

# Airport Board approves lease agreement

By ROSIE GITHINJI

rosie.githinji@register-news.com

MT. VERNON — The commissioners at the Mt. Vernon Outland Airport approved a lease agreement in the amount of \$380,000 for the Innovation Park project.

Airport General Manager Chris Collins said payments on the lease will be about \$2,000 per month and at the end of the lease term, the building will be sold back to the airport in the amount of \$1.

"It's been a long road to get this far," he said. "I'm really excited about it."

Collins said because the building is being built on federal property, it was a somewhat difficult to find funding because if the airport defaulted on the loan, the building could not be seized. He added that if the airport was to fall behind on payments, there are contingency funds in place to make up for

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any shortfall. The loan is for 25 years and payments will begin Jan. 1, 2013.

Mike Beard of the Insurance Store was present at the meeting to discuss some concerns he had about the bid his company put in regarding property and equipment insurance.

The board had asked for a three year bid, but Beard said it is difficult to find a company willing to underwrite a policy for more than one year at a time.

He reminded the commissioners that his company's bid was the only one that came in, even though it was a little high.

"Unfortunately, that's the way insurance is sometimes," he said. "I am trying to provide the best product that I can. I feel like we have done a good job for you and I appreciate the business."

Beard contends that there is no such thing as a three year bid, but was also concerned that since the board is re-bidding the insurance, he may lose the airports business. He wanted to know under what circumstances the board would

choose to go with another company or what would happen if no other company is able to meet the bid guidelines.

Chairman Greg Martin assured Beard that there is no guarantee a three year bid will come back and also said the bid from the Insurance Company will not be thrown out unduly. He added that insurance costs are going up and the board is trying to keep costs down.

In other business, the board:

■ Approved a motion to extend the bidding for the replacement of all airport radios to meet new FAA

guidelines to reduce bandwidth frequencies at airports by Jan. The bidding was extended to Nov. 27, adding two weeks. The commissioners also approved a motion to allow Collins to accept the winning bid, contingent that it did not go over \$10,000, because the radios have to be replaced by the first of the year.

■ Approved a request from the city of Mt. Vernon to remove existing sidewalk near the Summersville Grade School and replace it with new sidewalks. Collins said the airport owns part of the property undergoing the construction.