

10993. RESOLUTION 15-26 – AUTHORIZING THE PURCHASE OF LAND AT THE MILLVILLE AIRPORT, MILLVILLE NJ.

WHEREAS, the Delaware River and Bay Authority (the “Authority”), is the operator of the Millville Airport (“Airport”), Millville, New Jersey; and

WHEREAS, the Authority’s Federal Aviation Administration (FAA) approved Airport Layout Plan recognizes the importance of safety improvements/enhancements to the continued health and economic development of the Airport; and

WHEREAS, in recognition of this fact, the Authority under the guidance of FAA has agreed to acquire property owned by NuQuest Corporation which is a “thru the fence” operator; and

WHEREAS, NuQuest Corporation desires to sell and the Authority desires to purchase approximately 11.296 acres of land located directly adjacent to the Airport and has access to the airfields taxiways and runways; and

WHEREAS, the Authority and NuQuest Corporation have negotiated an arm’s length transaction in good faith to purchase the land for One Million Two Hundred Dollars (\$1,200,000.00); and

WHEREAS, the FAA has agreed to provide a grant for the purchase that will pay for 90% of the acquisition cost of the land; and

WHEREAS, once the property is acquired ownership will be transferred to the City of Millville as the owner of the Airport and the Authority’s lease agreement with the City will be modified to reflect the changes to the Airport Property Description; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Purchase Agreement with NuQuest Corporation and, with the advice and consent of counsel, to have such Purchase Agreement executed by the Chairperson, Vice Chairperson, and the Executive Director.

A motion to approve Resolution 15-26 was made by Commissioner Smith, seconded by Commissioner Van Sant, and approved by a roll call vote of 10-0.

Resolution 15-26 – Executive Summary Sheet

Resolution: Authorizing the Executive Director to execute a Purchase Agreement with NuQuest Corporation

Committee: Economic Development

Committee Date: July 20, 2015

Board Date: July 20, 2015

Purpose and Background for Resolution:

NuQuest Corporation owns approximately 11.296 acres directly adjacent to the Millville Airport. NuQuest constructed an aircraft hangar on the property and the City permitted them access to the Airport from outside the airport property (a “thru the fence” operation). The FAA advisories state that as a general principle, the FAA does not support the granting of access to the public landing area by aircraft stored and serviced offsite on adjacent property. This type of access is to be avoided since this can create situations that lead to violations of the airport’s federal obligations.

In order to ensure no future violations of the airport’s federal obligations, the airport is acquiring the property.