jeremy Kinnamon

Oklahoma Agricultural Chemical Applicator Certified

6. Tools, equipment, services and inventory proposed to be utilized in connection with the activity.

Hangar #13 Office Area - 960 Square Feet

Customer service, and general business administration.

Standard office equipment.

Hangar # 13 Interior Space – 10,978 Square Feet

Certified Repair Station services, flight training services and agricultural aviation operations.

Airframe, Powerplant, Avionics maintenance and repairs tools, equipment and materials required to support FAA 145 certified repair station services.

Aircraft for providing Flight training - 5

Aircraft for available for Lease - 4

Aircraft designated for Agricultural use - 1

Hangar # 13 Ramp Area - 9,500 Square Feet

Construction and management of three (3) covered aircraft tie down parking spaces.

7. Requested Date of Commencement, Term and Rates.

Hangar #13 Office Area - 960 Square Feet

Date of Commencement: thirty (30) business days following authorization to undertake renovations and improvements.

Term: Ten-year term, with two (2) additional five (5) year options to renew, at RCA's and the Shawnee Airport Authorities' mutual agreement, with the

condition that RCA remains in good standing throughout the initial term. Term of the lease to run concurrent with all other RCA leases within the Hangar # 13 complex.

Rate: \$0.25 per square foot per month for conditioned aeronautical use office space for the initial term of the agreement. The rate per square foot for any renewal terms to be adjusted to the then current rental rate for conditioned space offered for commercial aeronautical use by the Shawnee Airport Authority.

Conditions: RCA will expend no more than \$5,000.00 in capital improvements and refurbishments in exchange for a rental rebate of not less than 50%. Improvements will be completed within sixty (60) business days of commencement.

Hangar # 13 Interior Space – 10,978 Square Feet

Date of Commencement: Thirty (30) business days following authorization to undertake renovations and improvements.

Term: Ten-year term, with two (2) additional five (5) year options to renew, at RCA's and the Shawnee Airport Authorities' mutual agreement, with the condition that RCA remains in good standing throughout the initial term. Term of the lease to run concurrent with all other RCA leases within the Hangar # 13 complex.

Rate: \$0.10 per square foot per month for conditioned commercial aeronautical use hangar space for the initial term of the agreement. The rate per square foot for any renewal terms to be adjusted to the then current rental rate for hangar space offered for commercial aeronautical use by the Shawnee Airport Authority.

Conditions: RCA will expend not less than \$100,000 in capital improvements and refurbishments across the initial two (2) five (5) years of the term in exchange for a rental rebate of not less than 90%.

Improvements will be completed throughout the full term of the lease with no less than \$10,000 expended per year with an aggregate of previous year's

expenditures covering the required minimum for subsequent years until exhausted.

RCA will release Bulk Hangar # 16 at 5,320 square feet, two t-hangar's at 1,000 square feet each as space within Hangar 13 becomes available for beneficial occupancy.

Hangar # 13 Ramp Area - 9,500 Square Feet

Construction and management of three (3) covered aircraft tie down parking spaces on the west side of Hangar #13

Date of Commencement: Within the first five (5) year term of the agreement following authorization to undertake renovations and improvements.

Term: Ten-year term, with two (2) additional five (5) year options to renew, at RCA's and the Shawnee Airport Authorities' mutual agreement, with the condition that RCA remains in good standing throughout the initial term. Term of the lease to run concurrent with all other RCA leases within the Hangar # 13 complex.

Rate: \$0.05 per square foot per month for improved ramp area for the initial term of the agreement. The rate per square foot for any renewal terms to be adjusted to the then current rental rate for ramp space offered for commercial aeronautical use by the Shawnee Airport Authority.

Conditions: RCA will expend not less than \$72,000 in capital improvements and refurbishments in exchange for a rental rebate of not less than 100%. Improvements will be completed within 90 business days of commencement.

8. Estimated Cost of Renovation. The total estimated cost of the proposed improvements across each sector of the Hangar #13 complex including the Shop and Storage area currently under lease is \$228,000. The cost of improvements to the additional areas identified above is:

Hangar #13 Office Area - 960 Square Feet	\$5,000
Hangar #13 Roof Repair, Sealing, and Paint	\$46,000
Hangar # 13 Interior Space – 10,978 Square Feet	\$54,000
Hangar # 13 Ramp Area - 9,500 Square Feet	\$72,000

9. Types and Amounts of Insurance. RCA currently holds insurance at the levels and limits required by the Minimum Standards for the type of operations proposed. If approved the additional leased area will be included on the existing policies as an identified location of work.

Aircraft Liability for any owned and operated aircraft, combined single limit injury and property damage \$1,000,000 per occurrence; \$100,000 per passenger/per seat bodily injury.

Comprehensive General Liability and Property Damage combined single limit injury and property damage \$1,000,000 per occurrence.

Student and renter's liability \$500,000 each occurrence.

Hangar Keeper's liability \$500,000 per occurrence.

10. Financial capability to perform and provide the above services and facilities.

RCA has been a tenant of the Shawnee Regional Airport since February 2015, and has remained in good standing through that time.

RCA intends to address the direct costs of repairs and renovations with currently available capital funds, and seeks a return on that investment through a proposed rental fee abatement for the initial term of the lease.

11. History of management and personnel ability.

RCA has been successfully providing the services described above since its formation in September 2013, both as a private service entity to students, aircraft owners and operators and to the City of Seminole, Oklahoma as the airport manager under a competitive public service contract.

12. Certificates from the FAA.

RCA has completed the application process, the required facility and personnel records audit, and been awarded an ID number for a Part 145 Certified Repair Station.

13. All construction in accordance with the City of Shawnee Standards; Title to improvements to revert to the Shawnee Regional Airport.

RCA intends to use a licensed and bonded General Contractor to perform the repairs and renovations to ensure that all work is acceptable to the City of Shawnee.

RCA acknowledges the requirement in the Minimum Standards and agrees to transfer title to the improvements to the Shawnee Airport Authority at the end of the initial term of the lease at 10 calendar years.

14. The rates or charges shall be reasonable and be equally and fairly applied to all users of the services.

In accordance with the Minimum Standards and FAA regulations, RCA provides services equally and fairly to all users at both current service locations.

Thank you for your consideration of our proposed plan for expansion of services, renovation and repair of the various lease areas within and around Hangar #13.

Respectfully,

A handwritten signature in dark ink, appearing to read "Scott D. Lee". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Scott D. Lee
Owner / Chief Pilot

Lease Comparison Data								
Location	Type	Date of Rate	Monthly Rate	Square Feet	Rate/Sq Foot /Month	Lease Holder	Expiry	Notes
Hangar # 13 Storage Space	Commercial Aeronautical Use	November 2015	\$70.00	2,765	\$0.03	Pacific Air Holdings / Delta Wing /KSNL AERO	September 2018	Per Lease 2,765 Square Feet @ \$70/month, usable space is actually 1740 Square Feet due to interior conditions.
Hangar # 13 Storage Space w/in Hangar Proper	Commercial Aeronautical Use	June 2014	\$53.33	768	\$0.07	Scissortail Skydiving	May 2019	
T-Hangar Storage Room	Non-Commercial Aeronautical	June 2018	\$61.92	400	\$0.15	Larry Heath	May 2019	Rate per square foot is the same as T-Hangar rate.
Air Flite (Bulk Hangar)	Commercial Aeronautical Use	March 2010	\$208.00	2,080	\$0.01	Air Flite	February 2050	Former OK Jet Works building. A \$50k contribution was received from SEDF for improvements.
Air Flite (Maintenance Facility and Office) 2320 Airport Drive	Commercial Aeronautical Use	June 1989	\$136.00	13,600	\$0.01	Air Flite	January 2050	Assumed from Shawnee AirCo Inc. - Lease Terms: \$0.12 / square foot per year for 20 years, total sum of \$32,640
Hangar # 14	Commercial Aeronautical Use	June 2018	\$198.50	1,650	\$0.12	Martin Aircraft, LLC	May 2019	Natural gas prorated based on number of tenants (25%)
Hangar # 15	Commercial Aeronautical Use	July 2018	\$335.00	3,600	\$0.09	FlyOkAir	January 2020	Airport provides water Tenant Pays Other Utilities
Hangar # 16	Commercial Aeronautical Use	July 2018	\$644.42	5,320	\$0.12	Red Cloud	December 2020	Tenant Pays Utilities
Hangar # 13 Office Space	Commercial Aeronautical Use	March 2014	\$960.00	960	\$1.00	Scissortail Skydiving	March 2024	Recorded as a Reduced Rental Fee (\$5,760 per year for five years) in light of agreed upon improvements. No specific dollar amount for Improvements was specified in the agreement.
Mezzanine Office Space	Commercial Aeronautical Use	August 2018	\$62.50	247	\$0.25	Red Cloud	July 2019	
Simulator Room Terminal	Commercial Aeronautical Use	August 2018	\$29.00	116	\$0.25	Red Cloud	July 2019	
North T-Hangar Office	Commercial Aeronautical Use	November 2017	\$60.00	240	\$0.25	FlyOkAir	December 2019	



To: Shawnee Regional Airport Advisory Board
Kevin Huddleston, Chairman
Will Smallwood, Vice Chairman
Barry Fogerty
Donald "Andy" Freeman
Bert Humphreys
John Klaser
James Smith

From: Bonnie A. Wilson, CM
Airport Manager

A handwritten signature in blue ink, appearing to read "Bonnie A. Wilson", is written over the printed name and title.

Date: January 10, 2019

Subject: Tenant Fuel Discount Options

Currently there is no set policy regarding offering fuel at a discount to based tenants and or frequent users. As a courtesy, full service fuel is provided at the self-service price. Staff compiled information related to the "type" of customers purchasing fuel over a period of six months. The apparent trend indicates that tenants purchase approximately 30% of the fuel sold at KSNL.

Utilizing actual tenant AVGas sales data, (*only one tenant purchases JET A routinely*) the following discount profiles applied to both Self Service and Full Service would reduce average sales revenues as depicted below:

Retail Less Fixed %	Resulting in a "New" Six - Month Net	Differential	Average Reduction in Net Per Month
2% Discount Against Net	\$ 8,646	\$ 176	\$ 29
2.5% Discount Against Net	\$ 8,602	\$ 221	\$ 37
3% Discount Against Net	\$ 8,558	\$ 265	\$ 44
3.5% Discount Against Net	\$ 8,514	\$ 309	\$ 51
4% Discount Against Net	\$ 8,470	\$ 353	\$ 59
4.5% Discount Against Net	\$ 8,426	\$ 397	\$ 66
5% Discount Against Net	\$ 8,381	\$ 441	\$ 74

Another option, is to offer a discount for any purchases above a certain number of gallons per month. Averages across the same six-month time frame are:

Ten (10) tenants make more than one purchase per month.

The average number of gallons purchased per month is one hundred-twenty-five (125)

Both the Self-Service and Full-Service point of sale systems are capable of being programmed to offer "discounts" on individual credit cards.



To: **Shawnee Regional Airport Advisory Board**
 Kevin Huddleston, Chairman
 Will Smallwood, Vice Chairman
 Barry Fogerty
 Donald "Andy" Freeman
 Bert Humphreys
 John Klaser
 James Smith

From: **Bonnie A. Wilson, CM**
 Airport Manager

Date: **January 10, 2019**

Subject: **Discussion of Revisions to Minimum Standards**

A handwritten signature in blue ink, appearing to read "Bonnie A. Wilson", is written over the printed name of the Airport Manager.

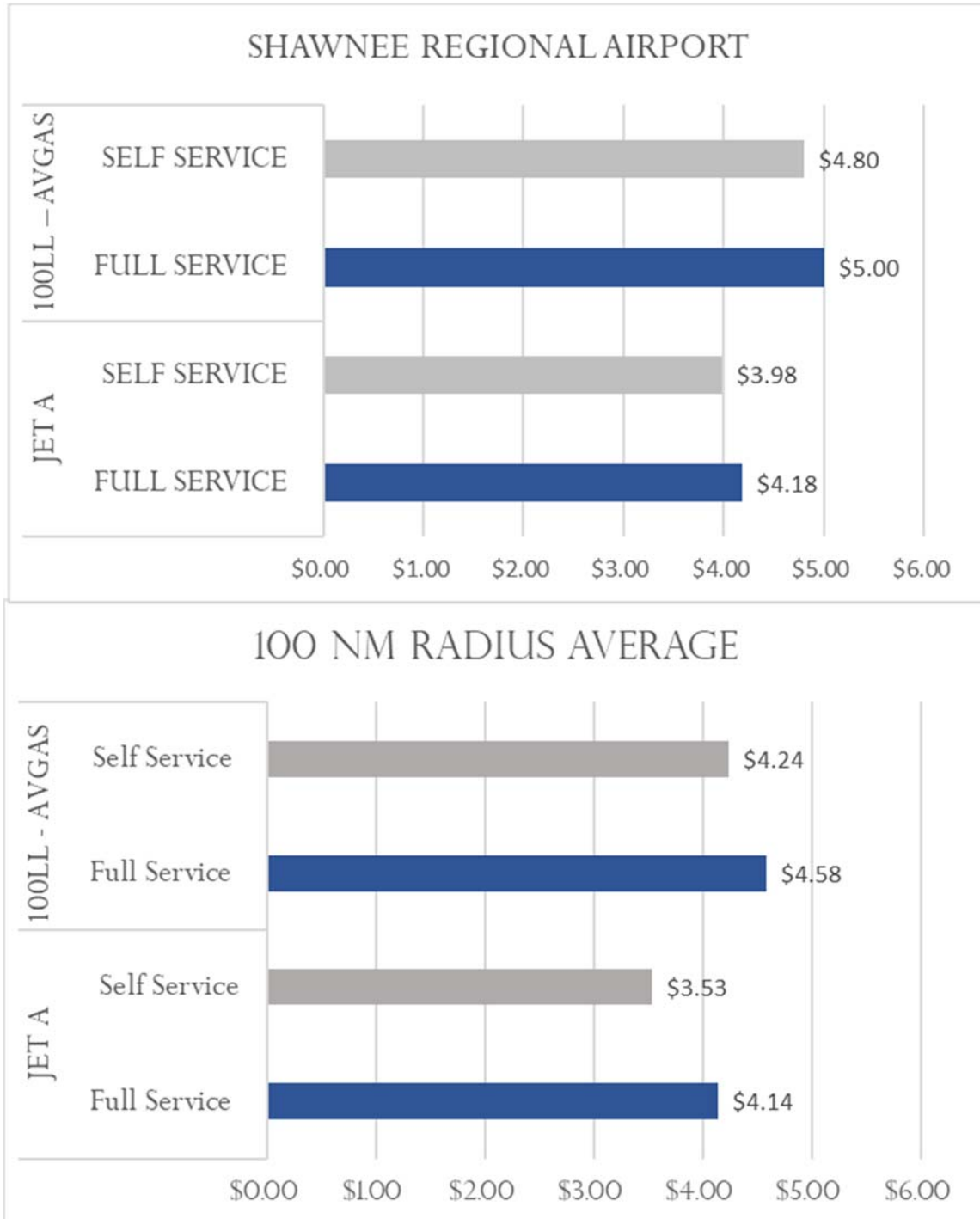
The revised draft Minimum Standards were issued to all tenants on October 25, 2018. The deadline for comments was set for December 31, 2018. A total of four tenants provided comments. Staff prepared proposed responses and citations to each for consideration.

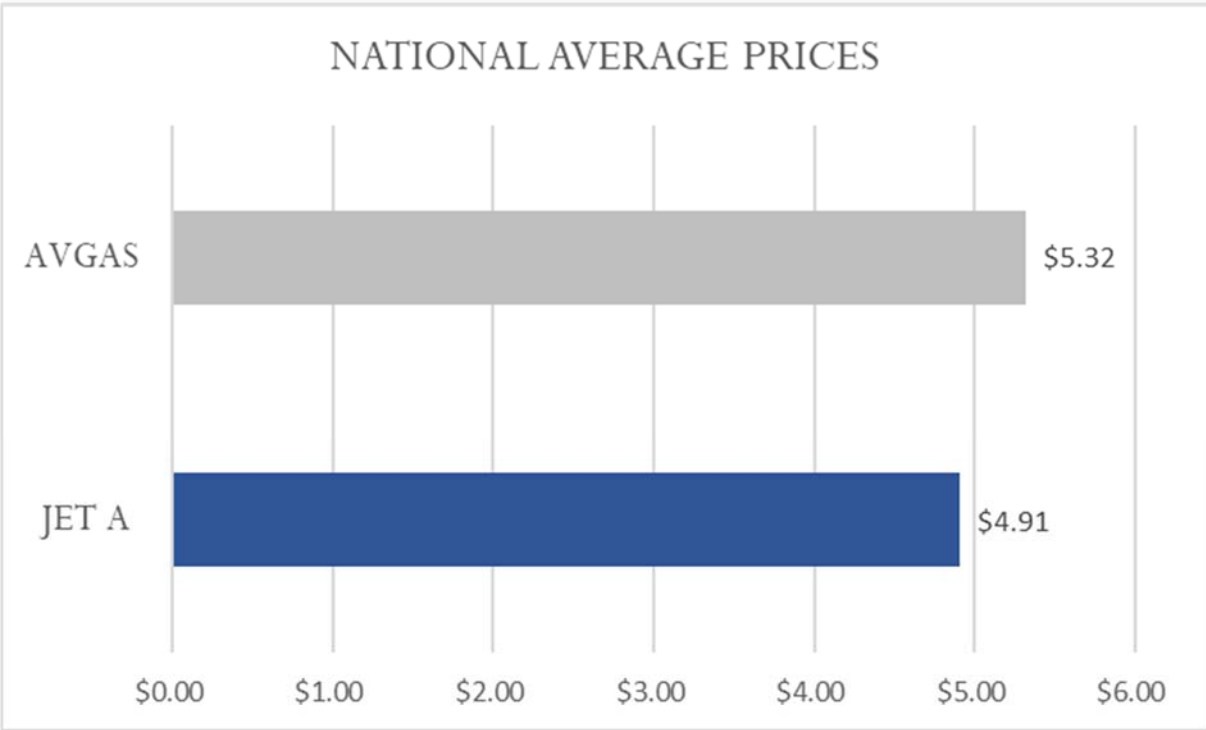
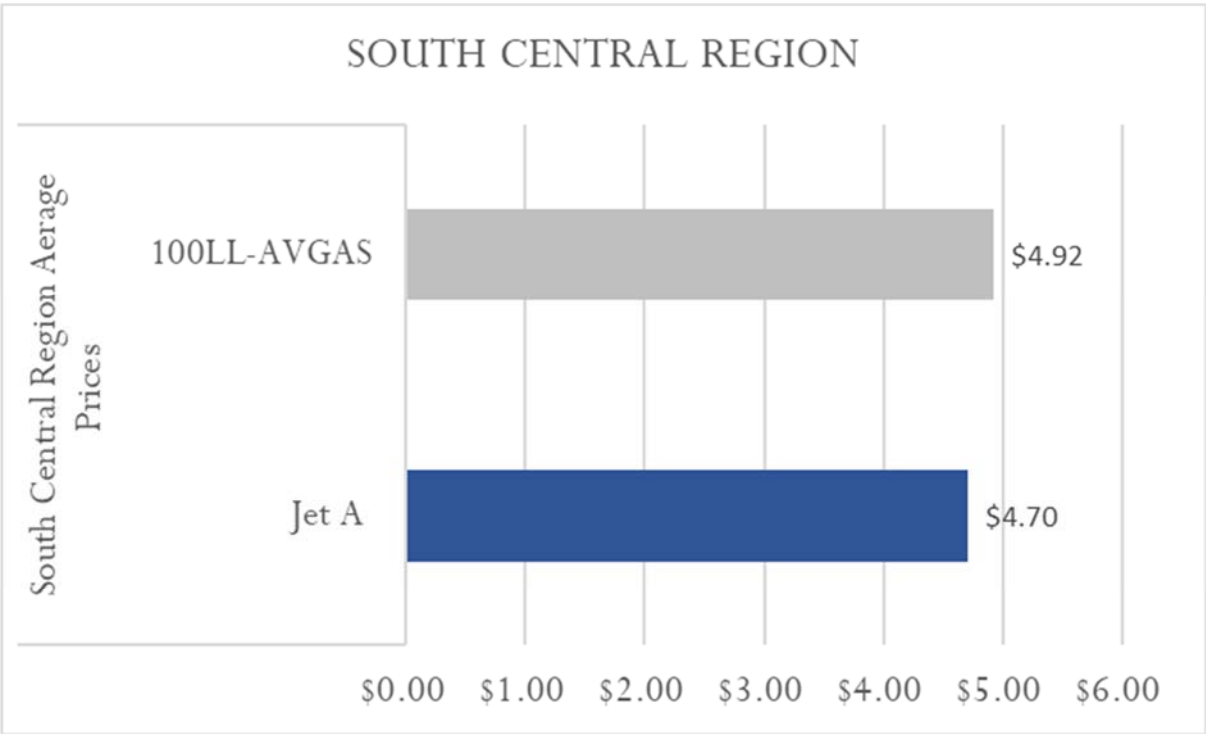
Options for Next Steps:

1. Distribute copies of the comments received, consensus responses, and a revised draft document.
2. Schedule a Public Meeting for the purpose of providing a review of the changes to the original documents.
3. Establish a second comment period to receive comments from impacted parties related to the "Final Draft".
4. Finalize a revised document, provide the document and a recommendation for adoption with implementation dates to the Shawnee Airport Authority.

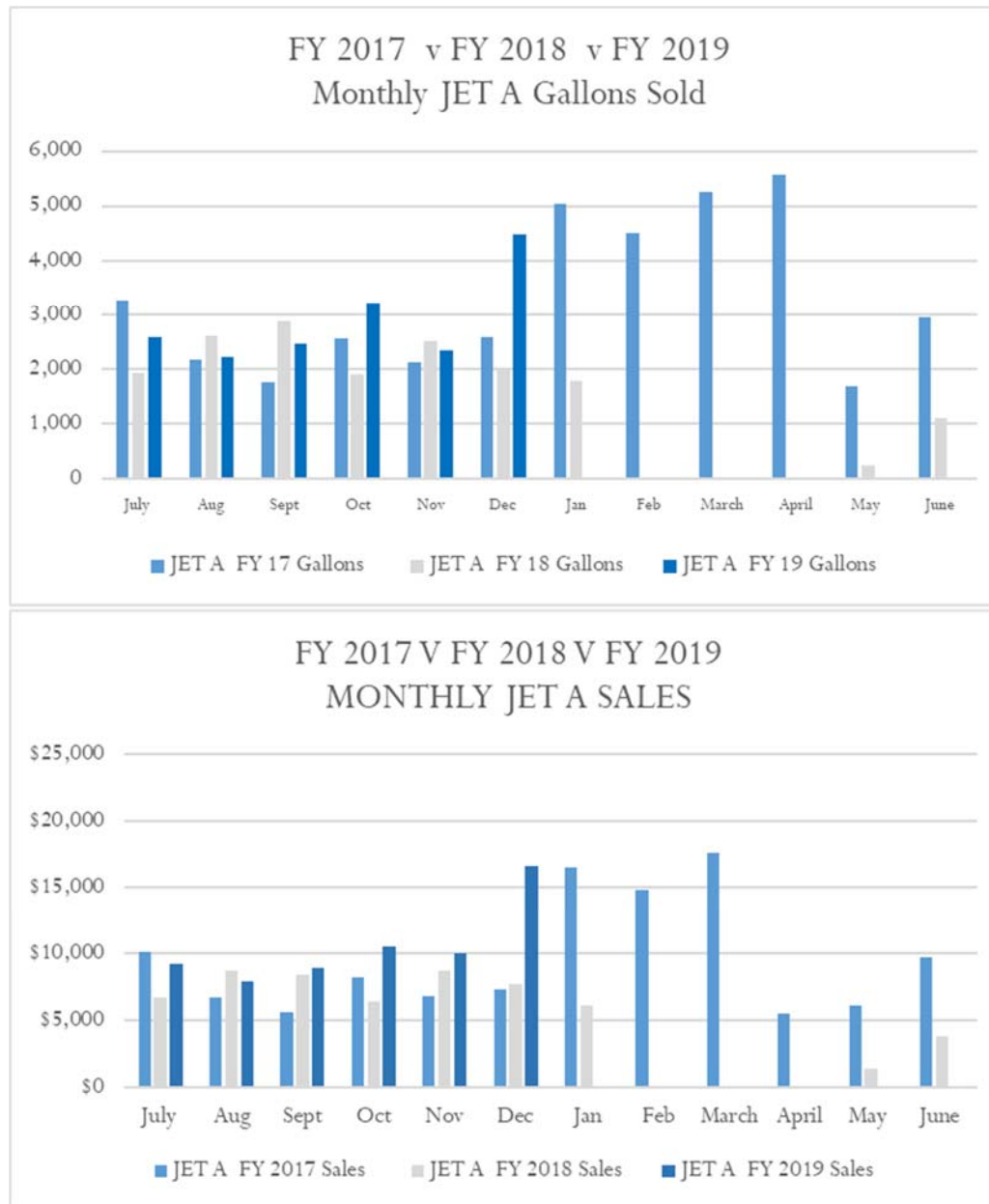
Staff Report
January 16, 2018

1. Current Fuel Price Comparisons (*Data Reported on 100LL.COM*)

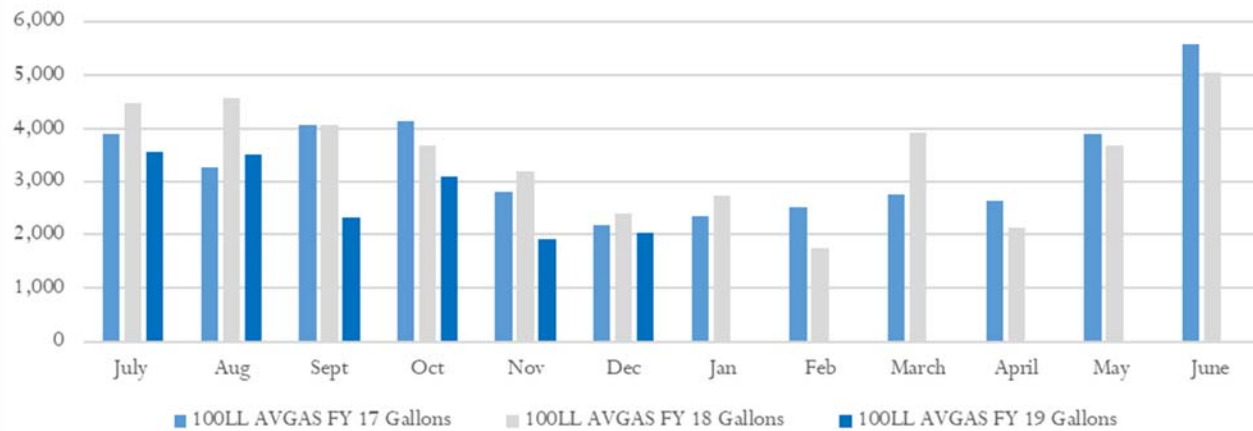




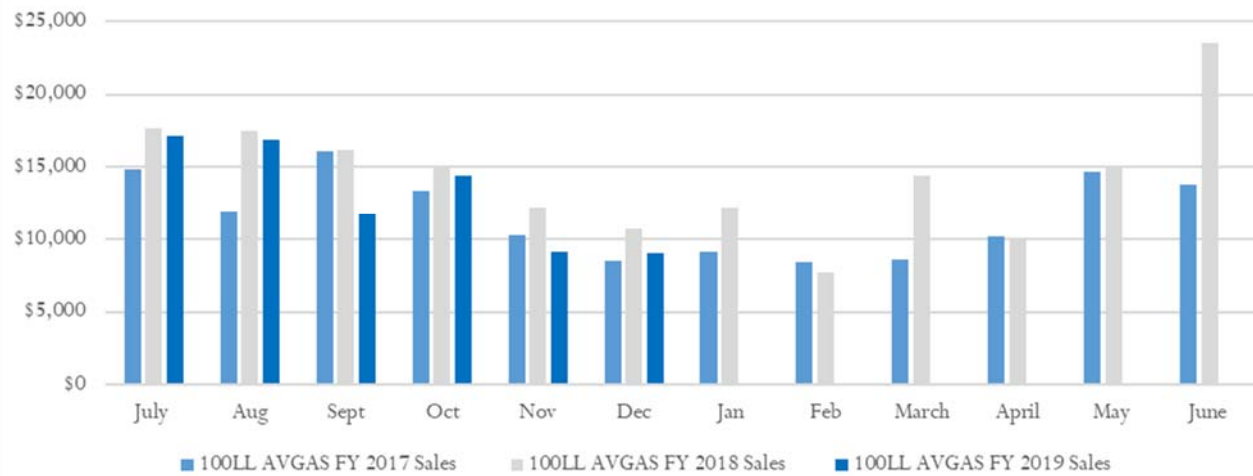
2. Shawnee Regional Airport Fuel Sales



FY 2017 v FY 2018 v FY 2019
Monthly 100LL AVGAS Gallons Sold



FY 2017 v FY 2018 v FY2019 100LL AVGAS Sales



3. Other Matters

3.1. Request for Qualifications – Engineering Services

Mr. John Klaser, Airport Advisory Board and Mr. Michael Ludi, City of Shawnee Director of Engineering have volunteered to participate in the review of submissions provided in response to the solicitation.

3.2. Voluntary Workers – Insurance

Starr Indemnity & Liability Company provides SNL's Commercial General Liability Coverage, our policy with Starr will cover "medical payments" for "volunteer workers. Starr does not offer coverage under the current policy for any property or equipment damage. SNL's insurance broker (BancFist) is looking into available coverage and costs.

3.3. Construction

- 3.3.1. The Taxi Lane and T-Hangar Foundation Project. Concrete slabs have been poured and joint sealant is in progress. Haul Road repairs are scheduled to commence at the completion of the supply and equipment transfer, current estimate end of January 2019.
- 3.3.2. The rental car wash rack project is well underway. Most of the plumbing and concrete work has been completed. Building relocation will follow.
- 3.3.3. Rental Car Parking Lot Expansion. Bids have been accepted and the initial survey of the work area is complete.
- 3.3.4. Pacific Air Holdings Hangar "ramps" and parking lot project is underway. PAH has requested and was granted permission to expand the work area to improve adjacent concrete pads.