



SAUGEEN MUNICIPAL AIRPORT

THE SAUGEEN MUNICIPAL AIRPORT COMMISSION REGULAR MEETING MINUTES

Friday, January 20, 2023, 2:00 p.m., Airport Boardroom

Commissioners Present: Dave Hocking, Chair
Moe Hanif
Carl Kuhnke
Jack Zeinstra

Absent: Tom Hutchinson, Vice Chair
Bill Roseborough

Others: Filomena McDonald, Airport Manager
Murray McDonald, Maintenance Manager
Catherine McKay, Recording Secretary

1. Call to Order

The Chair called the meeting to order at 2:04 p.m. and extended best wishes to Bill Roseborough who is recovering well from health issues.

2. Approval of the Agenda

Motion Moved by C. Kuhnke

Seconded by M. Hanif

That the agenda for January 20, 2023 be accepted as circulated.

Carried

3. Disclosure of Pecuniary Interest and Declaration of Conflict of Interest

None declared.

4. Delegations

There were no delegations.

5. Adoption of Minutes of Previous Meetings

The Chair suggested that the Commissioners representing the three municipalities provide highlights of Commission minutes at Council meetings. He reviewed minutes of November 9 and December 21, 2022 and informed the Commission that he is awaiting an update from Patrick Szabo of the Office of the Ombudsman relating to a complaint regarding a Commission closed meeting. In addition, he noted that the Commission must adhere to its procedural by-law which will be highlighted at the next meeting.

Motion Moved by J. Zeinstra

Seconded by C. Kuhnke

That the minutes of the November 9 and December 21, 2022 meetings be approved as circulated.

Carried

6. Action Items Arising from Minutes

A. Request of Fuel Suppliers for Written Submissions on Prices

Mr. Mike Walsh, Territory Manager, Aviation for Edward Fuels, the Airport's fuel supplier attended the meeting at the invitation of the Airport Manager to provide information about fuel purchases. The Airport Manager informed the Commission that she had contacted five fuel suppliers to obtain written submissions on prices, but received responses from two. Industry consolidation has resulted in fewer suppliers. Commissioner Hanif suggested that in the interests of transparency, an invitation should be extended to other suppliers to address the Commission and in response to a question from Commissioner Kuhnke, it was clarified that there is no contract in place for fuel purchases and the Airport is not looking to enter into such a contract.

Mr. Walsh reviewed the Airport's fuel sales over the last ten years, noting that sales are about 50,000 litres per year, and the highest fuel sales were 10 years ago. Commissioner Zeinstra noted that at that time, the

price would have been lower and the Airport had an active flight school, which would have contributed to increased sales. Mr. Walsh outlined the fuel purchasing process, noting supply chain issues in 2022, although the Airport Manager said that fuel sales were \$36,000 higher in 2022 than 2021. The volume of fuel sold was as follows: 2020 - 44,000 litres, 2021 - 62,000 litres and 2022 - 50,947 litres.

Discussion ensued about a fuel discount and it was clarified that there had been a \$0.10/litre discount on Avgas for hangar owners which is no longer in place since the purchase of the new fuel pod.

The Commission then discussed whether larger storage tanks would make a difference to the price of fuel. Mr. Walsh explained that a larger tank would cost \$12,000 – 14,000 and would not contribute to lower fuel prices since the price is the same regardless of the amount purchased and there is no added delivery charge, so the price is calculated by applying the price per litre to the volume purchased. Taxes, including federal, provincial and carbon, are added to the price and itemized on the bill of lading. He added that the Airport Manager sometimes will accept fuel on short notice if Edward Fuels has it available, which is an advantage to both parties. Mr. Walsh agreed to email to the Airport Manager statistics on the Airport's historical fuel purchases. The Chair thanked Mr. Walsh for attending the meeting.

B. Hydro Extension at South End of Airport

The Airport Manager stated that she is waiting for a quote on a transformer so that future builds will have their own hydro meters. The Maintenance Manager explained that an additional transformer is required because the current one is at full capacity and an extension will be required to accommodate future hangars. He also circulated a drawing depicting the situation with the transformer and the meters.

C. Rental Contract Revision

With respect to clause 5 d), the Airport Manager has referred the matter to the Airport's insurer who prefers that the clause remain in the agreement. Commissioners felt however that rent should not be charged if a hangar is destroyed, but should be paid if it is replaced. The Airport Manager recommended that item 5(d) be deleted and clauses 8 and 9 remain as is.

Motion Moved by C. Kuhkne

Seconded by J. Zeinstra

That the Commission approve the rental agreement as submitted subject to the deletion of the last sentence in clause 5d).

Carried

The Chair suggested that in the future, the Airport Manager submits reports setting out specific motions for the Commission to consider.

D. Fee for Use of a Hanger as a Wedding Venue

The Airport Manager informed the Commission that the owner of this particular hangar is not interested in renting it out for weddings. The Terminal Building, however, can be used for events, including weddings.

7. Correspondence Requiring Action

There was no correspondence requiring action.

8. Public Notifications

There were no public notifications.

9. Reports

A. APM's Report

The Airport Manager highlighted the difference in fuel sales from November to December which was the result of considerably fewer visits with 39 in November and 5 in December, the result of poor weather.

The Chair noted that the Commission will review its by-law at the next meeting, and is legally required to review its Harassment and Discrimination policy once a year.

B. Friends of the Saugeen Municipal Airport

Commissioner Zeinstra reported that Friends of the Saugeen Airport will soon be joining with COPA54 once again. There is new management at COPA National and COPA54 will be active in the near future. The Chair of the Commission made a presentation at the last meeting of Friends of the Saugeen Airport. A “COPA for Councillors” event was proposed to provide an opportunity for municipal Councillors, administrators, CAOs and other officials from the three municipalities that own the Airport and who deal with the Commission the opportunity to learn more about it. Mid-May 2023 has been suggested and the event would include a tour of the Airport and flights so that participants can see the Airport from above. Commission Zeinstra is to get a date in May which will then be proposed to the three municipal Councils. Commissioner Hanif suggested that it would be beneficial for Councillors to see the runway cracks from the air.

10. New Business

A. 2023 Meeting Schedule

The 2023 meeting schedule was received for information.

B. Invoice for Annual Fuel Cabinet Maintenance

The Airport Manager explained that the maintenance outlined in the invoice was required because the fuel nozzle was not appropriate for aviation fuel and needed to be replaced.

Motion Moved by C. Kuhkne

Seconded by M. Hanif

That the Commission approve payment of the invoice from Aviation ground Fueling Technologies in the amount of \$4,113.05.

Carried

C. Wings/Information Night, Thursday, February 9, 2023, 6:30 pm.

An invitation to the event was circulated to Commissioners at the meeting, and the Chair noted that he would like to see the Airport use a sponsorship protocol as the P&H Centre in Hanover did. He asked for the support of the Commissioners in pursuing this objective and added that he hopes the event will provide an opportunity for open discussions with the pilot community. He requested that the Airport Manager send the invitation to the Airport’s pilots as soon as possible.

D. Commissioner’s Protocol/By-law

The Chair reviewed the protocol for the benefit of the Commissioners.

E. Use of Email for Commission Business

The Secretary informed the Commission that the issue arose out of concern that exchanges of email where “Reply All” is used could constitute an improper meeting. The Municipal act defines a “meeting” as “any regular, special or other meeting of a council, of a local board or of a committee of either of them, where, (a) a quorum of members is present, and (b) members discuss or otherwise deal with any matter in a way that materially advances the business or decision-making of the council, local board or committee. “

A February 2019 Ombudsman report arising out of an investigation into Members of council for the City of Hamilton found that the open meeting rules in the *Municipal Act, 2001* were not contravened when Councillors exchanged emails regarding a vacant council seat. The definition of “meeting” in the Act requires that a quorum be present, such that an exchange of emails cannot be considered a meeting subject to the open meeting rules. If municipal business is conducted by email, that process excludes the public, and could be seen as an improper closed meeting. The Ombudsman concluded that in the interests of openness and transparency, municipal councils should avoid conducting business outside of a formal meeting and any exchange wherein council votes, reaches consensus, provides direction or input to staff, or discusses or debates a proposal, course of action, or strategy should be reserved for official meetings of a council, local board, or committee. Offline discussions involving a quorum of members, including over email, should be limited to exchanging information or matters unrelated to municipal business.

F. June 29, 2020 Motion re Lease Rates

The Chair informed the Board that the motion passed on June 29, 2020 regarding lease rates was not correct and a new motion is required. The Commission discussed various historical aspects of how lease rates had been set in the past, and it was noted that in August 2020, the last lease was to have been used as a template, but this practice was not adopted. Commissioner Hanif noted that it had been decided in the past that leases were to be based on a particular lease or leases, although the practice was not adopted. Commissioner Kuhkne clarified that the rate of \$0.39 per square foot was never implemented.

Motion Moved by C. Kuhkne

Seconded by J. Zeinstra

That the Commission rescind the motion passed on June 29, 2020 regarding lease rates which stated that the Commission set the lease rate for 2020 and 2021 at \$0.39 per sq. ft for the footprint of the building, the width of the hangar plus 10 ft. and the depth plus 25 ft., subject to further market data.

Carried

Commissioner Hanif requested that his abstention from the above vote be noted.

Motion Moved by M. Hanif

Seconded by J. Zeinstra

That the Commission set a new lease rate for 2020 and 2021 at \$0.35 plus H.S.T. per square foot for a standard costing formula for the square footage of the hangar footprint plus the square footage for a 2 foot perimeter that surrounds the hangar. The lease entitles the tenant the usage of 5 feet on each side of the hangar and a link area from the hangar door or doors to the taxiway/access road or roads and that the lease rate shall be increased on June 1 of each year by the amount of the Ontario Consumer Price Index as published by Statistics Canada for the immediately preceding calendar year and that rent shall become the new base rent.

Carried

G. Update Airport Service Price List

The Airport Manager reviewed the proposed changes to the services, highlighting in particular the increase in the commercial aircraft landing fee from \$75.00 to \$150.00 and the elimination of the exemption from the commercial aircraft landing fee upon the purchase of fuel. The Chair advised that the Kincardine Airport takes a similar approach in that it does not exempt commercial aircraft from landing fees if they purchase fuel.

Motion Moved by C. Kuhkne

Seconded by M. Hanif

That the Commission approve the fees for Airport Services as proposed by the Airport manager.

Carried

Commissioner Zeinstra requested that it be noted that he voted against the motion.

H. Draft Budget

The Chair informed the Commission that following the approval of its draft budget at the meeting of January 10, 2020, it was noted that funds had not been allocated to *Advertising and Promotions* and consequently \$2,000 was moved from *Purchases – Diesel* to *Advertising and Promotions*, reducing *Purchases – Diesel* from \$9,000 to \$7,000.

I. New Phone Service

The Airport Manager briefed the Commission on the purchase of new cell phones and a cell plan which eliminates the need for Airport officials to use their personal cell phones. The previous plan cost \$150/month, and the new plan is considerably cheaper at \$70.00/month.

11. In Camera Session

Motion Moved by C. Kuhkne

Seconded by M. Hanif

That the Commission convene in closed session at 3:58 p.m. in accordance with Section 239(1) of the Municipal Act in order to address personal matters about an identifiable individual, including employees/contractors, specifically regarding a hangar lease and a position, plan, procedure, criteria or

instruction to be applied to any negotiation on behalf of the Saugeen Municipal Airport, specifically with respect to a farmland proposal.

Carried

The Airport Manager, the Maintenance Manager and the Secretary remained for the in camera portion.

The Saugeen Municipal Airport Commission reconvened in open session at 5:04 p.m. and the Chair confirmed that the Commission had gone in closed session in accordance with Section 239(1) of the Municipal Act and discussed personal matters about an identifiable individual, including employees/contractors, specifically regarding a hangar lease, and a position, plan, procedure, criteria or instruction to be applied to any negotiation on behalf of the Saugeen Municipal Airport, specifically with respect to a farmland proposal, and that no other matters were discussed.

12. Direction Coming Out of In Camera

Motion Moved by C. Kuhkne

Seconded by M. Hanif

That the Saugeen Municipal Airport Commission approve direction provided to the Airport Manager to obtain quotes for a survey of the boundaries of the whole Airport property, obtain a quote for the cost of registering an easement over a third party's property, request a letter from the third party providing permission for the registering of the easement, and inform a party expressing interested in purchasing a hangar to bring an offer to purchase to the Commission.

Carried

13. Confirmation of Proceedings Resolution

Resolution Moved by M. Hanif

Seconded by J. Zeinstra

Whereas the Saugeen Municipal Airport Commission deems it expedient that the proceedings of meetings be confirmed and adopted;

Now Therefore the Saugeen Municipal Airport Commission Enacts as Follows:

That the actions of the Commission at its meeting held on January 20, 2023 in respect to each report, motion, resolution or other actions recorded and taken at said meeting, are hereby adopted, ratified and confirmed, and furthermore;

That the Chair and Vice Chair and appropriate representatives are hereby authorized and directed to do all things necessary to give effect to the said actions referred to in the proceeding, and;

This Resolution may be cited as the January 20, 2023 Confirmatory Resolution.

Carried

14. Adjournment

Motion Moved by J. Zeinstra

Seconded by M. Hanif

That the Commission adjourn at 5:10 p.m..

Carried

Next Meetings: Wednesday, February 15, 2022 at 1:00 p.m. in the Airport Boardroom or via Zoom.

"original signed by David Hocking"
David Hocking, Chair

"original signed by Catherine McKay"
Catherine McKay, Recording Secretary