

## **MID-WAY REGIONAL AIRPORT JOINT AIRPORT BOARD MINUTES**

A regular meeting of the Mid-Way Regional Airport Joint Airport Board was held on Thursday, July 11, 2019, at 4:00 p.m., in the Rex Odom Conference Room, at Mid-Way Regional Airport, 131 Airport Dr., Midlothian, Texas.

Members Present:	Drew Sambell, Chairman Kent McGuire Randall Porche Nanette Paghi Larry Johnson
Members Absent:	Alex Smith, Vice Chairman Ray Barksdale, Secretary
Others Present:	Judy Demoney, Airport Manager Tammy Bowen, Airport Operations Clyde Melick, Assistant Manager, City of Midlothian Vern Mitchell, Partner, Southern Star Aviation

Opening: Drew Sambell called the meeting to order, and gave the invocation.

Board Announcements: There were no Board announcements.

### CONSENT AGENDA:

- Minutes of Meeting held May 9, 2019
- Financial Report
- Manager's Report
- Airport Operation's Report
- FBO Report

Kent McGuire moved to approve the Consent Agenda as presented; second by Randall Porche. All Ayes.

### REGULAR AGENDA:

Pancake Breakfast and Fly-In Final Report: Tammy Bowen told the Board that the event went very well. We served 1053 people breakfast, and many more attended to enjoy the activities. There were approximately 55 to 60 airplanes to fly in for the event. Total revenue \$6,326. Total expenses \$6,110. Profit of \$215.

Temporary Building for Airborne Imaging: Judy Demoney said that Airborne Imaging asked if it would be ok for them to provide a temporary construction trailer behind their hangar to be used as a break/lunch room for their employees. Their electricity would provide power to the building. They would not need any plumbing done because there would be no restrooms. Clyde Melick told the Board that they might need a "Specific Use Permit" from the City. Clyde said that Airborne Imaging would need to apply for the permit, but the Airport would need to be a party to the process being owners of the land. The Airport would need to write a letter of agreement.

Nannette Paghi moved to approve Airborne Imaging's request for a temporary building. Airborne would need to obtain a "Specific Use Permit" from the City. The Airport Board would write guidelines for the building with a two-year limit; second by Larry Johnson. All Ayes

One-Year Lease for First Flight: Judy Demoney said that she met with the Airport Board Finance Committee to discuss a possible rate change for First Flight. Judy explained that our office rate has been the same since 2011. First Flight started out with a one-year lease in November, 2017, at an annual rate of \$10 per square foot or \$.83 per square foot per month. After the one-year lease was up the Board agreed to do a month-to-month lease because we thought that TSTC would be coming. The Airport then renewed the lease for another six months at the same rate. First Flight's current lease will be up July 31, 2019.

Judy Demoney told the Board that she did a market analysis. Office lease rates in Midlothian, Waxahachie and Red Oak range from \$1.25 - \$2.17. There was a prime rate of \$2.33 on Hwy 287 in Waxahachie, but was not considered. The Committee recommended the rate be increased to \$1.30 per square foot per month for a one-year lease. First Flight's current monthly payment is \$380, and this would make their monthly payment \$592 for the two offices (456 square feet). Judy said that the difference between our property and others is that it has to be aviation related, so it does limit our market. However, we have been getting phone calls from people that want office space.

Nanette Paghi moved to approve an office rate increase for First Flight in the amount of \$1.30 per square foot per month, and a one-year lease. The new monthly rent would be \$592; second by Larry Johnson. All Ayes.

The Board asked that Judy discuss the rate increase with First Flight, and report back to them at the next Board meeting.

Ten-Year Lease for Nova Avionics: Judy Demoney said that Ken Lantz and Vern Mitchell approached her with a request to consider a ten-year lease for their end cap for Nova Avionics, subsidiary of Southern Star Aviation. They would like it to run concurrently with the 10-year FBO lease agreement that they currently have with the Airport. Vern said that the reason for the request is to control the rent. Vern reminded the Board that the 10-year FBO Agreement was contingent on the purchase and relocation of an avionics shop. They had intended on leasing the space upstairs, but there were plans for TSTC to be there. They decided to use the end cap for the avionic shop, and invested over \$20,000 to finish it out for their business. The Committee felt that an increase from the current \$.27 per square foot to \$.54 was in line because of the increased utility demand of a daily business operation. Southern Star is currently paying \$163 for 591 square feet of space, and the Airport is paying for their electricity. Southern Star is also renting the hangar next to the end cap. Chair Drew Sambell suggested that this item be tabled to the next meeting until the Finance Committee can review Southern Star Aviation's FBO lease agreement, and figure out how the lease could be structured.

Other Business: Judy Demoney told the Board that the last meeting with TxDOT and KSA on the fencing project was on May 23. We were supposed to be under construction in August, but nothing has happened since that meeting. Judy reminded the Board that they voted to secure the entire property, but the grant that TxDOT gave us three years ago will not cover the costs now. Ed Malley with TxDOT is supposed to be looking in to whether or not they can increase the grant or if the Cities would have to fund the difference.

Drew Sambell reminded the Board that Judy Demoney will be leaving at the end of September. The City of Waxahachie HR Department is working on putting things together for the Airport management position. He understands that it will be posted sometime in the middle of July. Drew told the Board that he was open to ideas and suggestions on how to promote the position to find the best talented person. Drew said that he would like for the Airport Board to be involved in this very important process.

Adjournment: There being no further business,  
Randall Porche moved to adjourn; second by Kent McGuire. All Ayes.

Respectfully submitted, Tammy Bowen, Airport Operations Assistant