



# Newsletter

# Anoka County Aviation Association

## ACAA

July, 2011

Next Meeting: **Monday, July 11, 2011 7:00 PM**  
EAA Chapter 237 Hangar Anoka County Airport.

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### Calendar

July 11, 2011 (Mon)	7:00pm	ACAA Meeting EAA Hangar
July 22-24 (Fri-Sun)		B17 Flying Fortress
July 31 (Sun)		DC-7 @ Golden Wings
Aug 3-7 (Wed-Sun)		American History Flight Tour Warbird Rides
Sept 2, 2011 (Fri)		Newsletter Deadline Want Ads due
Sept 12, 2011 (Mon)		Annual Airport BBQ

### July Meeting – Pilot Briefing

Join us at the May meeting for an update on what's happening at ANE and the MAC. Dana Swanson from the MAC Noise department will do a pilot briefing on recommended procedures to minimize our impact on our neighbors, focusing primarily on traffic patterns, helicopter, and nighttime operations. We'll also be discussing the proposed lease changes and the report and recommendations from the recent Reliever Airport study.

Family, friends, and members of other airport associations are cordially invited. The meeting starts at 7:00 PM on Monday, July 11, at the EAA 237 Hangar on the west side of the field. Doors open around 6:45. Refreshments will be provided.

NOTE: Our September meeting will be the 3<sup>rd</sup> annual airport BBQ at the new pavilion near the tower on September 12. There will be no business meeting in September. Look for more details in the September Newsletter.

### Around the Airport

By Joe Harris, Airport Manager

On behalf of the Metropolitan Airports Commission, the Reliever Airports staff wants to thank all ACAA members who volunteered to construct the pavilion at the public aircraft viewing area. This site is really starting to take shape. This will be a wonderful addition to our airport community. Again, thank you for making our airport a great place to work, fly and visit.

The airport will be very busy with events and visitors the next few months. The Direct TV Airship will be parked at the airport to cover a nationally televised Twins game July 20-24. The local EAA Chapter 237 and Key Air will be hosting a beautifully restored B-17G Flying Fortress "Aluminum Overcast" from July 22-24. This is one of only a few Fortress's still flying. Details of this event can be found at [www.b17.org](http://www.b17.org). On July 31, a DC-7 is planning to stop at Golding Wings Museum. More details about this event can be found at [www.historicalflightfoundation.com](http://www.historicalflightfoundation.com). An American history flight tour will be here from August 3-7. Details about this event can be found at [www.historyflight.com](http://www.historyflight.com).

The taxiway delta and southern taxiway reconstruction project is scheduled to begin August 7th. Please check the NOTAMS before flight for up-to-date pavement closures.

The annual airport barbecue will be on September 12th. This event has grown over the years. It is truly an enjoyable evening to spend time and share summer flying stories with other airport users. We hope to see you there.

Safe flying,  
Joe

### RAAC Report

By John Krack

We hope to wrap up the Lease Policies and Forms project soon, and get going on the review of the items identified in the new "Operational Practices and Capital Funding for General Aviation in the MAC System" report, including a revised Financial Model and a review of Ordinance 107 that sets Reliever Airport Rates and Charges. Following is a summary of the items we're tracking:

#### Aesthetics/Maintenance Ordinance

No update. Things appear to be going well.

I'm still on the hook to put together a contractor list. **(Note: If anyone wants to take this on, I've got some contacts. Would involve interviewing the contacts, finding out what work they do, get approximate costs for typical jobs, put together a list, and possibly include pros/cons of various types of repairs (painting vs. reskinning, e.g..))**

#### Financial Model

MAC Staff has released the report of their year-long Reliever Airport study to the M&O committee for approval to proceed with the recommendations. The M&O Committee approved it today (Wednesday) and it will go to the full Commission on July 18. So far, this is very positive for tenants. Basically, Staff wants to open up Ordinance 107 to review and make changes to implement the overall recommendations in the report. This is good, because there are some things in the ordinance that we want to see removed (such as the Surcharge), and MAC wants to remove the depreciation method of accounting for capital projects, basically jettisoning the cost of the projects already completed from the Reliever Airport books. We also want them to review the ground rent charges, with an eye to at least reducing the annual escalator. They already acknowledge that the Reliever Airport ground rent charges are among the highest in the country for GA, and are not likely to try to raise them. They also want to review commercial charges with an eye to improving business competitiveness. This is good. We just need to plug into the process and get our views in the mix. The report and recommendations can be seen in the last 26 pages of the July 6 M&O agenda at

[http://www.metroairports.org/mac/appdocs/meetings/Mo/Agenda/MO\\_A\\_1081.pdf](http://www.metroairports.org/mac/appdocs/meetings/Mo/Agenda/MO_A_1081.pdf)

Also see Vivian Starr's excellent summary below of the July 6 M&O meeting. She described it much better than I could.

**Blaine Ballfield Lease.** This has gotten tied up with a number of other issues under negotiation with Blaine (including the Xylite

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## RAAC Report

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repaving and fire/police protection) and indirectly involving Flying Cloud and Crystal.

**Lease Policy Changes and Lease Forms.** Don Rosacker, Bruce Wiley, John Renwick, and I met with MAC staff on May 9 to complete the review our response as published in the March Newsletter. We reached a few agreements, got some clarification, and identified several areas that Staff agreed to look into. Staff is revising the documents to reflect many of our comments, but the project has been delayed due to higher priorities in their legal department. See the summary included in the May ACAA Minutes (where we discussed the key points from the meeting.) As always, your input is solicited and welcomed.

**Non-Aeronautical Revenue.** The consultant's report reviewing the target non-aeronautical parcels, and identifying those with realistic development potential, was delivered to MAC the other day. I expect that we'll learn what it says shortly. This analysis should allow MAC to focus on the parcels with highest development potential, and hopefully be more effective at marketing them.

We'll keep you posted as things develop.

As usual, if you have any concerns, issues, or suggestions regarding the Reliever Airports, let me, or any of the other RAAC reps, know.

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### The View From Here

By John Krack

For those of you who've been following our personal saga this winter and spring, my wife, Carrie, came home on June 6 from Akron, OH, where she had contracted meningitis New Year's Day. All things considered, she's doing extremely well, and is finishing up her rehab here in MN. She's over 90% back to normal physically and mentally, and we expect her to continue to improve over time as her brain continues to heal. Her recovery has truly been miraculous, and we thank you for your support, emails, cards, and prayers during this ordeal. She's looking forward to helping out at the airport BBQ in September

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### Reliever Airport Task Force Report

As noted above, the latest Reliever Airport Task Force report was released last week. Recognizing some time ago that the financial plan and model developed several years ago was not meeting projections, and the dreaded Surcharge was moving ever closer, Commission chair Lanners directed Commissioner Monaco, who runs an FBO in Duluth, to work with Staff to study capital funding and operational practices of General Aviation within the MAC system, and lay the foundation for developing General Aviation business plans for airports in the MAC system.

The study included tours of the Reliever Airports, and tours and interviews with airport managers of nine airports surrounding the metro area. They also took inventories of existing GA services and facilities on the Relievers and at MSP, reviewed existing and proposed updates to lease policies and lease forms, and had staff presentations on airport finance and capital project funding.

Commissioner Monaco recognized immediately what some of the problems were, and they looked at things from a different perspective – from a GA standpoint instead of an airport standpoint. This approach also ties in nicely with the MAC mandate from the State, which includes:

- Promote air navigation and transportation;
- Promote the efficient, safe, and economical handling of air commerce;
- Develop the full potentialities of the metropolitan area in this state as an aviation center;
- Correlate the metro area with all aviation facilities in the entire state, to
- Provide for the most economical; and effective use of facilities and services in the metro area

In addition, MAC is statutorily mandated to “develop and implement a plan to divert the maximum feasible number of general aviation operations” from MSP to the Reliever Airports.

Following the data collection, they developed a vision of GA within the MAC system:

- Develop STP, FCM, and ANE to meet the anticipated growth in business aviation;
- Preserve Lake Elmo, Crystal, and Lakeville to meet the needs of recreational flying and flight training;
- Recognize an FBO at MSP to service GA users at MSP

To achieve the vision, the following set of focus items (called work plans) was identified:

1. Recognize the value of the Reliever Airports to MSP
2. Set a strategy to fund Reliever Airport capital projects
3. Assess the composition of GA fees at MAC airports to ensure competitiveness with the system
4. Create an environment that supports strong commercial operators
5. Create a plan to maximize non-aeronautical revenues
6. Create positive relationships with the airport users
7. Identify and provide the airport services demanded by users

They then went to work researching each of these items, resulting in a number of recommendations, including:

1. Amend Ordinance 107 (Rates & Charges) to:
  - a. Reflect capital projects in terms of debt service, not depreciation. [This means that most capital projects will be paid from current revenues (i.e., cash) rather than kept on the balance sheet and depreciated over 20 years. They would only show up on the Reliever Airports balance sheet if MAC had to borrow money to do them.]
  - b. Dedicate Entitlement money (\$900K/yr), MnDOT money (approx \$1.4M/yr) and the tenant ground rent surcharge to preservation projects
  - c. Dedicate non-aeronautical development revenue, FAA discretionary funds, and cumulative profit primarily for enhancement projects
  - d. Use revenue generated from MSP FBO GA activity (i.e., Signature) to support GA throughout the system. (Approx \$900K/yr)
  - e. Review and amend as necessary the ground rent surcharge provision (the “blank check” that hangs over our heads)
  - f. Leave scheduled storage ground rental rates as is
  - g. Review and amend as necessary the ground rent structure for commercial leases
2. Fund capital projects by:
  - a. Annually allocating approximately \$1.4M in state funding
  - b. Continue discussions with MnDOT to increase state aid
  - c. Use additional entitlement money, when available, to complete preservation projects
  - d. Continue to aggressively pursue FAA discretionary funding
  - e. Continue to use a cost/benefit analysis for enhancement project decisions
3. Review Ordinance 78 (Commercial Minimum Standards) and amend as necessary
  - a. Review and address each airport's profile and commercial partnership needs
  - b. Allow for MAC to provide commercial services if a successful commercial partnership cannot be established
4. Complete analysis of non-aeronautical revenue opportunities and follow expeditiously with development of non-aeronautical revenue sources

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**The View From Here**  
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5. Embrace opportunities to build positive relationships with tenants and airport users including, but not limited to, involvement in airport promotional events, open houses, user group meetings, tenant appreciation events, and beautification projects.
6. Continue to provide the level of quality service that has been provided to the user, but do so with consideration of the specific needs of the individual airports. In providing the service, special consideration will be given to safety and cost control.

My sense is that there's a seriousness within MAC about realizing the potential of the Reliever Airports, and they are willing to take the steps necessary to make it happen. As tenants, we have an opportunity to participate in the process to help influence the direction. The challenges ahead should be both interesting and rewarding.

Nevertheless, there are a few items in the report that the RAAC feels need to be addressed, and the following comments were submitted to the M&O Committee:

6 July 2011

**To:** Members of the M&O Committee

**From:** John Krack, Chair, Reliever Airports Advisory Council

**Subject:** Comments on the Reliever Airport Task Force report entitled "Recommendations Regarding Operational Practices and Capital Funding for General Aviation in the MAC System"

On behalf of the RAAC, I have reviewed the above report submitted to the M&O Committee for approval, and have the following comments:

1. Overall, this is an excellent start. There's clearly been a great deal of effort behind this study, and we applaud the entire organization for the focus on the Reliever Airports and the goals to put them on a firm financial footing, maximize their potential within the aviation system, and support the tenants and businesses who are their lifeblood. Many of these ideas to designate stable funding sources for capital projects, and to aggressively seek additional outside revenue, are good ones and should go forward. Thanks in particular are due to Commissioner Monaco for his guidance based on his "real world" experience in running a Fixed Base Operation in today's economic climate.
2. The 7 identified focus areas identified on page 2 are appropriate. We would suggest changing number 6 to read **"Incentivizing operators to base at the Reliever Airports by creating positive relationships with the tenant community and keeping tenant costs at a competitive level."**

We would also suggest adding an 8th: **"Continuing and enhancing community outreach efforts to foster positive relationships with local officials and residents."** These efforts have been going on for several years through Airport Advisory Commissions, public airport orientation sessions, and joint zoning boards, and we would like to see them formally acknowledged and continued as part of the overall Reliever Airport operations plan. There's also a tenant-initiated Airport Promotion Group at Anoka that is building bridges to the community. These efforts are vital to the public acceptance of these airports, and public understanding of the benefits these airports bring to the region.

3. As the review of the cost allocation continues, the value of the Reliever Airports to MSP in terms of reducing traffic and enhancing safety by keeping smaller, slower aircraft out of the mix needs to be considered. We think a strong case can be made that the \$300K+ that the Relievers are currently getting from MSP should be increased. Indeed, a 2005 MAC-commissioned Wilder Foundation study noted that, based on a 1998 North Las Vegas study, **"...the benefits conferred on airlines and travelers at MSP by the MAC reliever system might crudely be estimated as some rather large multiple of \$25 million per year."**

We're not asking for multiple millions per year, but given the goal to balance costs across the spectrum of beneficiaries, MSP needs to participate. This item in Ordinance 107, Section 2.3(c)(3), should be reviewed along with the other identified items in Ordinance 107.

4. Costs are a major concern for many tenants, and the concerns fall into two categories: Magnitude and Uncertainty. Several years ago when the tenant fees were deemed to be below market, MAC doubled the square footage costs literally overnight, built in an annual escalator of 4%, and added a "capital improvements" surcharge that escalates at 5% annually. These escalation rates have been well above recent inflation, and the report notes in several places that the current ground rental rates are now among the highest in the country for general aviation airports.

So the rates have been brought into line, are now among the highest in the country, and continue to escalate above inflation. The wording of the document appears to ask the Committee/Commission to endorse the Task Force recommendation to leave them unchanged, which would appear to take them out of consideration as the other fee structures and cost allocations are reviewed. We request that during the forthcoming Ordinance 107 review process, the ground rental rate structure, and particularly the magnitude of the escalators, be reviewed also. We want a predictable rate structure, but the rate at which it escalates, we believe, is higher than it should be, and provides a disincentive for operators to base at the Reliever Airports.

5. We agree that it is time to review the ground rent credit/surcharge provision, and would strongly urge that it be eliminated. This concept contributes greatly to the aforementioned uncertainty, as it is like a blank check hanging over tenants' heads. MAC, not the tenants, makes the financial decisions for these airports, and to obligate the tenants to immediately make up any deficits is unreasonable and a disservice to the tenants.

In closing, we think that many of the ideas in this document are good ones, and we look forward to working with Staff to review the areas that we believe can be improved.

Regards,

John L. Krack  
Chair, Reliever Airports Advisory Council

You can see the full report in the last 26 pages of the July 6 M&O agenda at [http://www.metroairports.org/mac/appdocs/meetings/Mo/Agenda/MO\\_A\\_1081.pdf](http://www.metroairports.org/mac/appdocs/meetings/Mo/Agenda/MO_A_1081.pdf)

There's much more detail than I've covered above, and I urge you to take a look.

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## The View From Here

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### Blaine Airport Promotion Group

The BAPG continues to move forward. Following is a June 9 report from Roger Hansen, the group's education coordinator, on the progress made working with local school systems. If you'd like to get involved, contact Roger at [rogerhansen49@gmail.com](mailto:rogerhansen49@gmail.com), or Harvey Karth at [hkarth99@comcast.net](mailto:hkarth99@comcast.net).

Weather and Aeronautics brings to mind the challenges we face as we face our passion and inspiration for flight.

On June 23, 2011 we will be hosting a tour for 183 third grade students and their teachers and field coordinators. Our challenge is to present a series of topics and tours of a number of businesses during a four hour tour. Among the subjects will be visual weather forecasting and electronic measures in predicting weather patterns.

I was reminded of the fact that many of the current professionals in the Aerospace industries today, got their inspiration from watching our astronauts take their first step on the moon. We are bringing our next generation and future Aerospace planners to a new level, where they will see things that are not available to them in the classroom.

On May 27<sup>th</sup> Pam McDonald from *Independent District 196, Grade 3, Young Scholars*, made a visit to the airfield to get a first hand look at areas that we will be using during the tour on the 23rd. From the results of that visit we will do a time schedule that will utilize the time available and match the classroom material that the third grade class is currently studying. The events of May 27 also included a tour by students from *Spring Lake Park High School, District 16*. Mary Albright, Test Control Officer for the Civil Air Patrol made presentations to each of the schools represented and Harvey Karth assisted in continuing the tour of the airfield.

We received a request for a tour from Lynn Jaeck, *Discover U, District 11, Middle School*. On July 13, 2011 we will be hosting a tour of 100 7th graders. Work continues on a program that will help make these large group tours manageable and will be based on the number of teachers and available trainers.

Volunteers are needed to fill the roll as trainers. We have asked the Civil Air Patrol to assist with these summer programs as their students are available. A great deal of inspiration has been generated by the businesses that have been able to participate in the tour programs and we continually remind our groups that these are private businesses that open their doors to share in the experience of Aerospace, "The Next Generation."

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### Volunteers Turn Idea Into Reality at ANE

From the July 1 *MAC Update* internal newsletter (courtesy of Joe Harris)

Metropolitan Airports Commission Reliever Airports Manager **Joe Harris** had heard the question, "Can we come watch planes take off? And if so, where do we go, Joe?" repeatedly from members of the community surrounding Anoka County-Blaine Airport. He took the notion of building a public aircraft viewing area on the grounds of ANE to the volunteer members of the Anoka County Aviation Association and the group, along with several ANE tenants, jumped at the suggestion.

The two-month project is now in its final stages, with the assistance of Harris along with ANE maintenance staff **Trinidad Martinez** and **Mark Storie**. However, the majority of the credit is due to the volunteers who designed and constructed the site.

The area is located near the tower and will feature picnic tables, a grill, and a radio with speakers tuned into the tower frequency to

enable people using the area to listen to pilot and controller communications. Harris commends the work of the volunteers, "We want to recognize these individuals who have donated their time and talent and continue to help make ANE a vibrant and exciting place to work, fly, and visit."

The viewing shelter will get an official welcome and the volunteers public thanks at the ANE annual barbeque held the second Monday in September. For more information on that event, or about ANE, contact Joe Harris at [Joe.Harris@mspmac.org](mailto:Joe.Harris@mspmac.org) or visit: [metroairports.org/relievers/anoka\\_blaine/default.aspx](http://metroairports.org/relievers/anoka_blaine/default.aspx)



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### MAC Committee and Commission Meetings

By Vivian Starr

#### MAC Committees 8 June 2011

#### Finance, Development, & Environment (FD&E)

Following the appointments of new Commissioners by Gov. Dayton, the committee assignments have been sorted out. The FD&E committee is as follows:

Timothy Geisler, Chair  
Lisa Peilen, Vice Chair  
Dan Boivin, Commission Chair  
Carl Crimmins  
Gregory Foster  
Mike Landy, M&O Chair  
Michael Madigan  
Tammy Mencil  
John Williams

There were no Reliever Airport discussion items.

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#### Management & Operations (M&O)

Committee assignments:

Mike Landy, Chair  
Dan Boivin, Commission Chair

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## MAC Committee and Commission Meetings

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Timothy Geisler, FD&E Chair  
James Deal  
Pat Harris  
Richard King  
John McClung  
Don Monaco  
Paul Rehkamp

There were several topics of interest to Relievers on this agenda. Two people had asked to address the Committee prior to regular business. The first was a gentleman from Thunderbird Aviation, Flying Cloud Airport, who explained that they were ready to begin construction on their new facilities, but their bank was requesting a lease term longer than what is usually offered by MAC. Thunderbird requested a 25 year lease. Chair Landy said staff would look into this request. No action was taken by the Committee.

Michael Hayes, formerly of Anoka Air Charter and Crossroads Aviation at Anoka Co.-Blaine Airport, said he still holds a lease at ANE. He asked that he be given a reduction in his ground lease rate so that he could build a small FBO facility at ANE. He outlined what he considers to be preferential treatment given to Key Air (ANE FBO). His contention is that both Anoka County and MAC have given financial breaks to Key Air that have not been available to him. Commissioner Rehkamp asked Mr. Hayes if this was not just a repeat of comments and requests made many times in the past. Chair Landy referred Mr. Hayes to staff.

During the business portion of the meeting, Director of Reliever Airports, Gary Schmidt, presented a recommendation for trunk fee assessments for sewer and water at FCM. This was a carryover item from previous meetings. Eden Prairie is the only metro area city that charges a trunk fee for sewer/water. This is to defray the city's cost of basic infrastructure. The city and Met Council have SAC/WAC charges and this "trunk fee" would nearly double the cost of connecting for FCM FBOs.

Commissioners Monaco and King asked for this review due to their concerns about the disparity of relief Eden Prairie offers other commercial property owners within the city who can pay trunk fees over time with the city having a lien on their property. The city will not offer this option because the city cannot hold a lien on an airport that receives federal money. The proposed Committee action was for MAC to pay the city trunk fee and collect tenant repayment over time. Joe Smith of Elliott Aviation asked the Committee to consider a ten year term for repayment. After considerable discussion, much of which dealt with setting a precedent, the motion was unanimously passed. It will go to the Full Commission later this month for final consideration.

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### MAC Committees 6 July 2011 Management & Operations (M&O)

The M&O discussion agenda included three momentous action items. First up was a request for approval of Delta Airlines G Concourse Term Sheet. Obviously, this is not a Reliever Airport topic, but nevertheless it has implications that could have a bearing on Relievers. Very briefly, Delta has primary control of the G Concourse including all its concessions. This total control of G is set to expire in 2016.

At that time MAC regains control of Concourse G. Delta will only lease gates, ramps, and associated items on that concourse. MAC will take over leasing to concessionaires. However, Delta notified MAC that they want to completely revamp their Concessions with a new model that has already been implemented in New York. The concept is to convert the holding areas into a restaurant like arrangement with tables, chairs, and high-tops. Each table will have an iPad to use for entertainment and ordering food from restaurants

as well as power outlets for customers PCs. Customers will have the choice of going to a restaurant/ bar or having the service brought to them as they stay near the gate. This will cost Delta in the neighborhood of \$25 million. In return Delta wants a 10 year term with a 5 year extension. There are many other financial intricacies involved, but the bottom line is that Delta wants to create an amazing upgrade at great expense and MAC sees this as an opportunity with many benefits. So MAC is willing to revisit the old Delta lease and make changes that are very beneficial to Delta.

The next agenda item was the dreaded annual taxi-cab fee adjustment issue. However, staff led by Arnie Johnson, had worked countless hours negotiating with the taxi companies and drivers so compromises had already been agreed to and the terms merely required the M&O stamp of approval.

These topics had already consumed over two hours of discussion when Kelly Gerads, Assistant Director of Reliever Airports, claimed the podium to present the Reliever Staff's report "Operational Practices and Capital Funding for General Aviation in the MAC System." Tim Anderson introduced Kelly and noted that over a year ago Commissioner Monaco had expressed great concern about the Reliever Airport Financial Model. Then Chair Lanners directed Commissioner Monaco and staff to review both operations & funding of General Aviation in the MAC system. Subsequently, Dan Boivin assumed the MAC Chairmanship and a number of new Commissioners replaced the "old guard." All the while, Commissioner Monaco and staff pursued a vision that would provide a sustainable method of funding General Aviation and provide security and clarity to tenants and commercial operators on the Relievers. As Commissioner Monaco stated, "We are trying to create a financial model that makes a lot more sense." Staff's recommendation is to revise Ordinance 107 in a way that does not raise tenant rates. A big concern is that the current financial model, if left unchanged, would dictate a surcharge by 2014. Commissioner John King described the Report as a great piece of work that shows the need to change the funding model because the current one "has a train wreck ahead!"

Considerable discussion among the Commissioners centered on an accounting change for Reliever project costs that would remove depreciation and replace it with debt service. That would align the Reliever model with what is current practice at MSP and make a very significant improvement to the Reliever model. Another concept under consideration is to allocate General Aviation revenue generated at MSP, primarily by Signature, to the Reliever funding model. Commissioner Monaco emphasized that MAC needs to talk about General Aviation and Commercial Airlines, not MSP and Relievers.

So we Reliever tenants will once again be going to tenant meetings and public hearings. We will be reading the fine print about revisions to the funding model. But this time, under John Krack's leadership of the Reliever Airports Advisory Council, staff, tenants, and Commissioners are working together in a way not seen before.

Compromise and cooperation were evident all afternoon—Delta and MAC, taxis and MAC, Relievers and MAC.

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### May 9 ACAA General Meeting Minutes

The meeting was called to order at 1902 by President Michael Lawrence. Approval of the March minutes as published in the May Newsletter was moved, seconded, and approved by voice vote.

Treasurer Vivian Starr reported that our treasury balance was:

Checking:	\$1,060.85
Savings:	5,907.21
Total:	\$6,968.06

Our new MAC Commissioner, James Deal, was welcomed, and he gave a short personal background: He hails from Wheaton, MN, and spent 27 years with the federal government, serving in the Department of Agriculture under President Carter as administrator of the Federal Crop Insurance Corporation from 1977-1980. In

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## May 9 ACAA Meeting Minutes

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recent years he has been involved in land development.

### Airport Activity

Airport manager Joe Harris gave an update on what's going on around the airport.

- Taxiway Delta will be resurfaced the second week of August
- The washpad will be opening soon, but a date has not been set
- Letters have gone out to hangar owners whose buildings are most in need of repair under the new maintenance ordinance
- Volunteers are welcomed for various projects around the airport. If you see a need and want to take it on, contact Joe to help put together a team.

Joe also mentioned that Curt Brown, a well-known aviation speaker, spoke at the recent MN Aviation Conference in Grand Rapids, and Curt said that the only reason he agreed to speak was because of his regard for Joe and Joe's affiliation with ANE.

### Lease Policies and Forms

John Krack summarized a meeting that he and several RAAC reps had with MAC staff members earlier that day to discuss RAAC concerns about the draft lease documents. Key points were:

- Concern that the Acceptable Use language is too restrictive. Evan Wilson, MAC attorney, explained that since they take FAA money, they are on shaky ground if they contractually permit liberal non-aviation use. Historically, reasonable non-aviation use of so-called "dead space" has not been a problem, and MAC does not intend to change that. In any case, getting written approval from the airport manager will ensure compliance.
- Uncertainty as to what constitutes a sublease. It was clarified that a sublease agreement only applies to non-tenant-owned aircraft, whether airworthy or not, in any condition of construction or repair, regardless of whether the subtenant compensates the tenant. So storing a friend's boat for the winter is not a sublease, while storing a project plane that's registered to a friend is. It's not clear yet how an aircraft under construction and not yet registered will be handled, but the sublease fee is relatively small (around \$15/month) so charging a friend to cover the cost shouldn't be a burden.
- Cross Default Provision. For an entity that holds multiple leases, this allows MAC to treat a default on one lease as a default on all other leases held by that entity. On the surface this seems pretty unreasonable, but Staff explained that in the past they've had a few situations where this provision would help urge an uncooperative tenant to get back in compliance. They gave an example of a tenant who wanted a development agreement on a compliant lease who also had a non-compliant lease. With the current policy, MAC would be hard-pressed to deny the request. The RAAC reps agreed that we do not want to support non-compliant tenants, and agreed that the provision was acceptable.
- Complexity. The RAAC is concerned that the lease documents are very complex, and suggested that at least the storage lease document be simplified to make it more understandable. Kelly and Evan agreed that this would be good to do, but it takes a lot of work to preserve the same legal characteristics in plain language. It's not doable across the board in the available timeline, but they would consider it for future revisions. They also noted that if we have any suggestions for simplifying specific sections on this go-around, they'd take a look at it.
- Lease Renewal. The major RAAC concerns are (1) that all the lease renewal language is in the Lease Policies document,

which is subject to change, (2) that the draft language allows MAC to refuse to renew a lease for any or no reason, and that (3) a five-year lease term is too short. The RAAC recommendations are (1) that the lease documents themselves prescribe the lease renewal terms and conditions, (2) that the lease state that the lease SHALL be renewed except in specific, enumerated circumstances instead of MAY be renewed, and (3) the lease renewal term be ten years.

Kelly and Evan said that they have a staff meeting scheduled later in the week and lease renewal is on the agenda.

Kelly also said that MAC is renewing old leases under the terms of those leases. Currently, tenants are being offered 10-year leases under the 2008 form. Most of the upcoming 600+ leases will get 10-year renewals.

- Compensation. The RAAC concern is that the compensation provisions called for in the draft lease documents (the greater of depreciated value or assessed value for taxes) is too simplistic and doesn't necessarily reflect the fair market value of the property. Kelly asked if we would be in favor of the existing lease provisions, which call for a fairly complex appraisal process. The RAAC reps present said we would agree, provided adequate safeguards were included to avoid a repeat situation of several years ago where MAC significantly overpaid for several properties at ANE. Kelly said this was another agenda item for the meeting later this week.

The meeting was adjourned at 2005.

*Respectfully submitted by John Krack, Secretary, ACAA.*

### WANT Ads

**HEATED HANGAR FOR SALE:** 40x60 south facing 14' high door at 2525 New York Lane. Forced air heat, insulated and sheet rocked. Full width concrete ramp. 79K. Paul Thomas, 612-804-9792, thomaspr@comcast.net

### PIPER PA12 FOR SALE



1946 Piper PA-12, 3400TT, NDH, all logs, Lyc. 0-235 with Fresh NuChrome Cylinders 110SMOH, Beautiful Stitts recover 100%, Gorgeous Stitts paint, recent deluxe Interior. Full gyros, 760 Com, Xponder, Encoder, enlarged baggage, pole rack, new heavy struts, new 700 tires, 6 new bungy cords, new Cleveland brakes, Intercom, updated glass, ski fittings, auto gas STC, 36 gallons, 684 useful load. \$38,500. Call Gary 952-412-1266

**HANGAR FOR RENT:** South facing tee hangar with an overhead bi-fold door available for a Cessna type aircraft. The address is 2143 North Carolina, about 5 hangar rows south of the tower on the west side of the airport. Call George at 651/699-9133.

MnDOT is looking for donations to provide the awards for completing the three levels of the Fly Minnesota program. Contact Janese Thatcher at [janese.thatcher@state.mn.us](mailto:janese.thatcher@state.mn.us) or 651-234-7183.

## ACAA OFFICERS AND COMMITTEES

President: Mike Lawrence 763-780-2802  
V. Pres: Paul Thomas 651-483-9808  
Secretary: John Krack 763-786-5876  
Treasurer: Vivian Starr 763-559-4683  
RAAC Rep: John Krack 763-786-5876  
RAAC Alt: Don Rosacker 651-633-1751  
Legal Adviser Hal Hitchcock 651-717-0859

### Committees & Members

#### Fire, Building Codes, and Environmental

Gary Specketer (Chair) 770-403-3450  
Randy Huyck 753-1918  
Roger Wyatt 755-7544  
Dick Schoen 646-7539  
Mike Holmquist 651-633-6525

#### Newsletter

John Krack 763-786-5876

#### Safety

TBD

#### Public Relations (Proposed)

#### Taxes

Vivian Starr 763-559-4683  
Paul Thomas 483-9808  
John Krack 763-786-5876

#### Membership

John Krack 763-786-5876

#### Commissioner: Open

**Airport Mgr.:** Joe Harris 763-717-0001

### Discover Aviation Days

Craig Schiller 763-786-5004

Email: golden@minn.net

Lyle Peterson  
Dick Houck  
Nancy Carter  
Jim Pothen

## ANOKA COUNTY AVIATION ASSOCIATION

The ACAA is an association of hangar owners, hangar renters, FBO owners, pilots, flight instructors, commercial operators, and else with an interest in the future direction of the Anoka County Airport. Our mission is to actively promote a variety of interests and activities relating to the Anoka County Airport operation including:

- Safety
- Airport improvements
- Hangar use, lease contracts, and building/fire codes
- Relations with MAC, MnDOT, and adjoining communities
- Business and commercial interests
- Recreational Aviation
- Any other areas of interest to the membership

### To get results, we need your support.

To join, either:

Attend the next meeting at the EAA Building, just north of the University of Minnesota facility. See the calendar on page 1 for the date and time of the next meeting.

Or:

Fill out the membership form on the back page, and send it with \$15 for one year, \$27 for two years or \$35 for three years to the address indicated on the form.

### NEWSLETTER ARTICLES REQUESTED

Please send newsletter articles to:

John Krack  
7629 Lakeside Rd. NE  
Fridley, MN 55432  
(h) 763-786-5876

Email: [av8r00@gmail.com](mailto:av8r00@gmail.com)

Articles may be typewritten, handwritten or on disk in Microsoft Word format or text file. See the calendar on page 1 for next newsletter deadline.

### Newsletter Want-AD Service

As a benefit to members, a free want-ad service is available. Rules are:

1. Ads must be received by the date indicated in the calendar notes to be guaranteed to appear in the next newsletter.
2. Anyone or any business may submit an ad.
3. There is no charge for paid-up members.
4. Graphical images are OK if in a standard computer image file format (.gif, .jpg, .bmp, etc.). Hard-copy images are also acceptable.
5. Send ads to the Snail Mail or Email address shown above.
6. Want Ads will run for 3 issues, unless canceled early or renewed to run longer.

### Email List

Vivian Starr maintains an extensive email list of people interested in what's happening in the Minnesota aviation community. She keeps us up to date with timely reports on MAC meetings, and other activity of interest. In fact, many of the articles in this Newsletter were originally distributed via email. If you're not on the list and want to be, send your email address to Vivian at [DVStarr@aol.com](mailto:DVStarr@aol.com).

