

Regular Minutes
Thursday, July 11th, 2018
Aviation Center, Peachtree City-Atlanta Regional Airport
7:00 p.m.

Members Present: Tom Fulton – Chairman, Tom Lacy – Secretary/Treasurer, Allen Morrison – Member, Charles Murray – Member, Michael Hill for Nathan Lee – Airport Attorney, and Airport Manager –Hope Macaluso, A.A.E.

Members Not Present: Bryan LaBrecque – Member

I. CALL THE MEETING TO ORDER

Tom Fulton called the meeting to order at 7:00 p.m.

II. APPROVAL OF MINUTES

Tom Lacy made a motion to approve the June 2018 Meeting Minutes, seconded by Charles Murray.

Motion carried 4/0.

III. REPORTS

Finance and Capital Budgeting – Tom Lacy

Tom Lacy had attended the financial review early in the week. Tom said that the numbers were in order and that Hope would give a more detailed report shortly.

Operations Report – Mike Melton

Mike Reported:

Fuel (July)

July tends to be a slower month on the front end due to the 4th of July. We are slightly behind budget on both AvGas and JetA but we have already seen an increase in sales since the holiday week is past us.

AvGas Situation

AvGas continues to be tough to get a hold of from our normal channels. I would like to reiterate that this is not a fuel provider issue it is primarily an issue with the new E-Log laws that have gone into effect this year along with Fuel Terminal Maintenance/Demand issues. This causes a couple things to happen. First, we have to plan way in advance to

receive fuel and place orders early and even those tend to get pushed a couple days. And Second, we end up having to pull from AvGas Terminals that are further away causes cost to increase. This is why we have seen an increase in fuel costs.

Fuel Tank Inspection

As a part of our previously requested and approved fuel farm capital expenses we were able to have our tanks inspected. The inspection report came back as close to perfect as we could have hoped for. What this means is we will proceed with the remainder of the upgrades as expected. We have ordered the two inspections catwalks and anticipate installation in an estimated six weeks. The other remaining items will take place after the installation of these catwalks to include painting the tanks (which will be done in house), plumbing repairs and proper installation of sump savers or reclaim tanks.

FBO Hangar Door Repairs & Upgrades

Continuing on with the progress of the previously approved capital expenses, the hangar door repair and upgrades will begin the week of July 23rd. Weather depending the work should be completed within that week. These doors have needed this attention for some time now and are now well over 40 years old. We are looking forward to this and at this time do not anticipate major interruptions with tenants in the FBO hangar.

GPU Update

Again, this is another approved capital expense update. We expect the delivery of the used but refurbished Ground Power Unit the last week of July. We are still able to borrow a tenant's if we need it for now.

Shell QC Training

In June we hosted the hands-on portion of the Regional Shell Quality Control Seminar here at the airport. There were close to 50 individuals who participated in the seminar from over 30 different airports in the South East. This is a Shell required quality control seminar that is required every two years for Shell branded locations.

Condo Development Update

You may remember the mention last meeting regarding a proposed 24-unit condo development to the west of the approach end of runway 13. WK Dickson has submitted the 7460 form (notice of proposed construction) to the FAA and we are awaiting feedback before we bring the information to the authority to discuss. The City Planning Department is requiring the Airport Authority's approval prior to entertaining the proposed development. We should have something back from the FAA for the authority's review in the August meeting.

Request For Information Update

We are continuing to work with the Fayette County Development Authority regarding the large hangar RFI that came to us from the state level. Asking about an available hangar or hangar site large enough to house a Gulfstream G650. No word on who the request came from, we just wanted to remind the authority of the RFI and will keep you up to speed as we hear more.

Ace Camp

The Organization of Black Aerospace Professionals (OBAP) alongside Delta Air Lines each year sponsor a summer solo program for 10 applicants. The selected applicants are awarded 10 flight hours in Falcon Aviation Academy aircraft with the goal of obtaining their student pilot certificate. This is my 11th year assisting in some capacity with this program and have watched graduates go on to everything from Flight Instructors to Air Force Academy Grads. All in all, this is great program and we are glad to be able to host this at the airport every year.

GDOT Meeting

Georgia Department of Transportation has been hosting a once a year Regional Meeting for Airports to provide information from GDOT and FAA on a range of subjects related to airport planning, development, and compliance. Most importantly GDOT felt bringing these meetings closer to airports would allow for more participation and a more informal setting to ask questions of the two agencies hosting these meetings. There will also be a representative there from the FAA in regards to an update on Super Bowl traffic and a Webinar directly after the meeting. This takes place next Tuesday.

ODALS

We have been hit by lightning a number of times here on the airport and the ODALS (Omni Directional Approach Lighting System) was no exception.

PAPI's

Another casualty of lightning was the PAPI's (Precision Approach Path Indicators). There are two circuit boards that power and keep alignment on the PAPI's. A couple of the inclinometer boards were damaged and unfortunately, we had to issue a Notice To Air Man and an email to tenants regarding the outage of the Runway 13 PAPI's last week. This was under the guidance of the FAA and our lighting contractor. We anticipate a flight check from the FAA on July 20th to correct this issue. Our lighting contractor will be on site during this to properly align the PAPI's and return them to service.

Rotating Beacon

We had to replace the lamps in the rotating beacon recently and clean the contacts, coils and brushes on the beacon. The beacon was down for only a few days and NOTAM's were issued accordingly along with an email to the tenants while we awaited parts. I mention this only because the beacon is aging and parts are no longer available, so if in the future something other than lamps fail it could trigger a complete replacement of the beacon fixture to the tune of \$10-\$12,000.

IV. FINANCIAL REVIEW - Airport Manager – (Hope Macaluso)

Hope reported:

June 2018

Revenue and Expense Highlights:

We were right on target for jet fuel profit for the month and just barely below on avgas profits. Rental car commissions continue to be strong as does callout income. Overall, we were ahead of budgeted revenues by 7.5%. As far as expenses, we were 3% below budget for the month and almost 13% below budget year to date on maintenance.

Tom Futon asked if being below budget was a timing thing. Hope responded that there were unexpected capital expenses that she would explain later in the report.

We expect to spend some of that year to date budgeted expenses to catch up on some deferred items, such as mulch around the FBO building and parking areas. We were also well below budget on payroll. This is because of the final payment from GDOT on the taxiway light project reimbursed the airport for certain administration fees, including my, Mike and Tati's wages. Our year to date payroll is under by 3%, but we intend to use our linemen to begin some of the special projects, such as repainting the fuel farm tanks and repainting the tie-down spot numbers. The bottom line for the month is that we were 47% over in net income and have already met our budgeted income for the fiscal year with 3 months left.

Capital Expenses

There were three capital expenses in the month. \$2,314 was to inspect, clear, and repair sewer lines at the Toy Box, \$1,625 was to purchase parts for the ODALs, and \$1,355 was the first stage of security upgrades to our computer network.

In the last meeting, the authority approved \$8,400 to seal the floors in 10 of the authority owned T-hangars. The process is more complicated than we thought. They need to grind down the floors to new concrete, and apply two coats. With the amount approved last

month, we will only be able to complete 3 of the 10 hangars. These 3 having the most issues with moisture.

Tom Fulton asked if the other hangars had less of a problem with moisture. Hope confirmed they were less of a problem, but would like to get them sealed at some point in the near future.

Hope reported that we can stop there, or the authority can approve an additional \$18,000 to cover the remaining 8 units.

Also, in the last meeting you all asked us to gather quotes for the T-hangar restroom. We have received two quotes back so far. One was \$47,000 and one was \$48,000. We need time to gather additional quotes if you all would like us to pursue this.

As far as Area C improvements, Hope had mentioned that it would take about \$65,000 to get the area ready for tenants. That did not include engineering fees. Some fees would be passed on to the tenants. Most are also reimbursable by GDOT, but will take an additional \$65,000 to \$70,000.

Those fees would cover:

- Project Formulation
 - Includes preparation of scope & fee, site visit, initial coordination with GDOT, 7460 submittals, CatEx (Environmental form)
- Survey
 - Approx. 8.5 acres, including apron, auto parking areas, access road, detention pond (see attached exhibit)
 - Includes topo, SUE Level B underground utility locate, any storm structures/pipes in project area
- Geotech
 - Sufficient pavement cores & analysis to reasonably determine existing pavement section and formulate recommendations for rehab/replacement.
- Design Plans
 - Apron pavement rehab/replacement
 - Auto parking pavement crack cleaning, sealing, re-marking
 - Hangar building pad grading
- Contract Documents & Technical Specs
- Engineer's Design Report
 - Includes analysis of existing storm water detention pond to determine whether it's been sized to accommodate anticipated hangar development
- Coordination, Review, and Comments
 - Includes permitting with Peachtree City, GDOT, GA EPD (for erosion control)

Grant Update

We received a draft contract from GDOT for the Environmental Analysis for On and Off Airport Obstruction. The total project cost is just under \$82,000, which includes land donation for our local match, \$3,900 in reimbursements for a change order on the last grant that was not paid for in that grant, and an update to our Disadvantaged Business Enterprise (DBE) plan.

WK Dickson has completed a majority of the Runway Justification Project. The final piece is still in progress and that is obtaining airport user input to add to the report.

V. OLD AGENDA ITEMS

None

VI. NEW AGENDA ITEMS

- 18-07-01 Consider Proposal from Interested Party to Build a 4,900 Square Foot Hangar in Area “C”**
- 18-07-02 Consider Proposal from Interested Party to Build a 4,800 Square Foot Hangar in Area “C”**
- 18-07-03 Consider Proposal from Interested Party to Build a 4,800 Square Foot Hangar in Area “C”**

Hope commented that since the three agenda items were similar, the three could be discussed together. Hope described each proposal and would be three separate building with three separate owners. Hangar C3 would be built first, C2 would be built in the fourth quarter of 2018 and C3 would be built in the first quarter of 2019. Hope mentioned that the basic layout of the three hangars was consistent with the Airport Layout Plan so there would be no anticipated issues from the FAA. Hope also noted that steel was difficult to get delivered so the sooner the potential tenants could get started on the FAA 7460 process the better.

The square foot price is \$1.25 per square foot per year for the footprint of the building.

The C1 hangar term agreed to was a 30-year ground lease because it is a larger building.

Hangar C2 and C3 agreed to a 20-year ground lease because they are less than 5,000 square feet and is fairly standard lease term for that size hangar.

All three of the potential tenants provided personal financial statements from their banks stating they were financially capable of this type of project.

The lease has been reviewed by the PCAA Chairman and the Airport Attorney – Nathan Lee.

Allen Morrison asked if we have already agreed on the location, further clarifying that it may be better for the smaller hangars to be situated further west of the proposed area. Hope stated that the tenants had requested those areas and with the drop off on the west side, those tenants would likely have higher development costs. Allen reiterated that smaller hangars would mean smaller airplanes and that maybe a different location in that area would be better suited for the smaller hangars. Tom asked if there were issues with the terrain on the west side being built out in the future, Hope responded that there were current issues but that it could certainly be corrected in the future. Allen commented he would just not want to see that space wasted and that land is one of the most valuable resources at the airport.

Allen asked if there were any renewals addressed in the 20 and 30-year lease terms. Hope said that the lease terms were just 20 and 30 years with no renewal.

Charles Murray asked if Hope had personally reviewed the individual's financial solvency. Hope responded that she had and all were financially capable to successfully complete the projects.

Hope asked the authority to approve entering into a lease agreement in respect to agenda items 18-07-01, 18-07-02 and 18-07-03 in Area C.

Allen Morrison made a motion to enter into lease agreements associated with agenda items 18-07-01, 18-07-02 and 18-07-03 in Area C, seconded by Tom Fulton.

Motion carried 4/0

VII. Adjournment

Prior to adjournment Tom Fulton called for any public comment, reminding the audience the authority had no obligation to answer or comment.

Vern Darley from the audience and also a tenant, commented that additional fuel resources would be needed in Area C to avoid crossing the runway with a fuel truck. He asked if there were plans to accommodate that challenge. Hope responded that initially the airport would add a truck that over time could lead to additional staff.

Tom Lacy made a motion to adjourn the Regular Meeting at 7:40 pm, seconded by Allen Morrison.

Motion carried 4/0

Attest

Tom Fulton, Chairman