

MEETING MINUTES

AIRPORT OPERATIONS COMMISSION MEETING DECEMBER 9, 2015 - WEDNESDAY - 8:00 A.M. WAUKESHA COUNTY AIRPORT TERMINAL BUILDING CONFERENCE ROOM 2525 AVIATION DRIVE

In attendance-

Commissioners: Mike Crowley, Steve Betzler, Mike Payne

Excused: Aldo Madrigano, Kurt Weis

Staff: Kurt Stanich, Matt Grenoble, Aimee Scrima

Others: Jim Singer, Erik Weidig

Approve/modify meeting minutes of October 14, 2015.

Motion to approve meeting minutes from October 14, 2015 by Commissioner Betzler.

Second by Commissioner Payne, motion carried.

Public comment/correspondence.

None.

Chairman's Report.

None.

Discussion and Recommendation on Ordinance to approve hangar lease agreement with Quad/Air, LLC at Waukesha County Airport/Crites Field.

The hangar at 512 Northview was built by the Army National Guard and has most recently been occupied by Quad Graphics whose lease expired in August 2015. This lot is made up of approximately 23,000 square feet of hangar space and 107,000 square feet of ramp space. Revenue generated from this county owned hangar rental is approximately \$96,000 per year. In the past, each contract began with an initial rate - per square foot - that is level for 5 years, then adjusted to match the combined Consumer Price Index (CPI). Renter was required to perform all maintenance and upkeep.

With the new contract, many of these items will remain the same except the initial rate will be held flat until July 2017, then increased for the remainder of the initial 5 year term. The following 10 years will be adjusted annually by the CPI. The maintenance and upkeep remains the responsibility of the renter, however it was noted that with the replacement of the roof with a life span that exceeds the contract the remaining life should be accounted for. Should the contract not continue, Quad would be reimbursed for the balance of the remaining life of the roof.

Motion to recommend County Board approval on Ordinance to approve hangar lease agreement with Quad/Air, LLC at Waukesha County Airport/Crites Field by Commissioner Betzler.

Second by Commissioner Payne, motion carried.

Discussion and action on request by Quad Graphics to sublease hangar space at 512 Northview Road.

Quad Graphics has requested, upon the renewal of their contract, to sublease hangar space. According to the lease, sub-tenancy is allowed. This request was reviewed by Corporation Counsel and final determination is made by the commission. The rate they are charging is more than what Waukesha County charges; they are accounting for the full cost of renting including maintenance and upkeep.

Motion to approve request by Quad Graphics to sublease hangar space at 512 Northview Road contingent upon the Waukesha County Board of Supervisors approving the hangar rental agreement between Quad/Air LLC and Waukesha County by Commissioner Payne.

Second by Commissioner Betzler, motion carried.

Discussion and Recommendation on Ordinance to amend 2015 Airport budget for one-time payment to Wesner Development DBA Snow Patrol.

Snow removal has been contracted by the County since Atlantic Aviation renewed their contract in 1998. Since then, there have been a few contractors that have removed snow at the Airport. Wesner Development DBA Snow Patrol won the bid in 2009 and again in 2014. Snow Patrol has been proficient in removing snow in a timely manner and have even manufactured some specialized equipment for removing snow at the airport. Their invoicing, however, leaves something to be desired, often inaccurate and delayed.

Over the years, the parameters of the snow removal contract have changed from a flat fee per month system to the existing monthly retainer and pay per inch of snow that falls. Though sometimes challenging, has proved to be beneficial in saving the County money.

The snow removal contract for 2009-2014 did not specify the services for which a deployment fee could be charged. Upon its creation, the contract had intended to specify that a supervisor performing normal monitoring duties would be included in the monthly retainer. Only snow removal would actually warrant a deployment fee. Without this specification, there were services performed under the terms of the contract that were improperly billed and/or paid.

In summer 2014, the Airport Administration office received a letter from Mark Wesner suggesting there were services that were not paid between 2009 and 2014. The letter stated the County owed Wesner Development approximately \$153,000 but would be willing to accept \$117,000 settlement (about at 24% discount).

After discussion with Corporation Counsel, and the head of Department of Public Works it was determined this was a business decision. Statute of limitations is for 6 years for contracted work and, if claims were valid, could be difficult to prove otherwise in court. All outstanding invoices were requested from Wesner and the corresponding work logs to confirm work was completed. Upon verifying invoices with existing paid invoices and comparing work logs with Waukesha County Highway records, the NOAA and observation stations, it was determined approximately \$133,000 of the invoices received were valid. Applying the same 24% discount offered in the original letter, Waukesha County proposed a counter offer of \$102,000 which Wesner accepted.

This \$102,000 payment will be from fund balance. Corporation Counsel has also drafted a settlement and release agreement to ensure that the previous contract is considered satisfied and that no further claims will be made against it. Additionally, internal measures of confirming snowfall, work logs and proper invoicing have been taken and the most recent contract eliminates the interpretation that the old contracted allowed.

Motion to recommend County Board approval on Ordinance to amend 2015 Airport budget for one-time payment to Wesner Development DBA Snow Patrol by Commissioner Crowley.

Second by Commissioner Betzler, motion carried.

Airport Operations Report.

Fuel Farm Flowage: deliveries for Jet A is down approximately 27% which could be due to the delivery schedule; 100 LL is only slightly lower from last year this time. We can expect increase in fuel sales once Stein's Aircraft Services completes installation of two additional tanks at the fuel farm.

Tower Operations: November operations are up approximately 22% with an increase of military traffic this month.

Waukesha's ranking with other SE Wisconsin general aviation airports places us just shy of Kenosha, a great improvement from previous months.

In 2016, the Waukesha County Airport will begin a multi-year phased T hangar improvement plan. This will begin with structural repairs in 2016, followed by new paint, electrical and lighting upgrades in the years to come.

Airport Managers Report.

Decision sheets will now be distributed based on the outcomes of Commissioners recommendations and actions. This will effectually streamline communication with the County Board office as well as with interested partners.

Stein's Aircraft Services is moving forward with the fuel farm development and anticipates being operational by January 1, 2016.

The 2015 year will end with approximately a positive variance, much to the diligent work of cutting expenses and utilizing office resources. The Airport Administration office is looking forward to continue to streamline efficiencies in 2016.

Commissioners can expect the 2015 Annual Report to be completed in February 2016, when the County closes its books.

Future Commission Agenda Items.

Marketing Plan for 2016
Grass Runway Updates

Adjourn Meeting.

Motion to Adjourn by Commissioner Betzler, second by Commissioner Payne, motion carried.

Meeting adjourned at 8:58am

Next Meeting: Wednesday, January 13, 2015 at 8:00 a.m.

Respectfully Submitted,

A handwritten signature in black ink that reads "Mike Payne". The signature is written in a cursive, flowing style.

Mike Payne

Secretary

Waukesha County Airport Operations Commission

December 9, 2015