

# Airport Owners and Tenants Meeting

June 19, 2004, 10:00 a.m.

Pickering Farm Management  
1309 W. South St.  
Lebanon, IN 46052

## Owners:

Gene Henderson  
Andrew Henderson

## Tenants:

Wayne Deckard  
Larry Poe  
Dick Patterson  
John Mullenix  
John Frederickson  
Michael Mossman  
Roy Dawes  
Mark Paradise  
Dennis Paradise  
Dick Dawes  
Gene Hollingsworth  
John Rastenburg  
Steve McClure

## Other Parties:

Maurice Hobson  
Terry Culley  
Bob Pickering (Pickering Farm Management)

Gene Henderson opened the meeting by announcing that co-owner Bill Duncan died a week ago Sunday fighting a long battle with Parkinson's Disease.

**Gene Henderson:** Duncan-Henderson are investors, not developers. They bought the property for potential resale. They talked last year about closing the airport but changed their minds. They have talked with Lebanon Mayor Jim Acton about how the city of Lebanon or Boone County would get interested in the property but no local government entity is financially able to take it over.

Have had people approach them who believe federal and state funds available but no one to go for it.

Duncan-Henderson are not operators; they need to have an operator to run the airport in order to keep it open.

Concerning a rhetorical question about who pays for improvements, Duncan-Henderson will not underwrite operation, would not be able to recoup expenses if they did so.

**Dennis Paradise:** I have been hearing rumors, I need to know if airport will be open or not. I want to keep airport open and can afford small rent increases, want to see operator succeed.

**Gene Henderson:** Have had offers to buy whole operation (property) but didn't complete deal for various reasons. Promised to give tenants adequate notice if closing. 30-60-90 days, wants it to be reasonable, not less than 60, but

120 days is possible. No intention to sell now, no current listing, not actively pursuing sale.

Have drafted a letter to tenants in case of sale, would use it to state intentions.

Owners are currently hoping to find an airport operator.

**Don Deckard:** Would they consider a cooperative as an operator?

**Andy Henderson:** Would consider it.

**Gene Henderson:** Talking to two other potential operators who they believe would be satisfactory.

Duncan-Henderson uses 20-page leases for airport operators. Expect operator to have liability insurance. Operator would get a checklist for operation. Owners are willing to talk about cooperative.

Their deal with Farris was annual, renewal with 90-day notices.

Good chance nothing (sale of property) will happen for several years.

**Steve McClure:** Appreciate fact that they are willing to meet with us, wants to know short term goal

**Andy Henderson:** Current tactic is "Wing and a Prayer." Short term plans are undecided.

**Wayne Deckard:** Who do we pay rent to?

**Gene Henderson:** Pay Roger for July. Owners do not want to be responsible for collecting individual rents. Want to collect from one person. Promised that if we paid Roger but he didn't come back or pay them that they would hold tenants harmless.

**Andy Henderson:** Wants to get someone in there as soon as possible. Does not want operators to live in operations building. Wants operations building turned back into an operations building.

Says Roger said he could make effort to turn over property in short period. Roger could stay until they find a better operator

**Andy Henderson:** (MM note: sorry, I wasn't able to record this comment)

**Don Deckard:** What would it take to compete with other offers?

**Gene Henderson:** Roger will NOT be staying as a permanent operator. Would prefer to have an operator, not someone to just collect rent. Wants revenues to cover expenses.

**Roy Dawes:** What is lease payment?

**Gene Henderson:** \$1,500 per month, and gave Roger grace period of Jan Feb Mar each winter. Wants somebody who is reasonable. \$100-\$200 difference will not hurt them. If rents dropped to \$1300 a month they would not be willing to continue. Claims their monthly nut (overhead) is about \$1500 per month.

**Wayne Deckard:** We don't want to make a living by renting the property.

**Gene Henderson:** Boone County (government) wants an airport; already gave one away to Hamilton County

**Wayne Deckard:** Anyone approaching industrial parks for support or ownership?

**Gene Henderson:** Federal money available for airport development and improvement, doesn't know where it is.

Two futures seen for the ground: Development for light industrial or residential, or someone (like government or individuals) who want to develop a municipal airport. Won't happen this year or next.

**Gene Henderson:** Have copies or shortened version of 20-page lease (text attached at end of these minutes)

Utilities are minimal.

**Andy Henderson:** Electric and phone, Owners' insurance covered to \$3 million, want operators to have commercial liability. Gene Henderson has typical owner-type insurance

**Gene Henderson:** Answering Steve McClure question: Will talk to Roger about payment of money, will confirm replacement

**Larry Poe:** Mower is on last leg. Was mowing as a volunteer but was told that if mower broke down he would be responsible for paying to repair or replace it.

**Gene/Andy Henderson:** Lease says owners must supply mower

**Roy Dawes:** Located used golf course mower, can cut grass in 4-5 hours instead of two days

**Larry Poe:** If using golf course mower (wide reel type) must keep up; golf course mower cannot cut grass if it is high

**Gene Henderson:** If we want coop we should meet and make an agreement. Owners do not need a complex arrangement.

**Andy Henderson:** Will call other operators next week, want to solve issue during June

**Maurice Hobson:** Says he is the oldest at the airport and the longest running tenant. Has seen a lot of things happen, thinks that if we were given a chance we would make it work. Only 17 airplanes left. Guarantees hangars would fill up if cooperative worked.

**John Mullenix:** Believes if A/I were there the tenants would fall in same trap (captive to operator). Currently goes off field for maintenance

**Wayne Deckard:** Club could sell fuel to members as a non-profit, not general public, then liability insurance drops to nearly nothing

**Maurice Hobson:** Says Annette says that Farrisses will be gone completely at end of June

No kind of airport security offered by Roger. If an operator should offer security. Appreciated Shorty Graves watching property.

**Dick Patterson:** Logansport field security is a resident retired police officer, dog, trailer, has no problems.

**Gene Hoillingsworth:** Needs gate or chains to prevent other cars from driving back.

**Wayne Deckard:** offered to be contact for owners

**Michael Mossman:** volunteered to contact tenants and provide notes.

**Gene Henderson:** Asked tenants to get some gas so they can cut the field, send send them the bill.

**Gene/Andy Henderson:** Asked to conclude the meeting so that the tenants could meet to decided if they wanted to proceed as a cooperative.

Informal minutes respectfully submitted,

Michael D. Mossman  
Airport hangar tenant

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Contact information:

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Attachment:

**Airport Lease**

Rent is \$1,500 per month.

One year lease (minimum) (January 1 — December 31)

Responsibilities of Tenant:

1. Operator Facility in businesslike manner
2. Maintain all necessary permits & licenses
3. Maintain facilities (Grass, runways, lights, trash removal, etc.)
4. Establish & maintain utilities (electrical, telephone)
5. Acquire & keep in force adequate commercial general liability insurance with specific limits regarding coverages.

Responsibilities of Owner:

1. Supply equipment for maintenance of facilities (Grass cutting, etc.)
2. Schedule periodic meeting with Tenants to review status of the operations.
3. Address any major repairs in a timely manner.