

LEBANON MUNICIPAL AIRPORT COMMISSION
MINUTES OF REGULAR MEETING
Thursday, July 1, 2021
Lebanon Municipal Airport, 200 Aviation Way

Commissioners Present

Jeff Baines J.D. Lowery
Deborah Baugh Ralph Mallicoat
T.O. Cragwall Mike Russell
John Gentry William Westmoreland

Others Present

R.T. Baldwin Darren Duckworth Sandra Gaskins
Heather Bay Angela Fantom Jeff Hall
Miles Dillon Abe Gaskins Chandler Inions

1) CALL TO ORDER – Chairman Ralph Mallicoat called the meeting to order at 4:04 p.m., noting that a quorum was present.

2) APPROVAL OF MINUTES

- A. 6/3/21 Regular Meeting** – A motion was made and seconded to approve the minutes. Motion carried.
- B. 6/10/21 Special Called Meeting** – A motion was made and seconded to approve the minutes. Motion carried.

3) COMMUNICATIONS FROM CITIZENS – Chairman Mallicoat explained that if there were any citizens who would like to address the commission, now is the time to do so, as citizens cannot join any discussion later during the meeting. Any citizen who would like to address the commission for longer than three to four minutes should request to be placed on the meeting agenda.

At this time, Abe and Sandra Gaskins introduced themselves to the commission. Ms. Gaskins reported that they are in negotiations with Mr. Corey Gerulis to purchase **West Side Hangar Site C** that is currently under construction. Once Mr. Gerulis receives the hangar's certificate of occupancy (CO) from the City, the contracts will be signed.

Commissioner of Public Services Jeff Baines noted that the item is on the meeting agenda (see **New Business Item E.**). Special Projects Administrator R.T. Baldwin added that he has spoken with Building Inspection staff who has advised that the hangar has passed all inspections and a CO will be issued soon.

Direct Flight Solutions' Heather Bay advised the Gaskins that a land lease between them and the City must be presented to the commission for a recommendation to City Council.

4) ENGINEERING REPORT – Special Projects Administrator R.T. Baldwin presented the report included in the agenda packet:

- A. REILs/PAPI Lights/Runway Lighting System Phase I** – Final payment issued to contractor. After a brief discussion, it was requested to leave the item on the agenda until necessary repairs are made.
- B. West Side Partial Parallel Taxiway – Preliminary Design** – Preliminary design completed 2/6/20. Review of final deliverables 4/28/20. No update.
- C. ALP** – Mayor's signature received; plans have been delivered to TDOT Aeronautics for signatures. Waiting on signed ALP from TDOT Aeronautics. No update.
- D. East Side Taxilane Improvements – Construction** – Finishing punch list items. Mr. Baldwin commented that as-builts were sent to Atkins today.
- E. 100LL Self-Serve Fuel Farm – Design/Location Discussion** – Continuing evaluation of site location. Mr. Baldwin advised that more information will be provided next month, as Atkins' Darren Duckworth and TDOT Aeronautics' Adam Guy have been discussing location options.

F. Terminal Parking Lot Expansion – Approximately \$85k. William Westmoreland has volunteered to donate time and equipment to construct the parking lot. Finalizing grading plan. Schedule meeting with Westmoreland to determine materials cost.

Mr. Baldwin anticipates the project taking place around the end of July or early August.

G. East Side Hangar Doors (Volar Lease) – Meeting scheduled with Adam Akins Overhead Door week of 07/04/2021.

Mr. Baldwin explained that once the best way to repair the old door is determined, a timeframe for the repairs can be provided. Comm. Baines noted that Akins' quote will be the second quote obtained for the repairs which are included in the budget.

5) OLD BUSINESS

A. T-Hangar Waiting List

1. New Additions – One new application was presented to the commission:

- A motion was made and seconded to add John Tunstall (application dated 6/5/21) to the #137 position on the waiting list (following #136 William Pratt). Motion carried.

At this time, Ms. Bay presented two t-hangar sublease requests:

- A-3 (Jerry Lee) to William Beasley (see **New Business Item C.**)
- E-10 (Carl Hudson and Heather Bay) to Richard Moscardelli

A motion was made and seconded to approve the sublease requests. Motion carried.

Commissioner J.D. Lowery reported that Savage Aviation has a new tenant, MTA Distributors. Comm. Lowery has known MTA co-owner John Thompson for a long time and advised that MTA is a solid, class a operation.

A motion was made and seconded to approve the sublease request. All voted aye except for Comm. Lowery who abstained.

Ms. Bay notified the commission of two DFS tenants who each recently purchased a second aircraft.

2. Updated List – An updated list was included in the agenda packet.

B. West Side Request – Lot 4 (John Sevieri) – Included in the agenda packet was Mr. Sevieri's letter of intent dated 2/26/21; the letter states that JBS Aviation, LLC requests to be approved to construct an up to 100'x100' hangar in similar scope and size as the existing maintenance hangar in the area of the airport designated as Lot A on the west ramp. JBS intends to negotiate a 40+10-year lease with the City to be allowed to sub-lease space within the hangar to individual aircraft owners that are interested in having M54 as their aircraft base. The hangar would meet all City, County and State buildings codes including floor drainage and fire sprinklers appropriate for a commercial building. Additionally: main terminal road access, meet all exterior look guidelines, allowed a "lean to" office space, a hangar door up to 24' high. Rough estimates for the project including permitting, site prep, materials, and labor total \$800,000.

In June, the letter was updated to include the following additional info: Site Plan – Lease up to 6 spaces to light jet, turbo prop or other corporate aircraft. Provide aircraft management for those aircraft. Build out ~ 1500 square feet of interior office space for aviation-related companies. Build out a secured 10'x10' area for a 6dof full motion AATD simulator. Provide overflow parking options when needs arise for transient aircraft.

The agenda packet also included a few basic graphics from a steel building supplier and provided by Mr. Sevieri in June. During the June meeting, the commission recommended entering into a lease agreement with Mr. Sevieri with the agreement including a rental rate of \$0.40 per square foot; the motion also stated that Mr. Sevieri is to provide a project completion plan once materials are provided.

Chairman Mallicoat reminded attendees that per action taken during the April commission meeting, the approval is subject to plans submittal and formal presentation to the commission.

Mr. Sevieri has been asked to present building elevation plans, floor plans, etc., and a

conceptual site plan for Airport Commission consideration and to coordinate the exact requested lease area/dimensions with Mr. Baldwin.

Mr. Baldwin advised that he has not talked to Mr. Sevieri. Since Mr. Sevieri was not in attendance and the requested information was not presented, the item was tabled until the 8/5 commission meeting.

C. Row D Construction

1. Staff Update – It was noted that there has been no activity related to sewer installation for Row D, hangars Mr. DiLeo is supposed to be selling, and the Southeast Development for several months now. Commissioner Mike Russell questioned if there is a deadline for the sewer installation.

Chairman Mallicoat stated the need to further discuss Mr. DiLeo's agreements with City Attorney Andy Wright.

After a brief discussion, Comm. Lowery advised that he would be happy to meet with Mr. Wright, review the Row D and Southeast Development agreements, discuss what needs to be done, and report back next month. Comm. Lowery emphasized that any future airport development agreement needs to require a performance bond. He would like to review the letter of credit that Mr. Baldwin advised was provided for Row D.

2. Owner Update – No update was provided, as Mr. DiLeo was not present.

D. Southeast Hangar Development (Steve DiLeo/Aeronautique, LLC)

1. Staff Update – There was no additional discussion.

2. Owner Update – There was no additional discussion. (During the June meeting, a motion to recommend City Council approval of Mr. DiLeo's 1-year extension request failed.)

E. West Side Hangar Sites A and B (Robert Craig/ArmourSales) – Ms. Bay reported that steel has been going up. She spoke with the contractor, Phoenix Commercial Builders, last night.

F. West Side Hangar Site F (Bruce Thomas/AV8RS) – Ms. Bay explained that a new type of door has been installed on the hangar.

G. West Side Hangar Site G (Robert Gaines) – Ms. Bay reported that the contractor, who had experienced delivery delays, returned to the site today.

H. Cracker Barrel Lease(s) Reconciliation – Review revised leases. – Included in the agenda packet were revised versions of the hangar and fuel facilities leases emailed from Cracker Barrel's attorney, Tonya Matthews, on 6/21.

Chairman Mallicoat reminded the commission that the current lease with Cracker Barrel expires 8/31/29. The proposed ten-year lease states that the tenant shall have three separate options to renew and extend the term for successive periods of ten years each. The proposed rent is as follows:

Term:	\$15,000.00 annually (\$1,250.00 monthly)
1 st Extension:	\$15,750.00 annually (\$1,312.50 monthly)
2 nd Extension:	\$16,537.50 annually (\$1,378.13 monthly)
3 rd Extension:	\$17,364.38 annually (\$1,447.03 monthly)

Chairman Mallicoat and Commissioner T.O. Cragwall reiterated their concerns about the proposed options for renewal and rental rates.

Chairman Mallicoat would like to see the revised lease continue through 8/31/29, and Cracker Barrel could request an extension of the lease 90-180 days prior to its expiration. Comm. Lowery suggested striking 5. *RENT (b)* which lists the proposed rental rates for the three proposed ten-year renewal/extension options.

After a brief discussion about the aging hangar roof and Cracker Barrel's proposed rental rates, a motion was made and seconded to send the revised leases – with the changes suggested by Chairman Mallicoat and Comm. Lowery – back to Mr. Wright. Motion carried.

I. West Side Hangar Site D (PNJ Venture Partners) – Lease executed. – Mr. Baldwin displayed the site plan that the commission was presented a couple of months ago. He confirmed to Chairman Mallicoat that the parking issue has been resolved.

The Hall Group, LLC Architecture & Planning’s Jeff Hall advised that PNJ is ready to start pouring concrete next week and wants to complete the project as quickly as possible.

Commissioner William Westmoreland stated the need for a construction schedule for the project.

Comm. Russell asked if the commission could recommend instituting a policy for any future leases to require a performance bond and/or a stated completion date. Comm. Baines advised that typically, the City has required performance bonds only for public improvement projects. Comm. Lowery explained how a performance bond is stronger than a letter of credit and can be required by the City. With a performance bond, the contractor is responsible for managing completion of the project rather than the City. Comm. Lowery further advised that standard language requiring a performance bond can be obtained from BNA, etc.

A motion was then made and seconded to approve the building rendering presented for Hangar Site D. Motion carried.

J. T-Hangar Lease Terms – The following information was included in the agenda packet:

LEBANON MUNICIPAL AIRPORT – T-HANGAR LEASES WORKSHEET

7/1/21

Row	CURRENT T-HANGAR LEASES		PROPOSED T-HANGAR LEASES		
	Term (2 Years)	Monthly Rental Rate	Term (4 Years)	Monthly Rental Rate Years 1-2	Monthly Rental Rate Years 3-4
A	2020-2021	\$200	2022-2025	\$	\$
B	2020-2021	\$245	2022-2025	\$	\$
E	2021-2022	\$360	2023-2026	\$	\$

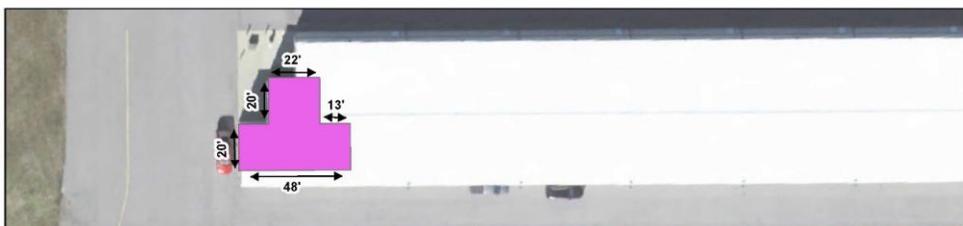
OPTIONS

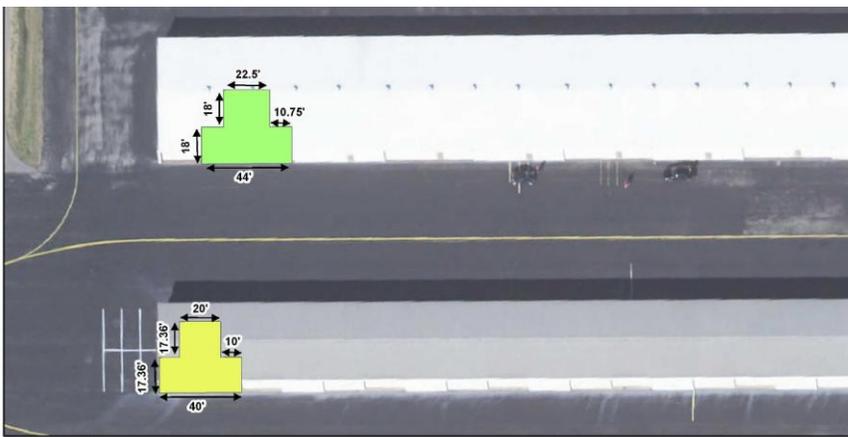
Row	Current Rate	2.5% Increase	5% Increase	7.5% Increase	10% Increase	12.5% Increase	15% Increase
A	\$200	\$205	\$210	\$215	\$220	\$225	\$230
B	\$245	\$251.13	\$257.25	\$263.38	\$269.50	\$275.63	\$281.75
E	\$360	\$369	\$378	\$387	\$396	\$405	\$414

HISTORICAL MONTHLY RENTAL RATES

Term	Row A Monthly Rental Rate	% Increase	Row B Monthly Rental Rate	% Increase
2010-2011	150		190	
2012-2013	165	10.0%	205	7.9%
2014-2015	165	0.0%	205	0.0%
2016-2017	173	4.8%	215	4.9%
2018-2019	181	4.6%	225	4.7%
2020-2021	200	10.5%	245	8.9%
Term	Row E Monthly Rental Rate	% Increase		
Years 1-3	295			
Years 4-5	315	6.8%		
2021-2022	360	14.3%		

T Hangar Dimensions Rows A, B and E





Legend

- Row A
- Row B
- Row E

1 inch = 40 feet

Note:
All dimensions are approximate.
Field verification is needed for exact dimensions.



Comm. Baines advised that as discussed by the commission earlier in the year, the term can be longer than four years.

A motion was made and seconded to recommend City Council approval of a four-year lease for Row A t-hangars, with a monthly rental rate of \$215 for years 1-2 and \$230 for years 3-4. Motion carried.

Regarding Row B t-hangars, Ms. Bay advised Comm. Cragwall that the City's current monthly rental rate is about half of that of other area airports. She explained that other airports are raising their rates due to the lack of State funding available.

Comm. Lowery noted that there are 137 individuals on the t-hangar waiting list. He suggested a 10% rental rate increase.

Comm. Baines, Comm. Cragwall, and Chairman Mallicoat advised Commissioner Deborah Baugh that a four-year lease term rather than the current two-year term would cut down on paperwork and administrative tasks.

Ms. Bay expressed that extending the lease term allows for a disconnect between the tenant and landlord. She added that DFS can further assist with the lease renewal process if needed. A motion was made and seconded to recommend City Council approval of a two-year lease for all t-hangars and a 10% rental rate increase.

After additional discussion, a motion was made and seconded to withdraw the recommendation for a four-year lease for Row A t-hangars, with a monthly rental rate of \$215 for years 1-2 and \$230 for years 3-4. Motion carried.

A motion was then made and seconded to revise the motion recommending Council approval of a two-year lease and a 10% rental rate increase to include only t-hangar Rows A and B, as current leases for Row E do not expire until 12/31/22. Motion carried.

- K. Assignment/Transfer of Papa G, LLC Lease to Freedom Hangar, LLC (Lot 8 General Aviation Row 1) – Passed City Council 1st reading. 2nd reading 7/6/21. – There was no discussion about the item.**
- L. Other – None.**

6) NEW BUSINESS

- A. Planning Commission Items – 7/27/21 –** Mr. Baldwin informed attendees of one item located in the airport overlay: a S. Hartmann Gateway Overlay Amendment request for about 44 acres on S. Hartmann Dr. (near Lebanon High School) from WU-TCMx (Town Center – Mixed-Use/Non-Residential) to WU-MxH (Mixed Housing).
- B. Board of Zoning Appeals Items – 7/26/21 –** Mr. Baldwin reported that there are no items located in the airport overlay.

- C. **T-Hangar Sublease Request – A-3 (Jerry Lee) to William Beasley – See Old Business Item A. T-Hangar Waiting List.**
- D. **Vanderbilt Hangar (Corey Gerulis) New Tenant/Lease Request – Michael Franck with Elite Rotorcraft** – Comm. Baines confirmed to Comm. Cragwall and Chairman Mallicoat that Mr. Gerulis is connecting the Vanderbilt apron to the taxiway and it will not be privately-controlled. An area has been staked in the field, and Mr. Gerulis has been informed that plans for the paving must be submitted for City review and approval.
Ms. Bay advised that in several months, after the area is paved, Elite Rotorcraft intends to purchase the hangar.
A motion was made and seconded to recommend approval of the new tenant/lease request.
Motion carried.
- E. **West Side Hangar Site C – Sale from Corey Gerulis to Abe and Sandra Gaskins – See Communications from Citizens.** Ms. Gaskins advised Comm. Cragwall that they will be pursuing corporate tenants. It is Mr. Gaskins’s understanding that with Airport Commission approval, the tenant can perform and pay for the buildout. He added that he and Ms. Gaskins, who will be managing this business, want to be a part of the community. Ms. Gaskins confirmed to Comm. Russell that no helicopters will be operating out of the hangar.
After a brief discussion, a motion was made and seconded to recommend approval of the sale.
Motion carried.
- F. **Other – None.**

7) FINANCIAL REPORT – Included in the agenda packet were the Airport Maintenance Expenditures Report and the Airport Operations Fund Balance Sheet dated 7/1/21.

8) FBO REPORT – DFS Senior Airport Operations Supervisor Miles Dillon distributed and presented the following report:

Construction-

1. Great progress on west side.
2. Robert Craig’s hangar steel going up.
3. Lighting project still needs update.
4. City has continued to improve safety on East side taxi.

FBO-

1. New line tech came on full time, Daniel Graves.
2. Sattler camp June 7-18th was a success.
3. FAA inspection went well and received our letter or approval. (Weeds in fuel farm/AWOS)
4. Looking at replacing/ updating cameras for the east side of the airfield around Volar in progress.
5. Nascar fly in was a success. Helicopter and few visitors. (4600’)
6. TEMA meeting last week. Great information.

Known Issues-

1. Rocks in LOJAC hangar.
2. Fireworks of July 4TH.
3. Jet A single point problems. City and Titan have been notified.
4. Traffic increase as the weather improves.
5. Lack of parking spots continues to be felt during large gatherings at M54.
6. Waiting on lighting repair.

Looking forward to July-

1. Independence Day. Fly over and safety
2. Hangar construction continues to move forward with progress.
3. Another record fuel sale month with Avgas and Jet.
4. Warm weather hopefully means great fuel sales for the month of July.
5. Condolences to the Lasater family with the loss of Raymond Lasater.

- Mr. Baldwin advised that a purchase order has been issued for the camera replacements/updates.
- Mr. Dillon stated the need to secure the pedestrian gate as growth and activity increase around the airport. Chairman Mallicoat suggested the possibility of the City hiring a security guard to monitor the property from 7 p.m. to 7 a.m. Ms. Bay added that local police have been asked to monitor the area.
- Mr. Dillon has reached out to Murfreesboro's airport manager regarding issues with the Row E doors; he should have information to City staff next week.
- The runway length and lack of rental car services were the airport's biggest drawbacks for NASCAR fly-ins. Mr. Dillon suggested talking to local car dealerships to ensure cars are available for future events.
- The possibility of securing a generator for the airport was discussed during the TEMA meeting.
- Mr. Dillon spoke with contractors about the rocks and debris entering the Savage hangar. He asked General Services Administrator Lee Clark to have the street sweeper assist with cleanup.
- Mr. Dillon is trying to track down whoever has been shooting bottle rockets around the airfield.
- Fuel sales for the month of June – 8,112.2 gallons of avgas, 10,078 gallons of jet fuel.

9) UPCOMING EVENTS – None.

10) INFORMATION ONLY ITEMS

- A. PAPI Lights – (1) Temporary repair/parts availability (2) Engineering to survey and verify tree(s) to trim or remove. Make arrangements with property owner to trim or remove. Advise FBO and/or FAA. – No New Info**
- B. Soccer Field Update – Mayor's Recommendation to City Council 6/1/21**
- C. Supplemental Signage – Runway Hold Positions Taxiway A1 – No New Info**
- D. Need to receive executed ingress/egress easement from Savage and record. – No New Info**
- E. T-Hangar Rows A and B Insurance Renewals Update – No New Info**
- F. Row E T-Hangar Leases – Follow up on insurance certificates.**
- G. Sound Abatement Ordinance for Developments Near Airport**
- H. Thorne Dr. Connection – Future Discussion as to When to Implement**

11) ADJOURNMENT – The meeting was adjourned at 5:32 p.m.