

ZEPHYRHILLS MUNICIPAL AIRPORT ADVISORY BOARD REGULAR MEETING

A Regular Airport Advisory Board meeting was held on Monday July 20th, 2015 at 5 p.m. in the Robert H. Johnson Council Chambers of the Municipal Building.

Chairperson, Bill Castle called the meeting to order. Present were members Dan Evans, David Ruffell, Rachel Nash, Bill Castle and Mark Frank. Buzz Hohmann and Ron Miller were absent
Staff present was Airport Manager, Nathan Coleman and Administrative Assistant, Lucy Huber.

- *Mr. Coleman introduced and welcomed Dr. Mark Frank as the newest member of the board.*

APPROVAL/CORRECTION OF MINUTES – David Ruffell moved to approve the minutes of the Regular Meeting held on June 15th, 2015. Rachel Nash seconded the motion. All were in a favor and the motion passed.

BUSINESS ITEMS –

1. Consider the approval of amended rates for Zephyr Aircraft Engines Inc. 2015 lease renewal.

The current lease for Zephyr Aircraft Engines has expired. The lease rate they are currently paying is \$1,793.44 per month (plus sales tax) as well as all Ad Valorem taxes related to the property. According to the newly adopted lease rates, the new minimum monthly rate would be raised to \$5,002.47 (plus sales tax) and still include all Ad Valorem taxes. Aviation related businesses inside the Airport Layout Plan (ALP) may qualify for an Ad Valorem tax exemption, but because Zephyr Aircraft Engines is the only business outside the ALP they are unable to take advantage of this tax break. Nathan Coleman has been communicating with the owner, Mr. Charlie Melot, regarding this lease renewal. Mr. Melot has expressed that his company will not be able to afford the newest lease rates and that he would have to consider closing down his business. Because Zephyr Engines is outside the ALP, it would not interfere with the FAA and FMV Grant Assurances if these new rates are not applied to Zephyr Engines. Rather than spend more money on another rate study for businesses outside the ALP, Mr. Coleman worked together with Mr. Melot, eliminating some of the ground property that he currently leases and came up with an amended renewal rate. That rate would be \$2283.65 per month (plus sales tax) as well as all related Ad Valorem taxes. The rate would be for a 10 year period with a 5 year renewal option. Mr. Coleman made available a visual of the airport layout and where exactly Zephyr Engines is located as well as the new square footage that would be leased by them if approved.

After further discussion Dan Evans moved to approve the amended rate of \$2,283.65 per month for a 10 year lease with a 5 year renewal option. Mark Frank seconded the motion. All were in a favor and the motion passed.

There was discussion regarding revisiting these newly approved lease rates. There is concern that these rates may be too high for our area and there is good possibility that businesses will leave our Airport once their leases expire and the new rates will have to be applied. This would require paying for another new rate study and the findings would most likely be the same. The FAA suggested, after Nathan Coleman spoke to them, that we wait two or three years to do so. At this time, these professionally (Slack Johnson and Meganheimer) calculated rates have been approved by both the Airport Board and the City Council. These rate results have been reported to the FAA

and the Airport is obligated to put them into place. Rachel Nash asked to see a copy of the newest rate study and Nathan said we will get that to her.

INFORMATIONAL ITEMS –

1. Update on Power Paragliders

Rather than sublease from an Airport tenant and use the midfield as his operating area, Mr. Noe Chaparro decided to explore the possibility of renting office space on the other side of the airfield. There is an area of land over there that he can use for his operations. He will pay the airport a \$200.00 yearly user fee and a Certificate of Insurance is also required. Mr. Chaparro will also still be required to affirm his safety plan for his operations. No action was taken.

Monthly Fuel sales were reviewed.

Chairperson Bill Castle welcomed new board member Dr. Mark Frank. He also offered him the opportunity to adjourn the meeting.

Dr. Mark Frank made a motion to adjourn the meeting at 6:15 p.m. Dan Evans seconded the motion. All were in favor and the meeting was adjourned.