



*Newsletter*  
**Anoka County Aviation Association**  
**ACAA**

Next Meeting: **Monday, September 12, 2016 5:00 PM (Note earlier time)**

**September, 2016**

**ANE Annual Picnic**

© 2016 Anoka County Aviation Association. All rights reserved.

MAC Maintenance Building, Anoka County Airport.

**Calendar**

Sep 12, 2016 (Mon)	5:00pm	Annual ANE Airport Picnic MAC Maint Bldg
Sep 13, 2016 (Tue)	7:00pm	RAAC Meeting MAC General Offices
Sep 15, 2016 (Thu)	6-8pm	Blaine, Planes, and Automobiles Key Air
Nov 4, 2016 (Fri)		Newsletter Deadline Want Ads Due
Nov 14, 2016 (Mon)	7:00pm	ACAA Meeting EAA Building

**September Meeting – ANE Annual Picnic**

Our September meeting will be our 8th annual ANE BBQ/Picnic, to be held on **Monday, September 12**, at the **MAC building (next to the Tower) from 5 to 7 PM**.

**NOTE LOCATION AND TIME CHANGE!**

We're also advised that the EAA Ford Trimotor will be there for all to see.

The event, sponsored by the ACAA and the MAC, is for airport tenants, users, businesses, and their families and friends. This event has grown into a fun gathering for our airport community. Tenants should have received a mailer from MAC announcing this event.

Hope you can join us.

There will be no ACAA business meeting, and elections will be deferred to the November meeting.

**RAAC Report**

By John Krack

The Fall Reliever Airports Advisory Council (RAAC) meeting is scheduled for Tuesday, September 13 at 7PM in the MAC general office building at 6040 28<sup>th</sup> Ave. S. in Minneapolis. This is a public meeting, open to all who wish to attend.

1. Approval of Minutes and Agenda
2. Issues:
  - A. Long-Term Comprehensive Plan (LTCP) Update - Neil Ralston
  - B. Non-Aeronautical Revenue Update - MAC Staff
  - C. Airlake Annexation Update - Gary Schmidt
3. Tenant Concerns/Issues - RAAC Representatives
4. Future Meetings Schedule - 7:00 pm  
Tuesday - December 13, 2016

Following is an update on the items we've been tracking:

**Non-Aeronautical Revenue**

The sale of Parcel 60 at ANE (the parcel between US hwy 10 and County Rd. J at the south end of the airport) continues to move forward. Vivian Starr sends the following agenda item from the August 16 Commission meeting:

**SUBJECT: SALE OF PARCEL 60 PROPERTY AT THE ANOKA COUNTY-BLAINE AIRPORT**

Staff is requesting authority to sell approximately 27 acres of land, including approximately 3 acres of wetlands, which the Metropolitan Airports Commission (MAC) owns at the Anoka County-Blaine Airport. The property is located at the northwest corner of County Road J/85th Avenue NE and 93rd Lane NE in Blaine (see attached map). Background MAC staff has been in discussions with the Spring Lake Park Independent School District No. 16 (SLP) regarding the potential sale of parcel 60 for the development of a new school. Staff is seeking the Commission's approval instead of going through the Planning, Development & Environment Committee as it would typically do due to the timing of the negotiations and the need to get Commission approval prior to SLP going to its Board to get final approval for this proposed acquisition. The proposed sales price is \$85,000 per usable acre. A wetland delineation report is being updated to determine the final acreage. This price is less than our appraised value due to the estimated cost SLP will incur to do soil remediation needed as part of the school construction (estimated to be \$1.5 million). MAC will perform the wetland delineation and Phase 1 environmental study so MAC will have use of that information in case the sale doesn't close. SLP will perform an extensive soil study to determine the level of soil remediation needed on the site to construct the school. The Purchase Agreement is subject to approval by MAC and the SLP Board and contains standard Buyer contingencies. Closing date is estimated to be November 1st. MAC has already obtained an FAA land release for this parcel. Staff believes the purchase price offered is a fair price given the soil conditions of the parcel, and recommends approval of the sale. **COMMISSION ACTION REQUESTED: AUTHORIZE THE SALE OF PARCEL 60 TO THE SPRING LAKE PARK INDEPENDENT SCHOOL DISTRICT NO. 16 CONSISTENT WITH THE TERMS ABOVE AND THAT THE EXECUTIVE DIRECTOR/CEO OR HIS DISIGNEE BE AUTHORIZED TO EXECUTE THE NECESSARY DOCUMENTS**

At the meeting, Commissioner Deal noted that he is in the real estate development business and that in his professional opinion this is a good deal for both sides.

Commissioner Peilen asked where the funds would go, and was assured that they would be used for capital improvements at the GA airports.

**GA Financial Model**

Kelly Gerads presented an updated GA Financial Model at the September 6 Finance and Administration Committee meeting, showing the position as of 6/30/2016 and projections for the entire year. With the additional projected revenue, it shows a small gain of \$1,136, compared with an earlier projected loss of around \$850K. Remember, however, that these numbers are all subject to change.

A copy of the information presented to the F&A committee is shown on page 6.

(Continued on next page)

# RAAC Report

(Continued from previous page)

## Long Term Comprehensive Plans

The Lake Elmo plan was approved by the Metropolitan Council on August 10, and is expected to be adopted by the MAC Commission in September.

The initial stakeholder outreach meetings for the Crystal Plan are nearly complete. The next step is to update the draft plan and obtain Commission approval for public distribution and review.

The Airlake plan is reviewing options to optimize the utility of the airport.

I don't have a current timetable on the Anoka plan, but I expect things to start to surface in the next month or so.

## Capital Improvement Plan

MAC is busy updating their capital improvement plans, and firming up the projects for 2017 and 2018. The following projects were identified in a preliminary presentation to the Planning, Development, and Environment Committee on September 6:

### 2017

#### Taxiway Pavement Reconstruction: \$500,000

This is an ongoing program to reconstruct aircraft operational areas (runways, taxiways, aprons) through bituminous overlays, seal coats, or in some instances, reconstruction, to restore the surfaces to a smooth, even condition and improve overall operating conditions. This project includes the full-depth reconstruction of the portion of Taxiway A1 between Runway 36 and Taxiway C.

#### Runways 09-27 and 18-36 Joint and Crack Repairs: \$200,000

The need for crack repair and joint sealing is critical to maintain pavement strength and pavement life. This year's project is anticipated to include joint and crack repairs on Runways 09-27 and 18-36.

#### Materials Storage Building: \$200,000

This project includes the construction of a MAC storage building for the containment of airfield maintenance products such as salt, sand, and topsoil to comply with MPCA requirements.

### 2018

#### Taxiway Pavement Reconstruction: \$600,000

This is an ongoing program to reconstruct aircraft operational areas (runways, taxiways, aprons) through bituminous overlays, seal coats, or in some instances, reconstruction, to restore the surfaces to a smooth, even condition and improve overall operating conditions. This project includes the full-depth rehabilitation of Taxiway Foxtrot.

#### MAC Building Improvements: \$700,000

This is an ongoing program to provide for facility modifications to ensure continued efficient operation of MAC buildings. This year's project includes improvements to the MAC Maintenance Building, Air Traffic Control Tower Building, restroom buildings, and other MAC-owned hangars.

For a complete preliminary summary of the projects at all MAC airports through 2023, check out the report at:

[http://metroairports.granicus.com/MetaViewer.php?view\\_id=1&event\\_id=191&meta\\_id=18797](http://metroairports.granicus.com/MetaViewer.php?view_id=1&event_id=191&meta_id=18797)

## Airport Manager

Glenn Burke remains on administrative leave, pending the outcome of the legal process and MAC's investigation. For the time being, Joe Harris is handling the ANE airside management duties (maintenance activity, infrastructure issues, etc., and Kelly Gerads is handling tenant relations and other landside tasks. Mike Wilson is handling Crystal.

Glenn's next court appearance is September 21, so we should know more after that.

---

## The View From Here

By John Krack

### Discover Aviation Days

The attendance estimate for 2016 is 12,350

The 2017 dates are June 3<sup>rd</sup> and 4<sup>th</sup>.

If you're interested in helping plan next year's event, contact the DAD team at [www.discoveraviationdays.org](http://www.discoveraviationdays.org).

### The 5K "Fun Run" is Off Again

Although all of the necessary approvals have been secured, planning for the 5K Run at ANE has been stalled because of the unavailability of Glenn Burke, who was heavily involved in working the strategy and logistics. The planning team will work out the details over the winter and try to hold the event next spring.

### Sawbones to Race Again at Reno

From Craig Schiller: Sawbones is off to Reno for the Races starting Sept. 15<sup>th</sup> - 18<sup>th</sup>. People can see some of it live as we plan to do some streaming on our Facebook page. See details on the website at <http://www.sawbonesair.com/> or on the Facebook page at <https://www.facebook.com/pages/Sawbones-Air/181184835272127>

### Rates and Charges

With an influx of new money coming into the GA system, I think it's time to work with MAC to review the charges we pay, and see if we might be able to get some relief. Remember that the escalation of fees and new charges put in place over the last decade was in response to a push from several quarters to make the Relievers financially self-sufficient. It appears that MAC has finally achieved a financial model that exhibits some stability, and with non-aeronautical revenue starting to flow, I think it's time to take another look.

One of the most common complaints I hear is that MAC's rates are too high. Another is the plethora of "nickel and dime" type fees that irritate tenants and discourage prospective tenants. The lack of specifics, however, raises several questions:

- Which fees are the most onerous/irritating and should be looked at for modification/elimination?
- Recognizing that it's not possible to go back to the "giveaway" days of the past, where we paid pennies per square foot for our leaseholds, what is a reasonable cost structure? What do we think would be fair? How high is too high?
- What changes would have the most impact in encouraging other aircraft owners to base at MAC airports?
- Would it be better to simplify things by dropping most "administrative" fees and perhaps raising the square footage charges a little? How about relief for the commercial operators?

My thoughts are to dump the Sublease Fee and to reduce the annual escalators, particularly on ground rent, but there may be better alternatives. I don't think there's enough extra money to expect a dramatic reduction, but if we can at least bend the cost curve downward it would help. (Most charges escalate by 3-4% per year, which is way above recent inflation.) If costs are a big

(Continued on next page)

## The View From Here

(Continued from previous page)

impediment to aircraft owners basing at MAC airports, I think it's worth trying to understand what cost level would change this. No guarantees, but one thing's for sure: If we don't ask, we won't get.

For a complete list of the current rates and charges, go to:

<https://www.metroairports.org/General-Aviation/Airport-Users/Tenants.aspx>

and click on "MAC Ordinance #119" and scroll to Page 16.

I haven't decided yet how to approach this. Should we do a survey, start a blog for people to comment, or ???

(Is anyone into blogging and would like to start a blog?)

In the meantime, let me know your thoughts.

### Clearing House for Hangar Rentals

Craig Schiller has added a "Hangar Space" page to the BAPG website at: (Thanks Craig)

<http://www.aneairport.org/hangar-space/hangar-space.htm>

If you have, or are looking for, space to rent, click on the button to send your info to BAPG, who will post it on the page.

I received feedback from several people (thanks) but haven't had time to pursue lease form/insurance ideas further. It's still on my To Do list.

### Officer Elections in November

We'll be holding our annual officer elections at the November meeting. Up for election will be the President, Vice President, Secretary, and Treasurer. If you have any interest in helping to guide this organization, let one of the current officers know, or show up at the meeting on November 14. The current officers are all doing a great job, but it never hurts to bring in some new perspectives, ideas, and energy.

Also, I've been doing the Newsletter for a number of years, and would like to work my way out of that job. I'm looking for someone to help out for now, and eventually take it over.

### High Speed Internet, TV, and Phone Service Now Available At Your Hangar

The following announcement is from Adrian Dennis, Comcast Senior Business Account Executive:

To: Tenants and Subtenants at the Anoka County-Blaine Airport

As the owner or occupant of a hangar at the Anoka County-Blaine Airport, I would like to share with you updated news regarding the services from Comcast that are now available. We have now completed the construction needed to deliver service from our dedicated network to your hangar. As the local Comcast Business Sr. Account Executive assigned to the airport, I would like to prepare a solution that will best suite your specific needs. We appreciate your understanding and patience while we have been working on the construction to deliver superior services to you.

Looking forward to hearing from you.

I would also like to thank the 30+ hangar owners/occupants that have already signed agreements and now have services installed.

Regards

**Adrian Dennis**, Sr. Business Account Executive  
10400 Viking Drive Suite 550  
Eden Prairie, MN 55344  
Desk: 952-855-7222  
Cell: 612-437-2148  
Fax: 651 344 4403

### Hangar Door Maintenance

If anyone has a contact for someone who does inspection and repair on bifold hangar doors, please let me know (av8r00@gmail.com).

## July 11 Meeting Minutes

The pre-meeting picnic started at 6:30. All enjoyed the time to socialize, while filling up on hot dogs, baked beans, and various chips, liquid refreshments, and cookies.

The business meeting was called to order at 1911 by President Michael Lawrence.

Officials present: None

The Minutes from the May meeting as published in the July Newsletter were moved, seconded, and approved by voice vote.

Vivian Starr was not present, but sent the Treasurer's report. As of the end of June balances were:

Checking:	\$ 928.29
Savings:	4,912.66
<b>TOTAL:</b>	<b>\$5,840.95</b>

Adrian Dennis from Comcast discussed the project to bring high-speed Internet, TV, and phone service to the airport. He said that they've been digging, boring, and trenching for over a year (you've no doubt noted the green canisters located around the field), and that all services are now available to every hangar except at the north end, and about 30 hangars are hooked up. This has been around a \$300K investment for Comcast, installing fiber to the pedestals, and coax to the hangars. They're also doing FCM and STP. The takeaway message is "We're ready!" They'll be advertising around the airport, with flyers under hangar doors, posters, etc. Referrals would be appreciated.

The possibility of special pricing as a signup incentive was discussed. Adrian said that Comcast would be open to a proposal, and they'd probably be looking at 50-60 customers to make it work for them.

Craig Schiller recapped Discover Aviation Days. Sunday was great. Saturday was a bit light due to the threat of rain. There were about 500 operations on Saturday, and 750 on Sunday. The DAD team is working through the financials.

They're looking for team planners ("chiefs") for next year. Contact Craig if interested.

Around 825 people attended the hangar dance, about 400 less than last year, but enough to cover the cost.

They will look at revising the traffic flow for next year. Lots of cars came through the north gate, bypassing the parking donation collectors at the south gate.

Michael Lawrence reviewed the Patriot Ride, noting that they had more than 4,000 cycles and 10,000 people. He also asked that people let him know if they had any problems caused by the event. Dale Zoerb told an interesting story of his arriving late and his adventures trying to catch up with the riders. He had a good ride, but not with the mainstream.

The need for cross-airport roads was mentioned.

Dale Zoerb expressed a concern that he and several other tenants in his area have been getting excessive water in their buildings, and that the grading/drainage around their buildings needs to be fixed. John Krack suggested that he contact Kelly Gerads or Joe Harris to see what could be done.

John Krack noted that with Glenn Burke on administrative leave, Joe Harris will assume the airport manager duties for the next few weeks, and Kelly Gerads will take over thereafter until Glenn's situation is resolved.

John Krack noted that Congress passed the third class medical reform legislation pushed by AOPA and EAA. This will eliminate the requirement for the FAA third class medical exam for most pilots, and it is hoped that this will incentivize older pilots to keep flying, and

(Continued on next page)

## July Meeting Minutes (Continued from previous page)

new ones to enter the activity. The FAA has been given some specific guidelines, and must implement the final regulations within one year.

Craig Schiller noted that he has a flea market planned for August 12-14 at Aquatone Park in Blaine.

It was noted that if we plan to hold events that involve lots of aircraft, please notify the tower staff in advance so they can prepare appropriately.

The possibility of emailing the Newsletter to members was discussed. John Krack said that he would consider it.

The meeting was adjourned, time not recorded.

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

## WANT ADS

### HANGAR FOR SALE

2159 Michigan Ave  
45W x 40D x 14H. South facing, sturdy cement block construction (recently painted inside and out), NEW ROOF, bi-fold door 39 feet 4.5 inches wide (opens to 10 feet 7 inches high). Also has 16 x 10 feet office space (heat and A/C) and large loft/attic area. Call Winston at 952-484-1278.

### HANGAR FOR SALE

2135 Michigan West  
48w x 40d TWO hangar doors (elect) approx. 14ft high x 40 wide. Heat & AC office space. Call Craig at 651-426-4751

### HANGAR FOR SALE

8 - Stall T-hangar on Oregon and Pennsylvania.  
32' x 180' (5,760 sq. ft.): open inside with sliding  
40' door openings: new roof and tin ceiling and end side walls. \$175,000. Call Bob at 239-227-4407.

### HANGAR FOR SALE

2511 North Dakota East Taxiway, Facing South  
58W x 40D x 14H hangar built by Structural Buildings. 50 foot wide by 14 foot high electric bi-fold door. Door opens to 12 foot 8 inch height. Garage door access at rear, North side: 9 wide by 8 high garage door. Front access door. Asking \$85,000. Call Dave at 763-244-4028



### AIRCRAFT FOR SALE

1942 Aeronca L3-B Grasshopper. 3611 TT. 112 SMOH, Radios and Intercom. Light Sport qualified WARBIRO.

Contact Dick McKenney at 612-401-6957



### Aircraft and Hangar Insurance

Aircraft & Marine Agency, Inc

Contact: Kevin Gruys at 952-890-1124  
or email [gruys@aircraft-marine.com](mailto:gruys@aircraft-marine.com)  
website: [www.aircraft-marine.com](http://www.aircraft-marine.com)

## From The Archives Reliever Airport Rates & Charges – Part 4

In the last several issues we've been working our way down the tortuous path of Rates and Charges at the Reliever Airports. In May, we chronicled how in December, 2004, MAC literally doubled our fees overnight in response to a Northwest lawsuit, largely ignoring input from the user community. On the heels of that debacle, Commission chair Vicki Tigwell appointed Commissioner Jack Lanners to do an in-depth review of the Relievers and recommend a strategy for making the Relievers financially self-sufficient with little or no subsidy from revenues generated at MSP. To his credit, Commissioner Lanners (who later became Commission chair) did do a thorough study, and published a report in January, 2006 documenting his findings and recommendations. His recommendations included a number of new fees, and a focus on developing non-aeronautical property to increase the revenue stream. His report was adopted by the Commission at their January, 2006 meeting.

As part of this project, Commissioner Lanners held "town hall" meetings at the airports to get a better understanding of the nature of these airports and to solicit ideas. The meeting at Anoka was held on April 11, 2005. The summary of this meeting, originally published in May, 2005, is reprinted below.

### April 11, 2005 Reliever Airports Meeting with Commissioner Lanners

By John Krack

On April 11, a meeting was held with MAC Commissioner John Lanners, who was appointed by MAC chair Vicki Tigwell to research the reliever airports, and make recommendations for their future direction. The meeting was sponsored by the Reliever Airports Advisory Council (RAAC) and was held at the Anoka County Airport. The main purpose of the meeting was to brief the attendees on Commissioner Lanners' project, and solicit ideas. Following is a summary of that meeting.

#### Officials present:

MAC Commissioner Lanners  
MAC Staff: Tim Anderson, Gary Schmidt, Jeff Nawrocki, Joe Harris  
Former MAC Commissioners: Bill Erhart, Paul Weske  
Anoka County Commissioner Dan Erhart  
Former Anoka Co. Commissioner Dave McCauley  
State Senator Mike Jungbauer  
MnDOT Aeronautic Director Ray Wrought  
Blaine Mayor Tom Ryan  
ACAA President Don Johnson  
RAAC Chairman Glenn Weibel

Glenn Weibel opened the meeting by noting that this was a RAAC gathering, and gave a brief history of the RAAC and the Rates and Charges issue:

- The RAAC was started 6-7 years ago to improve communications between MAC and its tenants.
- About 6 years ago, Rates and Charges were on the agenda. After lots of discussion and give and take, we finally reached an agreement.
- 18 months ago, the Commission decided that we weren't paying our fair share, which resulted in the latest round of increases.
- We did not get everything we thought we should on Rates and Charges, which are thought to be excessively high. A statement was made at a recent MAC meeting that "You [MAC] can raise rates as high as you want, but you can't get any more [from the tenants]."

Glenn advised that the RAAC has been pushing for a business plan for each Reliever Airport to help increase revenue. MAC Chair Vicki Tigwell has appointed Commissioner John Lanners, the MAC vice chair, to research the Reliever Airports and make recommendations on their future. RAAC proposed to Commissioner Lanners that he meet face to face with the tenants to advise us what's going on, and hopefully eliminate rumors and innuendos. This meeting is a result of that initiative. The project is in the information gathering phase, and is expected to wrap up in 2-3 months. To support this effort, RAAC will meet monthly during this process. Following those introductory remarks, Glenn introduced Commissioner Lanners.

Commissioner Lanners noted that he hopes to get to know quite a number of people during this process. He's still trying to understand the full scope, and shared a few thoughts that he's been wrestling with:

- What is the Mission? What's it all about?

(Continued on next page)

**ARCHIVES – April 11, 2005 Reliever Airports Meeting**  
(Continued from previous page)

- There are lots of reasons for flying, and for airports
- Some airports can generate money; some can't
- We need to cover the whole spectrum
- There's some uncertainty as to the future: Osceola and New Richmond are expanding. What's our future?
- The goal is to try to come up with creative thinking, "out of the box". He's looking for ideas.
- We need to get young people interested in aviation
- What are the new security issues? What is the cost? Who pays?
- Are Reversion clauses a good idea?
- There are lots of perspectives. He's reviewing the overall picture of Minnesota aviation.
- We have to have a business plan for every airport
- The Anoka approach and community involvement is novel

He noted again that he's looking for our ideas, and then summarized potential funding sources:

- Feds
- Met Council
- Zoning requirements
- Aeronautical fund
- Concession revenue
- Tenant/user charges – what's fair, what isn't? At what point do we discourage activity?
- Should the Relievers be city or county owned?

He urged us all to brainstorm. Think not only of things that cost money. What else can be done? Don't we want to keep flying as affordable as we can?

Someone asked why the commissioners insist on a reversionary clause. Glenn Weibel responded that RAAC has publicly stated to the Commission that what's already here must be exempt. Commissioner Lanners noted that reversion has some major problems. Tim Anderson commented that nobody on the MAC staff is suggesting reversion, and that no one on the Commission is either. However, during the process outlined above, everything is considered to be on the table, and it will be discussed.

Glenn advised that he expects meetings will be held at each Reliever Airport prior to the release of the final report. He also commented that we should always understand how the opposition plays the game, and led the attendees through a short exercise in strategic thinking. He suggested the Reversion discussion got people's attention and involvement in this process. The point is that things are not always what they seem on the surface, and until we understand the real reasons for something, it's hard to develop an effective response.

Commissioner Lanners noted that it's not realistic to "pull the rug out" from an existing condition, but did reflect Tim Anderson's comment that they will be analyzing the reversion concept. There was some discussion that if adopted at all, it might well be limited to new construction.

Glenn noted that we should talk to our RAAC reps about our concerns.

Question: What's the business plan for MIC (Crystal)? Answer: That's the process we're going through.

MAC has done a poor job of maximizing income. They will be looking at every developable piece of land on each airport.

Someone noted that the tenants have historically been partners with MAC. MAC built the runways; the tenants built the airports. Now MAC wants to take over.

Airport funding was discussed. What funds does MAC get from the FAA, and how is it earmarked? Gary Schmidt said that MAC gets two annual grants from the FAA: \$150,000 is earmarked for Reliever Airports, and cannot be used for commercial airports. Another grant can be used either for Reliever Airport or MSP projects.

Vivian Starr noted that we need some continuing commitment for the acts of previous Commissions. She referenced the recent lease rewrite, and the current suspension of lease renewals and talk of possibly another rewrite pending the outcome of the Reliever Airport evaluation project.

Several officials present offered the following remarks:

**Ray Wrought, director of the MnDOT aeronautics department:**

- The \$15M borrowed from MnDOT Aeronautics by legislative action several years ago is scheduled to be returned in 2007.
- The ILS at ANE will be fully State funded.
- We should be getting more Federal dollars for Reliever Airports.
- MnDOT gives maintenance funds to the Reliever Airports.
- We need zoning around the Reliever Airports to reduce encroachment of houses right up to the airport boundary, as has happened at Crystal, and is happening in Blaine.
- We need to get revenue from local communities that benefit from the proximity of the Reliever Airports.

Commissioner Lanners noted that he'll be meeting with the MBAA to understand business issues.

Darrell Bolduc stated that the Commission's actions over the last four years have been very destructive to businesses operating on MAC airports, and noted that many businesses are evaluating moving to Osceola and New Richmond.

**State Senator Mike Jungbauer:**

- MIC: MAC's responsibilities to the FAA expire in 2025. If MIC were closed today, MAC would have to reimburse FAA contributions based on the current value of those investments.
- At the Relievers today, we're paying a first class price for a third class system.
- Mike's research indicates that without the Relievers, MAC would not qualify for as much Federal money.
- MAC hasn't paid the attention to Relievers that they should have.
- Mike is trying to work with businesses
- Send comments to sen.michael.jungbauer@senate.mn

**Tom Ryan, Mayor of Blaine (and a Blaine official for 19 years):**

- Many Blaine residents don't even realize there's an airport here. We don't do enough to let people know what goes on here.
- We have to stay diverse and change. We have to work together.

**Dan Erhart, Anoka County Commissioner:**

- Anoka County looks at this airport [ANE] as a valuable asset, particularly for the business community. It is important to promote economic development.

**Bill Erhart, former MAC Commissioner, who's "been there, done that":**

- Serving on the MAC Commission is a volunteer service. Commissioner Lanners has undertaken a huge task. If we do contact him directly, make it efficient.

Glenn Weibel pointed out that through the RAAC's efforts, we did gain the project that Commissioner Lanners is doing now, and urged us to attend RAAC meetings and work through our RAAC representatives. RAAC's commitment is to get information to us as soon as it's available.

When asked how we could contact Commissioner Lanners, Tim Anderson suggested that we work through Tim's office at 612-725-8380.

**Footnote:** I commented to Commissioner Lanners that in my opinion he was saying the right words about soliciting input and trying to do a balanced analysis, but pointed out that we were also led to believe that the Rates and Charges project would be balanced and would consider tenant input, of which there was a great deal. Many of us felt "hornswoggled" when the final decision went even beyond the consultant's recommendations by imposing higher than market rates, and gave very little concession to tenant input. As a result, tenant trust of MAC has been seriously strained.

I said that I looked forward to working with him in a cooperative spirit, and was optimistic that this effort would be approached in a spirit of partnership between MAC and its tenants and other interested stakeholders. I asked whether the tenants, through RAAC, would have an opportunity to negotiate elements of his draft report before it was finalized, and did not get a warm feeling that this would be the case. I think that we as Reliever Airport stakeholders need to push back at any effort to make this yet another "MAC solicits input, MAC generates report, MAC solicits input on the report, MAC rubber stamps the report," and once again the tenants are left in the cold. We're now paying the freight; we should have some say in the direction.

Through RAAC, we made the negotiation process work several years ago on lease language, and we can do it again.

After the meeting, I suggested to Tim Anderson and Glenn Weibel that the MAC Staff schedule a "brainstorming" session through RAAC, and invite interested stakeholders to sit down and kick around ideas and potential solutions to some of the problems facing us. If this is productive, maybe we can schedule more. Both Tim and Glenn agreed. Glenn agreed to contact Tim to set up such a meeting.

---

**Next up:** The Lanners Report, and its aftermath

## MEMORANDUM

**TO:** Finance and Administration Committee

**FROM:** Kelly Gerads, Assistant Director, Reliever Airports (612-726-8142)  
Ed Podnieks, Manager, Financial Analysis and Business Planning (612-726-8155)

**SUBJECT: GENERAL AVIATION MODEL FINANCIALS**

**DATE:** August 29, 2016

In 2012 staff recommended implementation of a new financial model for general aviation in MAC's system of seven airports which addressed MAC's primary goal of sustainability as identified in MAC's 2012-2016 Strategic Plan. The model reflects both general aviation revenues derived at MSP (primarily from Signature Aviation) and Reliever Airport revenues used to support general aviation within MAC's system of seven airports. It is a management tool, not an official budget or financial statement. The model applies a cash basis theory; therefore a surplus in a given year is not carried over into the next year. Its purpose is to allow MAC staff to monitor revenue and expenses and assess the financial impact of various decisions.

Attached to this memo is the General Aviation Financial Model. It reflects actual results from 2014 and 2015 year-end, a 2016 mid-year financial position, as well as 2016 year-end projection. To date, several new facilities are planned or under construction at the Flying Cloud Airport and Anoka County-Blaine Airport which has a positive impact on commercial ground rent and miscellaneous revenue. Ordinance 120, which became effective July 1, 2016, has a positive impact on MSP GA rent. Based on the mid-year results, the model suggests that there will be a year-end gain in 2016.

**THIS IS AN INFORMATIONAL ITEM ONLY; NO COMMITTEE ACTION IS REQUESTED**

<b>MAC General Aviation Financial Model</b>				
<b>Revenue</b>	<b>2014</b>	<b>2015</b>	<b>6/30/2016</b>	<b>Projected 2016</b>
<b>Storage Lots</b>	\$ 1,933,502	\$ 2,019,842	\$ 1,062,805	\$ 2,100,000
<b>Total Recreational</b>	\$ 1,933,502	\$ 2,019,842	\$ 1,062,805	\$ 2,100,000
<b>Fuel Flowage</b>	\$ 810,660	\$ 856,024	\$ 316,810	\$ 860,000
<b>Commercial Ground</b>	\$ 1,289,889	\$ 1,363,764	\$ 921,090	\$ 1,700,000
<b>Commercial Revenue</b>	\$ 1,023,669	\$ 1,142,327	\$ 465,642	\$ 1,150,000
<b>Landing Fee - St Paul</b>	\$ 492,970	\$ 513,729	\$ 184,091	\$ 515,000
<b>Landing Fee - Flying Cloud</b>	\$ 152,942	\$ 153,959	\$ 65,688	\$ 155,000
<b>Landing Fee - Anoka</b>	\$ 91,719	\$ 103,967	\$ 37,292	\$ 105,000
<b>Total Business</b>	\$ 3,861,849	\$ 4,133,770	\$ 1,990,613	\$ 4,485,000
<b>Other Buildings + Hangars</b>	\$ 123,255	\$ 166,469	\$ 39,440	\$ 100,000
<b>Alley Assessments</b>	\$ 100,358	\$ 33,203	\$ 17,764	\$ 35,000
<b>Farm</b>	\$ 70,811	\$ 83,698	\$ -	\$ 86,000
<b>Misc (1)</b>	\$ 233,679	\$ 302,272	\$ 315,278	\$ 420,000
<b>Sewer</b>	\$ 20,420	\$ -	\$ -	\$ -
<b>Total Other</b>	\$ 548,523	\$ 585,642	\$ 372,482	\$ 641,000
<b>Value (2)</b>	\$ 380,031	\$ 391,432	\$ 201,588	\$ 403,175
<b>MSP GA Rent</b>	\$ 799,250	\$ 835,082	\$ 437,179	\$ 1,215,000
<b>MSP Fuel Flowage</b>	\$ 446,749	\$ 479,689	\$ 164,624	\$ 480,000
<b>Total MSP Contribution</b>	\$ 1,626,030	\$ 1,706,203	\$ 803,391	\$ 2,098,175
<b>TOTAL Revenue</b>	\$ 7,969,905	\$ 8,445,457	\$ 4,229,291	\$ 9,324,175
<b>Expense</b>				
<b>Total Admin (3)</b>	\$ 697,773	\$ 725,684	\$ 377,355	\$ 754,711
<b>Personnel</b>	\$ 3,558,462	\$ 3,593,757	\$ 1,932,500	\$ 3,865,000
<b>Admin</b>	\$ 22,192	\$ 24,088	\$ 16,000	\$ 32,000
<b>Professional Services</b>	\$ 282,888	\$ 244,890	\$ 125,000	\$ 250,000
<b>Utilities</b>	\$ 543,290	\$ 454,108	\$ 237,500	\$ 475,000
<b>Operating Services</b>	\$ 117,696	\$ 195,225	\$ 100,000	\$ 200,000
<b>Maintenance</b>	\$ 881,925	\$ 626,775	\$ 350,000	\$ 700,000
<b>Other &amp; Reimb Expenses (4)</b>	\$ (216,307)	\$ (52,966)	\$ -	\$ -
<b>Total O&amp;M</b>	\$ 5,190,148	\$ 5,085,876	\$ 2,761,000	\$ 5,522,000
<b>TOTAL Expense</b>	\$ 5,887,920	\$ 5,811,559	\$ 3,138,355	\$ 6,276,711
<b>Operating Gain / Loss</b>	\$ 2,081,985	\$ 2,633,898	\$ 1,090,935	\$ 3,047,464
<b>Total Capital Projects</b>	\$ 2,902,256	\$ 3,649,408	\$ -	\$ 6,021,743
<b>Funding</b>	\$ (1,873,032)	\$ (2,304,819)	\$ -	\$ (3,023,673)
<b>Surcharge</b>	\$ (678,218)	\$ (714,226)	\$ -	\$ (716,742)
<b>Total Capital Projects (5)</b>	\$ 351,006	\$ 630,363	\$ -	\$ 2,281,328
<b>Total Equipment</b>	\$ 876,113	\$ 1,907,395	\$ -	\$ 765,000
<b>Gain / Loss</b>	\$ 854,865	\$ 96,140	\$ -	\$ 1,136

## NOTES:

- Miscellaneous revenue includes non-aeronautical revenue currently being generated from the Reliever Airports, as well as transactional based fees. This includes sources such as the golf course at the Anoka County-Blaine Airport, ball field revenue, and onetime revenue from easements, lot assessments, and administrative fees.
- The Reliever Airport Value is a number that attributes a monetary value of the reliever airports to MSP. This value started at \$300,000 in 2006 and escalates at 3% per year.
- Total Admin in the Expense category is a value representing the value of services provided to the Reliever Airports by the general MAC staff. This would include legal, development, personnel, and other administrative services. This value was set at \$509,856 in 2006 and escalates at 4% per year.
- Other and Reimb Expenses under O&M is typically a negative number. This is because this category is a "catch all" and includes miscellaneous expenses netted against annual funds received from MN DOT for O&M expenses. These are funds in addition to grants received for capital funding, and is funding provided to all airports in MN. Based on the timing of the receipt of the funds from MN DOT, the results will be reflected in the yearend statement.
- The number reflected in the column entitled "Projected 2016" is the amount reflected in the capital improvement program. Since capital projects are not completed until the end of summer or fall, the actual costs and final funding cannot be calculated until after yearend. Therefore, these results will be reported in the year-end statement.

## ACAA OFFICERS AND COMMITTEES

President: Mike Lawrence 763-780-2802  
V. Pres: Don Johnson 651-407-3403  
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

TBD

#### Newsletter

John Krack 763-786-5876

#### Safety

TBD

#### Public Relations (Proposed)

#### Taxes

Vivian Starr 763-559-4683

John Krack 763-786-5876

#### Membership

John Krack 763-786-5876

**Commissioner:** James Deal

**Airport Mgr.:** Kelly Gerads 612-726-8142  
Joe Harris 651-224-4306

## Discover Aviation Days

**2017 Dates:** June 3 – 4, 2017

**Website:** [www.DiscoverAviationDays.org](http://www.DiscoverAviationDays.org)

**Email:** [Info@DiscoverAviationDays.org](mailto:Info@DiscoverAviationDays.org)

**Phone:** 763-568-6072

#### Planning Team:

Craig Schiller Golden Wings Museum

Email: [goldenwings@minn.net](mailto:goldenwings@minn.net)

Craig Hass AWAM

Email: [dlhass@comcast.net](mailto:dlhass@comcast.net)

Shelly Kaufman CAP

Email: [skylimited@comcast.net](mailto:skylimited@comcast.net)

Michael Lawrence ACAA

## ANOKA COUNTY AVIATION ASSOCIATION

The ACAA is an association of hangar owners, hangar renters, FBO owners, pilots, flight instructors, commercial operators, and anyone 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 Golden Wings Museum 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).

