

# SPECIAL AND CONTACT COMMITTEE MEETING MINUTES

July 11th, 2016

The Special and Contact Committee met Monday, July 11th, 2016 at 6:30 PM in the Council Chambers at the Knisely Centre. In attendance were Special and Contact Committee Chair Kelly Ricklic, Members Mrs. Aimee May and Mrs Cheryl Ramos. Alternate Committee Member Mr. John Zucal had an excused absence.

Guests were Mayor Joel Day, President of Council Sam Hitchcock, Safety Director Greg Popham, Service Director Ron McAbier, Auditor Beth Gundy, Treasurer Tom Gerber, Council Member Mr. Darrin Lautenschleger, Council Member Mr. Dean Holland, Council Member Mr. Rob Maurer, Council Clerk Julie Courtright, and Mr. Don Kennedy.

The meeting was called to order at 6:30pm with one matter on the agenda.

The purpose for the meeting is to discuss a recommendation for additional hangar space at Harry Clever Field.

Mr. Ricklic made the following opening statement:

Before the Committee tonight is the discussion of recommendations of the additional hangar space at Harry Clever Field. The request was brought from the Airport Commission. Mr. Kennedy is here present to speak to the Committee tonight about the need for the additional hangar space and how the City will benefit from this.

Secretary of the Airport Commission Don Kennedy made the following statement:

The Airport Commission for the past couple years has been studying the need for more hangar space, but the need has existed for many years. I believe the last ones that were built were probably in the 1970s. Those are the hangars on Delaware Drive. We've rehabbed those. There is some need to put a new roof on the Delaware Drive hangar. Our airport is fine. We've had the master plan as far as moving the runway, extending the runway. It doesn't look like the FAA is going to do any of that. So, we've had a need from pilots who reside both out of the area and in the area for hangars. We are at 100 percent capacity and have been for many, many years. We have had a waiting list for hangars. Back in I believe 2007, the FAA funded a hangar pad over on Delaware Drive right next to the existing hangars that are there on Delaware Drive and we have done nothing with them. The FAA gave us \$170,000 here and there, the City put in their 10 percent, and we've just got grass growing out there. The hangar pad is there ready to be built on and has been there. So, what I brought back to the Airport Commission when I got on is "let's do something with what the FAA funded for us". We have a need. The airport and members of Council, Mr. Ricklic and Mr. Holland, along with Mr. Zucal asked that I contact the people that were on the waiting list and do a little short survey of the need. They wanted me to come to Council or the Special and Contact Committee and answer the main question "how do we know we're going to fill it up?" In the short 2 weeks that I did that I have had seven or eight responses that "yes, we would love to bring our airplane to New Phila and move into this hangar". I even went so far as to put the cost in it. I think \$200 is below what they charge at Akron and Canton, it's more than we charge presently for the other hangars that we have there. These are going to be the nicest hangars on the field. They're going to have a bifold door, metal roofed building with roof insulation. They're going to have a mandoor, full concrete pads, concrete approaches. What I am proposing and the Airport Commission is proposing is that the City fund this improvement to our Airport. In front of you I passed out just to show you where the hangar pad is located off of Delaware Drive right next to the current hangar. Mrs. May, are you familiar with what I'm talking about? I know Mrs. Ramos is because she was on the Airport Commission.

Mrs. May had the following response:

Yes, I'm familiar.

Mr. Kennedy continued:

I believe all the members of Council are familiar with where I'm speaking about that this pad is located. These figures I have in this packet are the figures I put together. Are they going to be exact? Can I tell you that it's going to be \$350,000 to build this? No. Well, I don't know that until we bid it out. Could it be \$360,000? Could it be \$330,000? I try to give my best estimate talking to the people at Erect-a-tube and contractors that I know, but this is preliminary. What I wanted to do was put it in front of Council and get your approval to bid this out, look at it, and then make a final determination if we want to go forward with it. Naturally if the bids come in at \$500,000 then we've got to rethink it. I don't think that's going to be the case, but I want to throw that out there that these are my estimates. I think financing, the interest isn't going to be any cheaper than it is right now. With borrowing money the pilots will be paying this back. There was a change and I believe the last Special and Contact Committee Meeting we had I mentioned to you that a year and a half ago, for the last 5 years of the Airport Manager's lease we reworked some things, because currently the Airport Manager gets 60 percent of hangar rents, the City gets 40 percent. The previous Administration, when something came up and he missed his timeline of notifying the City of his last 5-year option we made some changes to his lease that stated "Any new hangars built the City gets 100 percent of the rents for his last 5 years." So that made this feasible for us, because it wasn't feasible for us when we were only getting 40 percent of the rents under the previous lease that he signed 16 and-a-half years ago. So that has been taken out and that's been solved so the City would collect 100 percent of the rents on this hangar and when we renegotiate the next lease on the airport that will also be included in that new lease that these hangars are exempt and who knows what we do with the rent split on the existing hangars if there will even be one. That's something the Airport Commission will be deciding in another 2 years or so. We have a definite need. I feel that before this thing is completed we'll have 12 people ready to move into the thing the day the doors open, but that's my feeling on it. I don't think it will be any problem keeping it 100 percent complete and I think I mentioned to you that I'd like to look at building a second one and we can build this thing. We have the space out there on the other side of the field. If we can build this thing, if we get more people to come. We're a desirable airport, we're in a good location, our fuel is cheaper than most places, we're easy access off of State Route 250. There are airplanes in this area that are sitting idle and this gets people flying. They spend fuel Which we get revenue from. It wouldn't surprise me if we'd be looking at the possibility of building a second hangar in a couple years. That's the way we're going to keep Harry Clever Field vibrant. We have a new master plan coming out. It should be coming out the end of this year, first of next year. We're working with our airport consultant on that. I don't know what that's going to say, but I have a feeling it's going to tell us the same thing we read in the 2005 Master Plan, that we're land-locked and we're not doing anything with the existing runway but repaving it and making it good for the next 25/ 30 years. It's unfortunate. I'd love to be coming here telling you that we're buying ground from the back of the Knisely Industrial Park and we're going to put a 55 foot runway in, but Mayor Day met with the FAA this spring and they didn't give us a lot of hope that was going to be a viable option. I think we need to do the best we can with what we have. We haven't done anything in 35 or 40 years. This is an improvement to the City's assets, the City owns it, this building shouldn't need maintenance for the next 35 to 40 years. In 30 years you'll look at maybe putting a roof on it and maybe residing it but you'll have revenue coming in after you pay this off in 15 , 17, 18 years, whatever it takes. You'll have 100 percent of the revenue for the next 12/ 13 years that you can bank and put into the airport fund for future improvements.

Mrs. May had the following question:

You said it was 10 or 12 units?

Mr. Kennedy had the following response:

The site is big enough for a 12 unit building and that's what I propose and what the Airport Commission proposes to build.

Mrs. May had the following question:

And you said \$200 a piece per month for rent?

Mr. Kennedy had the following response:

Yes, that is correct.

Mrs. May had the following question:

In the event that those units don't get filled, would we still have revenue from the other hangars to cover that?

Mr. Kennedy had the following response:

Yes, we still have 40 percent of the existing hangar rent that could make up that difference. The last I looked on our financial statement I believe there's about \$76,000 in the airport fund, and that just increases monthly. Now, the pilots currently have a \$25 maintenance fee that goes into a separate fund that the pilots can request improvements to the existing hangars. That's what I have been doing the last year and a half is rehabbed all the concrete pads in the Delaware Drive hangar, we've rehabbed them on the East High Avenue hangar. The Delaware Drive hangar other than the capital improvement of putting a new roof on that building, which it needs and I'm working on that with the Administration. That building's good for another 25 years and the pilots are happy with it. They like that building. Would they like to have bifold doors? Yeah they would, I mean that's the up-and-coming thing. They like the ease of getting their airplanes out by hitting a button rather than pulling the side and worrying about the winter freezing, things of that nature. So, are our existing hangars ideal? No. Are they adequate? Yes.

Mrs. Ramos had the following question:

So far you've got 7 yes responses out of 12 hangars so it's like 58 percent filled. The 40 percent of the current rent in the current hangars that the City gets, what is that typically used for?

Mr. Kennedy had the following response:

The fund is there to go into maintaining the airport, and there's always capital improvements, there's lights that need to be repaired. There's roof repairs, there's electrical repairs, there's repairs to the fuel farm, general maintenance items of maintaining an airport. So, I'm sure Ms. Gundy can give you a better idea of how that money has been spent down over the years than I can. I've only been on the Airport Commission for 2 years, although I've been attending for quite a number of years.

Mrs. Ramos had the following question:

So it wouldn't really be feasible if some of the spaces were unrented to take money out of that 40 percent because that's used to maintain the airport?

Mr. Kennedy had the following response:

Correct.

Mrs. Ramos had the following response:

So, it would have to be subsidized out of the general fund.

Mr. Kennedy had the following response:

No. I think there's money there that could make up the rents for the months. You're assuming I'm thinking it's only going to be filled at 60 percent for the next 15/17 years until we fill it up?

Mrs. Ramos had the following response:

No, I'm assuming that it's not going to be 100 percent, all the time.

Mr. Kennedy had the following response:

That I can't answer, but I can tell you that there is a need, there's been a waiting list. I did a 2-week study and had 7 responses like that without even putting it in the newspaper. I tried to do it as quietly as I could and the most feasible way I could and I got immediate responses. Can I guarantee you it's going to be full at 12 units? No, I'd be crazy to do that. I'm not going to stick my neck out on the line. Do I feel confident, 90 percent or better that I'll have them filled? Yes I do. The current funding we have and the monies we have will fund it until it's full.

Mrs. May had the following question:

Do you know how much that 40 percent is roughly?

Mr. Kennedy had the following response:

I'll know it tomorrow and I can get it to you. Again, it's not going to sit empty for 15 years. I'm confident of that.

Mrs. Ramos had the following question:

You had mentioned a 2-step process to get permission now to bid it out and see what the response is on that, and come back to Council and see what we're going to do with that bid. So, how much will it cost to bid that out?

Mr. Kennedy had the following response:

I can't imagine there's going to be any cost to ask contractors to come in and bid.

Mr. Ricklic had the following response:

Well we'd have to advertise, so about \$2000.

Mrs. Ramos had the following question:

So, that would come out of the Airport Fund?

Mr. Kennedy had the following response:

Yes.

Mrs. Ramos had the following question:

How many business planes are there?

Mr. Kennedy had the following response:

Currently in our hangars, I know of one, the surveying company on Cookson Avenue. My airplane's a personal airplane but my client uses it for business so how would you want to classify that?

Mrs. Ramos had the following question:

We're very concerned with economic development for New Phila., and instead of pleasure or hobby, I know one of the pilots and I know he uses his plane to go to shows and business and all that, but it's a personal/business.

Mr. Kennedy had the following response:

This will enable us in the green hangars to possibly move some planes from the green hangars and we'd have room for a King Air plane if somebody like Lauren wanted to bring one in. It does open up some possibilities that we don't have right now because we're 100 percent full. You have an airport that is funded by the FAA, that you are taking federal money for, that we need to maintain and expand in order to make ourselves viable. I think with the new Airport Commission, with the new Administration, they recognize the airport is an economic tool that we can use to improve New Phila. And Tuscarawas County. I use it as a Tuscarawas County Airport because not only New Philadelphia residents use it, but Sugarcreek residents use it, Dover residents use it, Newcomerstown residents use it, Gnadenuhnten residents use it, okay? So, it is our airport, I'm trying to make it better, looking ahead to the future. This is one of the ways we do it, more pilots, more planes from out of the area, they buy more fuel, we have better FBOs, we get better FAA consideration when we do things because they count how many airplanes you have on the field, how many take offs and landings are made.

Service Director McAbier made the following statement:

Looking at this we have to have 10 units filled to make a payment, we don't have to have 12 in there. That's \$2000 a month so we have to have 10.

Mr. Kennedy made the following statement:

That is correct. My main thrust of this was to get Council's approval that yes, we'd like to support the airport, we can do it, it's of vital interest to economic development in Tuscarawas County. Let's do something with what we have.

Mr. Ricklic made the following statement:

As Committee Chair I feel that it's very important that we use all our resources for our community, and I think New Philadelphia is exceptional by having an airport. I think it's very important to our economic development of our City to utilize that airport to the best that we can, and if we don't have places to park planes so people feel their planes are protected then the airport doesn't serve much purpose. So, I'm asking Committee what they feel. I feel we should at least research it as far as putting out the bid, see what it's going to cost to fill at least where the pad has been poured which the money has been given to us, which 12 airplanes will fit on that pad. At least we'll get an idea. We can always go 12 if that doesn't work we can always reduce it back to 10. I'd rather look at what we can do to get the most planes there.

MRS. RAMOS MADE A MOTION TO DRAW UP A RESOLUTION TO ENTERTAIN  
BIDS FOR CONSTRUCTION OF 12 HANGARS FOR THE AIRPORT

MRS. MAY SECONDED THE MOTION

3 YEAS

A RESOLUTION WILL BE DRAWN UP BY THE LAW DIRECTOR AND PRESENTED  
TO FULL COUNCIL

Meeting adjourned at 7:01 PM