



Madison County Commissioners

Rexburg/Madison County Airport Board Meeting Minutes

NOVEMBER 7, 2012

4:00 PM

LEGACY FLIGHT MUSEUM

ATTENDEES

**Commissioners: Chairman Kimber Ricks, Jon Weber and Todd Smith.
County Clerk: Kim Muir**

AGENDA TOPICS

Mayor Richard Woodland

Council Members:

Christopher Mann Jordan Busby
Donna Benfield Jerry Merrill
Bruce Sutherland Sally Smith
Council Member Busby was excused

City Staff:

Matt Nielson – Deputy Finance Officer
Richard Horner – Finance Officer
John Millar – Public Works Director
Blair Kay – City Clerk

David Taylor called the meeting to order at 4:12 p.m. and welcomed those present. There was a roll call and it was stated that there was a quorum.

Deputy Finance Officer Matt Nielson gave a presentation showing the full costs of the airport including capital, engineering, etc. and what has been provided up to this point by the City, County, Airport Board and FAA grant funds with a 7% match including a fixed grant of \$150,000 per year. There will be a deficit and we will need to determine who will pay for the deficit. Matt explained that he thinks the best way to proceed is to get all of the expenses reflected on the books. He reviewed the possibility of having the City/County pre-fund the Airport expenses for about \$12,000 per year. Engineering costs could be contracted out of the grant funds which would allocate more of the grant funds to engineering verses having the City's staff perform the engineering.

David Taylor stated that the City is carrying the bulk of the work. Matt reported that the current deficit is approximately \$24,000. Forecast numbers for 2013 are showing that about \$52,000 would be needed to pre-fund the Airport for 2013 if we assume full costing.

Public Works Director Millar indicated contract engineering and contact fees through the federal grant process could cost up to 25% of the grant funds.

David Taylor proposed the Airport Fund be treated like other public entities. The County's \$2,900 contribution from property taxes could be included in the County's share of the pre-funded amount.

Commissioner Ricks indicated the County has a check today for \$10,000 to help clear some of the deficit. He proposed that this be accepted as payment in full to the present time and to move forward with better communication and understanding. If not approved by the City Council, we will consider an additional payment.

Council member Sutherland commented that there should be some participation from the hangar owners. It was explained that hangar rents were increased last year and Airport Board Members feel that rates are on the high side of average. Council President Mann mentioned the Airport is an asset for the Community. He did not want to put the burden on the hangar owners to contribute additional funding for the deficit; however, he did ask Commissioner Ricks if they would be willing to contribute the remaining amount to resolve the deficit.

Commissioners commented that costs incurred by the County have been very conservative, but City costs seem quite high.

Council Member Benfield indicated the Airport is part of the Communities Economic Development. Council Members Merrill and Sutherland were agreeable to accept the \$10,000 from the County; however, some additional participation from hangar owners would be good. Everyone should participate to clear the deficit in the budget.

David Taylor reiterated his proposal to have the City accept the County's proposal to clear the deficit.

A motion was made and seconded by the City to accept the \$10,000 check presented by the County as payment in full of the current deficit for the Airport. Allocation of a future amount for the operating costs would be approximately \$26,460. Lot rent increases are being reviewed for possible contribution on the deficit and operating costs on both sides will be reviewed.

Deputy Finance Officer Matt Nielson indicated the Airport deficit fund balance would be zeroed out at the end of fiscal year 2012 ending September 30, 2012 (County paid \$10,000 and City to pay approximately \$14,000); however, this would not address or include the pre-funding of capital for fiscal year 2012 including the cost of a snow plow or capital costs for future years. Allocation of a future amount for the operating costs would be approximately \$26,460. Lot rent increases are being reviewed for possible contribution on the deficit and operating costs on both sides will be reviewed.

David Taylor: gave a presentation of similar size airports in Nampa and Brigham City and their operations. To help Rexburg be more inviting, he proposed a dedicated operations employee assigned to the Airport and he proposed to have the Airport Board included in weekly staff meetings. Also, he indicated an Airport Lounge would be a good way to welcome people and businesses to Rexburg.

Approved: Madison County Commissioners

Chairman: Kimber Ricks
Jon Weber
Todd Smith