Valley County Airport Commission

Tuesday January 12, 2016

Wokal Field Airport Terminal Building

100 Airport Road

Glasgow, MT

PRESENT: Jayson Nelson, Russell Leader, Darrell Morehouse, Kristie Brabeck, Airport Manager Lucas Locke, and Secretary Jenny Reinhardt.

ABSENT: Paul Koski

OTHERS: County Commissioner Paul Tweten; Michael Beckhoff and Shawn Archer, DOWL; and Clay Berger and Russ Dahl, STAT Ambulance Service

The meeting was called to order at 6:00 p.m. by Chairman Jayson Nelson. Chairman Nelson called for public comment. Clay Berger asked to be added to the agenda.

The minutes of the December 8, 2015 were reviewed. There being no corrections or additions, a motion was made by Kristie Brabeck and seconded by Russell Leader to approve the minutes. Motion carried.

The following claims were presented for review and approval:

CLAIMS

|  |  |  |
| --- | --- | --- |
| **DECEMBER** |  |  |
| Big Valley Water | 2 – 5 gal water for terminal | $ 10.00 |
| Gaffaney’s | Supplies-office (chair & pencil sharpener |  184.86 |
| MDU | Utilities |  622.83 |
| Markle’s | Supplies-tool, janitorial & grounds |  90.94 |
| L&D Signs | Vehicle lettering for courtesy car |  30.00 |
| Norval Electric | Utilities-Hinsdale |  |
| Robert Lipscomb | Reimb for fencing supplies |  31.45  |
| Visa | Supplies-vehicle |  135.60 |
| **TOTAL** |  | **$ 1,137.11** |
| **JANUARY** |  |  |
| Airside Solutions | Sign light engine retrofit kit | $ 495.94 |
| American Welding | Hazardous material & oxygen |  38.95 |
| BS Central Inc. | Supplies-invoices |  250.00  |
| CarQuest | Supplies-vehicle |  172.35 |
| Big Valley Water | Water for terminal |  5.00 |
| CityServiceValcon | Network access fee |  30.00 |
| CityServiceValcon | Jet fuel 9500 gallons |  17,434.40 |
| CityServiceValcon | Avgas 9001 gallons |  28,172.22 |
| DOWL | Fuel farm-bidding assistance |  320.00 |
| stop Business Licenses | License renewal tanks & meters |  649.00 |
| Gaffaney’s | Supplies-office |  3.50 |
| Fossum Ready Mix | Supplies-grounds |  5.00 |
| Ezzie’s Wholesale Inc. | Supplies-fuel |  88.42 |
| Havre Laundry | Mats for terminal |  26.32 |
| Lucas Locke | Reimb. For postage |  5.75 |
| Marketing Specialties Inc | Check high level alarm |  838.55 |
| Markle’s Inc | Supplies-maint., tool cord |  45.01 |

|  |  |  |
| --- | --- | --- |
| Markle’s Inc | Supplies-hardware | $ 148.96 |
| NorthWestern Energy | Utilities |  1,420.56 |
| NorthWestern Energy | Utilities |  307.45 |
| Norval Electric | Utilities-Hinsdale |  31.43  |
| S&S Welding | Supplies-aviation oxygen & nitrogen |  203.00 |
| Visa | Supplies-vehicle |  154.11 |
| Visa | Supplies-duracharts |  16.72 |
| Zerbe Bros. Inc. | Supplies-vehicle |  58.93 |
| **TOTAL** |  | **$50,921.57** |
|  |  |  |
| **FUND 4050** |  |  |
| DOWL | Pre Design Engineering | $32,700.00 |
| Loomacres | Final Pmt. For Wildlife Assess. |  12,552.43  |
| Robert Peccia & Associates | Invoice #2 – Final pmt |  6,300.00 |
| **TOTAL** |  | **$51,552.43** |

A motion was made by Darrell Morehouse and seconded by Russell Leader to approve the claims with the stipulation that the claim to Robert Peccia & Associates be held until RPA sends the Auto-Cadd file from the last runway project. Motion carried.

**FINANCE REPORT**

The income for the 2015 calendar year was $731,133.67 and expenses were $672,221.00. Gross fuel sales for the year were $533,802.92 and expenses were $319,614.84 with a net income of $24,614.84.

$100,855.50 Cash Bal. 12/01/2015

 68412.56 Income

 -31,963.03 Expenses

$137,305.03 Cash Bal. 12/31/2015

Income was $36,963.04 more than the expenses for December. Without hangar and lease payments, income and expenses would have been even for December.

Percentage of budget expended for salary is 53% with the exception of worker’s comp. which is at 67%; supplies – 89%; fuel for airport – 21%; fuel for resale – 40%; utilities – 34%; credit card fee – 32%; repair & main. machinery & equipment – 93%; repair & remodel buildings – 5%; insurance -;75%; and machinery & equipment – 56%

Expenses for the taxiway project are $32,700.00. $31,680.00 was received from the FAA

(90%of expenses).

**FUEL SALES REPORT**

December Fuel Sales: Jet A: 6,252 gallons

 Avgas: 1,278.6 gallons

Total Fuel Jan 1 – Dec. 31, 2014 98,912

 2015 120,510

 21.8% Increase Overall

 5.5% Increase in Avgas

 31.2% Increase in Jet Fuel

Monthly Comparison

|  |  |  |  |
| --- | --- | --- | --- |
|  | **December 2014** | **December 2015** | **% Change** |
| Av Gas |  3,573 | 1,278 | -64% |
| Jet |  7,306 |  6,252 |  -14% |
|  |  |  |  |
| **Total** |  **10,879** |  **7,530** | **-30.7%** |

Fuel Prices: Jet Inventory: 9428 gallons

 Jet-A was purchased at $1.84 per gal. on 1/12/2016

 Current wholesale price is $1.85

 Our current price is $3.34

 Markup: $1.50

 100LL Inventory: 10,741 gallons

 Avgas was purchased at $3.13 per gal. on 1/04/2016

 Current wholesale price is $3.15

 Our current price is $4.23

 Markup: $1.10

**AIRPORT MANAGER REPORT**

December Airport Operations: 300

1. New Holland tractor needs a new radiator.

2. Oshkosh Snow Plow needs a new hydraulic cylinder and some welding repairs. The cylinder

 will cost about $700.00

3. Heater installed in lean-to.

4. Runway sign repaired with new LED upgrade.

5. Broom truck pops circuit when the lights are on and broom won’t work.

6. Wildlife Plan completed.

7. There is an EAS meeting in Billings on Jan. 27 and 28. A motion was made by Kristie Brabeck and seconded by Darrell Morehouse to send Lucas to the meeting. Motion carried.

**CAPE AIR REPORT**

For the month of December, 9 flights from Glasgow to Billings and 10 flights from Billings to Glasgow were canceled. Passenger total from Glasgow to Billings was 364 and from Billings to Glasgow was 305 passengers.

**OLD BUSINESS**

FUEL FARM - Three bids for the Fuel Farm Project were received. The bids were opened at 2:00 pm on Tuesday, January 12, 2016 in the County Commissioner’s office. The engineer’s estimate is $506,800.00. Bids were as follows:

 O’Day Equipment :

 Schedule I Fuel System $390,952.32

 Schedule II Site Work $166,204.83

 Schedule III Jet tank upgrade to 15,000 gal $ 8,392.44

 Schedule IV Jet tank upgrade to 20,000 gal $ 7,181.16

 Schedule V AvGas tank upgrade to 15,000 gal $ 7,712.64

 Schedule VI Deduct Self-Serve system ($ 9,002.60)

 Schedule VII Deduct UL 2085 rate on 12,000 jet tank ($ 13,905.00)

 Schedule VIII Deduct UL 2085 rate on 15,000 jet tank ($ 13,830.84)

 Schedule IX Deduct UL 2085 rate on 20,000 jet tank ($ 9,035.16)

 Schedule X Concrete pad instead of gravel $ 12,000.00

 **TOTAL $543,154.91**

Brabeck Construction

 Schedule I Fuel System $410,200.00

 Schedule II Site Work $167,599.80

 Schedule III Jet tank upgrade to 15,000 gal $ 11,000.00

 Schedule IV Jet tank upgrade to 20,000 gal $ 21,400.00

 Schedule V AvGas tank upgrade to 15,000 gal $ 11,000.00

 Schedule VI Deduct Self-Serve system ($ 11,000.00)

 Schedule VII Deduct UL 2085 rate on 12,000 jet tank ($ 13,000.00)

 Schedule VIII Deduct UL 2085 rate on 15,000 jet tank ($ 13,000.00)

 Schedule IX Deduct UL 2085 rate on 20,000 jet tank ($ 15,000.00)

 Schedule X Concrete pad instead of gravel $ 20,000.00

 **TOTAL $589,199.80** Brabeck Construction’s bid total on the bid specs was $693,200.00. Mr. Brabeck forgot to subtract the deductions.

 EDK Engineering & Construction

 Schedule I Fuel System $583,000.00

 Schedule II Site Work $105,960.00

 Schedule III Jet tank upgrade to 15,000 gal $ 8,000.00

 Schedule IV Jet tank upgrade to 20,000 gal $ 15,000.00

 Schedule V AvGas tank upgrade to 15,000 gal $ 8,500.00

 Schedule VI Deduct Self-Serve system ($ 17,000.00)

 Schedule VII Deduct UL 2085 rate on 12,000 jet tank ($ 2,000.00)

 Schedule VIII Deduct UL 2085 rate on 15,000 jet tank ($ 2,000.00)

 Schedule IX Deduct UL 2085 rate on 20,000 jet tank ($ 2,500.00)

 Schedule X Concrete pad instead of gravel $ 32,000.00

 **TOTAL $728,960.00**

Darrell Morehouse asked about the offloading of fuel from the transporter to the tanks. Michael Beckhoff said that it can be done two ways. Supplier uses a hose that connects to the transporter and to a connection at the tanks or there is piping to the tanks with a connector that the supplier hooks to. Most suppliers don’t want to use a hose because of possible contamination of the fuel.

Lucas said CitySerivceValcon uses a hose.

O’Day Equipment appeared to be the low bidder. Michael Beckhoff is going to call O’Day to verify how he plans to unload the fuel and how he interrupted the deductions. He will make a recommendation at the February meeting.

CLIENT SURVEY

RPA sent a survey regarding their work on the Wildlife Hazardous Project. The Airport Commission declined to participate in the survey.

TAXIWAY PROJECT (AIP 3-30-0033-019)

Claims in the amount of $32,700.00 have been paid and a request for reimbursement of $31,680.00 was filed with the FAA. Money has been received.

WILDLIFE HAZARD ASSESSMENT PROJECT

Project has been completed. The final claim for $12,552.43 to Loomacres and a claim for $6,300.00 for engineering services to RPA were reviewed. The Commission decided to pay Loomacres now instead of waiting until the 90% comes from the FAA. The claim to RPA is being held until they send the Auto-Cadd file from the last runway project.

**NEW BUSINESS**

LED LIGHTS IN COMMERCIAL HANGAR – Discussion was held regarding the replacement of the fluorescent lights with LED lights. Lucas said NorthWestern Energy will do an energy audit to determine the savings. They often give a rebate for replacing the fluorescent lights. Darrell Morehouse said the last time an energy audit was done the savings was not sufficient to qualify for a rebate. Lucas is having HiTech Electrical give a price for the lights and installation.

Darrell suggested installing LED yard lights in the corners of the hangar. Jason Nelson said he would check with Border States Electrical about the cost of LED lights. The Airport could buy the lights and have them installed.

Action tabled until the February meeting.

**OTHER BUSINESS**

STAT AIR HANGAR PROPOSAL – Clay Berger and Russ Dahl presented a proposal for STAT Air to construct a hangar at the airport. It would be 120’ x 100’. 20 feet would be set aside for a 2-story office with training space. It will be located south of Taxilane D and east of Taxilane E. The back of the hangar will line up with the back of the Commercial Hangar. STAT would like to be adjacent to the road so they have access from the road. The plan is to break ground in the spring at about the same time the taxiway reconstruction is being done.

Clay said they would like a long term lease. A thirty (30) year lease with the condition that the terns of the lease be reevaluated every five (5) years was discussed. The annual rent of $.12 a square foot times 120’x100’ times 1.5 square feet would be approximately $2160.00. The airport would lose about $23,000.00 dollars in rent. Lease to individuals and more transient rent will make uo for a portion of the lost revenue.

Clay said the Hospital Board meets the first Tuesday of February and he is on the agenda. He would like to be able to tell the Hospital Board the Airport Commission’s position on the hangar. It was the consensus of the Airport Commission to allow STAT Air to build a hangar. They will put it on the February agenda. Clay said he will bring plans to the February meeting for the Commission to review.

HINSDALE AIRPORT – Darrell Morehouse brought a Contract for Deed between Thomas Dawson and Archie Mix and Stanley Mix dated 1942 that shows ownership of the S1/2 NE1/4 of Section 6, Township 30, Range 36. The very south end of the north/south runway is in this section. Adrian Mix, Jr. and his brother would like to farm this area. The Commission discussed abandoning the runway and having Mix’s fence off the property. Jenny will get a copy of the deed of the County property that shows the meets and bounds. Further discussion tabled to the February meeting.

AGENDA REQUEST - Darrell Morehouse requested personnel be on the February agenda.

There being no further business, the meeting adjourned at 7:45 pm.

The next meeting is Tuesday, February 9, 2016.

APPROVED BY: DATE SUBMITTED BY:

Jayson Nelson \_\_\_\_\_\_ Feb. 9, 2016 \_JennyReinhardt\_\_

Jayson Nelson, Chair Jenny Reinhardt, Secretary