



# CITY OF MERRITT

## MINUTES

### COMMITTEE OF THE WHOLE MEETING

#### COUNCIL CHAMBER

TUESDAY, MAY 06, 2014

AT 5:00 PM

1. PRESENT:

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Mayor Susan Roline  
Councillor D. Baker  
Councillor K. Christopherson  
Councillor H. Kroeker  
Councillor N. Menard  
Councillor C. Norgaard

**IN ATTENDANCE**

Mr. A. Chabot, Chief Administrative Officer  
Mr. L. Plotnikoff, Leisure Services Manager  
Mr. S. Boven, Public Works Manager  
Mr. D. Finnigan, Superintendent of Public Works  
Mr. K. Ostraat, Financial Services Manager  
Mr. D. Tomkinson, Fire Chief  
Ms. S. Johnson, Committee Clerk

Merritt Herald  
Radio NL

7 Members of the Public

2. CALL TO ORDER

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Mayor Roline called the meeting to order at 5:07p.m.

### 3. REPORTS

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3.1 Shawn Boven, Public Works Manager, made a presentation to Council on the Merritt Municipal Airport - *A View from 30,000 Feet*:

- There have been two leases with the Merritt Flying Club; the Terminal Building Premise Lease and the MFC Hangar Land Premise. The Terminal Building Premise Lease is in effect until May 2029
- The Terminal Building Premise Lease was executed in June 2004; July 2006 the lease was cancelled and around September 2006 the lease appears to have been “un-cancelled” and the Merritt Flying Club has been operating status quo since then
- In 2011 a sublease for Graham Air to operate out of the Terminal Building was approved at the rate of \$100 per month
- In 2013, the caretakers mobile home was relocated offsite
- No funds have been recovered for invoices for utilities or any subleases of the terminal building; this invoice is being disputed
- The Hangar Land Premise Lease expired in May 2013
- Starting in 2004 attempts to extend the were made; July 2006 the lease was cancelled and around September 2006 the lease was verbally “un-cancelled”
- June 2010 the Merritt Flying Club constructed a hangar in Lot 9
- In 2011 it appeared that Graham Air started operating out of the MFC Hangar and 2013 the City requested that commercial helicopters be removed from the Hangar
- Commercial activity at the Merritt Flying Clubs Hangar is a contravention of the lease
- There are concerns about the Merritt Flying Club being in arrears of utilities, DCC’s and no final occupancy permit being issued for the hanger as of yet (a temporary occupancy permit was issued to utilize a part of the building)
- The Merritt Flying Club’s hangar is currently using power from the pump house on the property and those costs need to be recovered
- Questions arose as to why the Merritt Flying Club will not accept new members

- Staff should do some research and compile all available information in regards to leases, fees, and utilities and give some direction to move forward with proper management of the airport and report back to Council
- The option of having staff review information and prepare a full evaluation and report back to Council or having a full forensic audit conducted was discussed
- Consultation with airport consultants for an operation plan should be done with a report including costs sent back to Council
- Mr. Rae Robinson questioned why commercial helicopters have not been removed from the Merritt Flying Club hangar as directed by the City. The Public Works Manager reported that after the letter was issued the Chief Administrative Officer at the time, after receiving phone calls, advised him to leave it alone
- Mr. R. Robinson reminded Council that Valley Helicopters presented to Council a plan to develop a helicopter pilot training centre on lot 2 and a decision was made to allow the Merritt Flying Club to use that lot. Mr. R. Robinson would like to know what process allowed that to happen. Does someone other than Council have the authority to extend a lease?
- Mr. Fred Fandrich, owner of Valley Helicopters, located to Merritt in April 1986. His operation was served an eviction notice due to Transport Canada informing the City the operation needed to be moved; they relocated next to the Terminal Building. Council then requested Valley Helicopters remove their fuel tanks. In 2006 Mr. F. Fandrich attempted to lease the lot from the City but was unable to as the lot was unserviced at the time and he couldn't finance a hangar without services. Mr. F. Fandrich would also like to know why the Merritt Flying Club will no longer accept new members
- Mr. I. Gordon informed Council that the Merritt Flying Club had a good relationship with the City when he was President. Mr. I. Gordon worked at the Merritt Airport for 16 years and took pride in the operations and had a great rapport with Nav Canada. He has information and knowledge the City has never asked for

- Mr. Roy Cunningham expressed his concerns about the Merritt Flying Club. They are a social club who has changed their society charter to only require 3 directors in order to make quick financial decisions. Mr. R. Cunningham is aware of others who have applied for membership to the Merritt Flying Club and have been refused.
- Council further discussed having staff compile a cost estimation for a forensic audit of the Merritt Airport and Merritt Flying Club operations, what would be achieved and what the end goal would be

Moved, Seconded and **CARRIED**

**THAT the Committee of the Whole recommends to Council that a forensic audit of the Merritt Flying Club operations and their leasehold agreements be conducted at the Merritt Airport**  
*Voting Opposed: Mayor Roline and Councillor Baker*

12. **TERMINATION OF MEETING**

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The Mayor declared the meeting closed at 6:41p.m.

**Certified correct in accordance with Section 124(2) (c) of the Community Charter.**

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**Committee Clerk for Deputy Clerk**

**Confirmed on the 27<sup>th</sup> Day of May 2014**

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**Mayor**