Oelwein Mayor and City Council Members;

At the October 6 meeting The Airport Board approved the attached option to eliminate the Fixed Based Operator position at the airport. There have been requests we clarify how this will affect the overall operations at the airport.

A few suggestions are:

- 1. The Airport will function as it does now on weekends, after hours and when no attendant is present during required hours. Essential services such as, restrooms, pilot lounge, fuel and crew car will be available just like they are at hundreds of other unattended small airports.
- 2. A lease of the shop and office may be negotiated with Tegeler Aviation.
- 3. Fuel sales may be managed by the City, or a third party paying a reasonable fee to The City for the use of its equipment.
- 4. City staff or a part time employee may be hired for mowing and snow removal. One board member suggested an exchange of these services for shop / office rent.
- An airport manager should be appointed. The manager position is not full time. It normally
 requires minimal time. When Tom Stewart was Street Superintendent, he did an outstanding job
 of managing the airport and maintained an excellent relationship with the Board.
- 6. Vital facility maintenance and improvement projects would be funded within the airport budget.

Several persons were recruited to speak in favor of Tegeler Aviation at the 11/28 City Council meeting. The Airport Board does not oppose Tegeler Aviation's presence at the airport. The Board fully appreciates the value of having both Tegeler Aviation and Crop Care By Air businesses at the airport. However, we feel Tegeler Aviation, as a private business, should pay fair rent for use of the shop and office.

The Airport Board respectfully requests the City Council consider the elimination of the FBO position.

To allow for a transition period, if approved, now is the optimal time to make this decision.

Sincerely,

Oelwein Airport Advisory Board Chairman

Greg Bryan

Oelwein Airport Advisory Board FBO Contract Review

FBO Compensation FY23

Contract 35,292

Shop Hangar Rental Value 6,000

Electric Reimbursement 600

Profit From Fuel Sales - Unknown (markup amount not provided)

Total FBO Compensation minus Fuel Sale Profit \$41,892

FY 23 Revenue Budget \$52,600

FBO Portion of Airport Revenue 80%

At the 9/15 board meeting in a discussion of providing flight training, member Bagge correctly put in perspective, flight training is unaffordable. Whether we like it or not, our culture is constantly changing. Services we've been provided in the past are no longer practical, but with the help of technology, life goes on.

The role of a full time FBO has also changed over the years. A few of the services once offered that are no longer available are aircraft rental, flight instruction, biannual flight reviews, crew car maintenance/repair. The self-serve fuel system will require less labor. The in cockpit ability to access airport information and internet access with smart phones have been game changers for general aviation. Attendance at small airports is no longer expected, and seldom required. The airport functions as it should on weekends and after hours.

As a responsibility of this board's appointment, the FBO position should be evaluated. The City's desire that the airport maintain a balanced budget leaves little revenue for facility maintenance or improvements after FBO expenses. Seal coat is needed to preserve the asphalt paving, the fuel system will need tank and pump upgrades along with other projects to maintain the infrastructure. For FY23 there is \$3,000 budgeted under building. Is an FBO affordable?

Proposed Alterative to FBO Contract

- 1. Shop Hangar, terminal office space lease and fuel sales shall be advertised for bid
 - a. Hangar must be used for aircraft storage, or repair.
 - b. Lessee to provide janitorial services to terminal building
 - c. Lessee to pay hangar utilities
 - d. Lessee will provide a computer and pay all subscription costs related to fuel system.
 - e. Lease to be for 3 years
 - f. Lease to be awarded to high bidder based on lease amount and a fuel flow amount based on 45,000 gallons to be paid to Lessor annually
- 2. Mowing, Snow Removal and Maintenance
 - a. Airport equipment will be provided
 - b. A part time person to be hired. With the relatively flexible schedule, this would be ideal for a retired person wanting to subsidize their income.
 - c. Or The City provide staff

Estimated Cost/Income from Proposed Alterative to FBO Contract

1.	Shop Hangar Lease - \$500 month	6,000
2.	Additional Fuel Flow Fee*	4,500
3.	Mowing, Snow Removal and Maintenance Labor 300 Hours** @ \$20	- 6,000
4.	FBO Contract Credit	35,292
	Total Additional Annual Income from Proposed Alterative to FBO Contract	\$39,792

Other mowing, snow removal, weed control 40 hours

Maintenance 110 hours

^{* 4,500} Gallons @ .20 (.10 over current fee of .10)

^{**} Labor amount based on tractor hour meter - 150 hours annually