

**Peachtree City Airport Authority (PCAA)**  
**Regular Minutes**  
**Thursday, November 8<sup>th</sup>, 2018**  
**Aviation Center, Peachtree City-Atlanta Regional Airport**  
**7:00 p.m.**

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

**Members Not Present: N/A**

## **I. CALL THE MEETING TO ORDER**

Tom Fulton called the meeting to order at 7:02 p.m. Prior to the approval of the minutes, Tom acknowledged Bryan for his many years both serving on the authority and as a member of the staff leading the team. Bryan thanked the authority and everyone for allowing him to be a part of the airport and he hoped he had left the airport better than he found it. Tom thanked Bryan for his service to the airport.

Tom also took a moment to make a few comments. Appreciated everyone being there and wanted to thank his fellow board members. Tom expressed his reasons for being on the board. He has been blessed with a career and a life set of experiences that he felt that would be helpful in a role like this, with years at Delta Airlines and many years in Real Estate. He felt like that experience and knowledge base could be something that should be shared. He really felt that he wanted to give back to the community he grew up in and having lived here all but ten years of his life he appreciates Peachtree City and all that it stands for. He explained that he believes that everyone on the board feels the same. He stated that we all would like to see this airport succeed and have seen it grow from the small airport to the airport that it is today. Tom also said that the goal of the authority is to make the decisions for the long-term well-being of the airport.

## **II. APPROVAL OF MINUTES**

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

Motion carried 5/0.

## **III. REPORTS**

### **Finance and Capital Budgeting – Tom Lacy**

Tom Lacy mentioned that we continue do well in sales both Jet and AvGas. We plan to look at using those funds for future capital improvements that many of the tenants want.

## **Operations Report – Mike Melton**

Mike Reported:

### **Super Bowl Meetings**

We have continued to cautiously prepare for the potential Super Bowl traffic. We had a meeting at the FSDO (FAA) with many Atlanta metro airports last month and were introduced to the PPR Program (Prior Permission Required). On average during that weekend only 4-6 IFR (those with instrument flight plans) arrivals or departures will be allowed and would need to be coordinated with us during that time. This slot system starts the Wednesday before the game and ends Tuesday afternoon after the game. VFR (visual flights not filing a flight plan) traffic will only be affected during the Temporary Flight Restriction (TFR) that will start just prior to the game February 3<sup>rd</sup> and end right after the game ends the same day. We will be in the 30-mile ring of the TFR (which is a function of Homeland Security) so it will be a squawk and talk situation and VFR traffic will be required to talk to approach IF they can handle the work load.

We had a meeting with many of the businesses on the field to discuss the PPR system this week and will likely hold another meeting for all tenants to attend to learn about the slot system that week and what to expect during the event. A representative from the Atlanta TRACON (FAA Approach Control) was here to talk about what is to be expected. More to come on that.

### **Potential NDB Decommissioning**

Because of the full agenda this month, we opted to table the NDB decommissioning discussion this month and will revisit at another time.

### **Approach NOTAMS**

All but one of the approach NOTAM's were canceled by the FAA today. So, there is only one NOTAM that remains that has to do with the AGEHO fix minimums different than what is published with a note on the same NOTAM regarding circling Runway 13 Not Available at night due to the cell phone tower that was recently identified in the last FAA 18b Aerial Survey.

### **PAPI's**

Yes, we are still waiting to hear back from the FAA for the final flight check of the repaired PAPI lights for Runway 13. I spoke with our lighting contractor late last week and he was still waiting to receive a flight check date. A NOTAM is still out for this currently.

### **Fuel Farm**

The inspection catwalks are in place with just a few tweaks left. The plumbing project the authority approved a few months ago will hopefully start before the end of the year.

### **Bathroom Finished**

The T Hangar Bathroom is substantially complete and usable. We are excited that this is in place and have a few touch-up items left.

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

### **Hope reported:**

#### **September 2018**

The month of September was outstanding and had us finish the year at almost 32% over our budgeted net income. We sold a lot of both jet fuel and avgas in the month. Fuel sales made up 71% of our total revenues for the entire fiscal year.

#### **October 2018**

#### **Revenue and Expense Highlights:**

We have started off the new fiscal year full speed ahead, again exceeding expected gallons sold for both jet fuel and avgas. This was in part due to the work being done at other metro Atlanta airports and in Hampton. Expenses were held right on budget so the overall net income for the month exceeded budget almost 50%, thanks to the fuel sales. Fuel sales made up almost 70% of our revenues for the month.

#### **Capital Expenses**

As a reminder, we took over half of the money earned in fiscal year 2018 and put it directly back into the airport for improvements.

#### **Grant Update**

WK Dickson had to change subcontractors for the Environmental Analysis (EA) for On and Off Airport Clearing. The firm that they initially hired for the process is no longer able to do work in Georgia because of an employee conflict of interest. A new firm was just found to replace them. The EA needs to be completed by April in order for us to continue the grant funding flow on the clearing project.

## **V. OLD AGENDA ITEMS**

None

## **VI. NEW AGENDA ITEMS**

### **18-11-01 Consider Approval to Engage with Consultant for a New Market Rent Analysis**

Hope reminded the authority about the market rent analysis that was completed in 2015 by Airport Business Solutions. They would update the market rent analysis and do a much more in depth look at how we compare to other comparable airports and why. The 2015 analysis was not as in depth due to funding issues at that time. Hope had checked with another firm and the priced was twice as much, primarily because of location of the firm. The cost would be \$6,500 and Hope requested the authority's approval to move forward with the Market Rent Analysis. Bryan asked what it meant to be more in depth? Hope responded that this would include which airports we compare to and why. Hope mentioned that in the last analysis we were just compared to the region with no definition. Allen wanted to make sure the study included a split out commercial versus general aviation. Hope says it basically does that and separates for that.

Bryan made a motion to approve the \$6,500 Market Rent Analysis as presented, seconded by Allen Morrison.

Motion carried 5/0

### **18-11-02 Consider Approval of the Design of Fencing Plan for Area C**

Hope said that as she has reported in the past, there will be a number of capital expenses that will be required to complete the build out of Area C to include a new fencing plan to allow for public access to the front of the hangars but still secure the airport. If we are to get anything done over there it would be out of pocket initially and some of the projects would be reimbursable. The fencing plan is one of those that would be reimbursable. Hope has a price to design fencing plan that would include closing the gaps on the east side of the field, this plan would also include the apron remarking and sealing plans for Area C. The cost to the airport is \$62,000 and she had just sent those to GDOT for feedback. She stated that they do need to move forward with this. Hope asked for approval to proceed with the work order from WK Dickson not to exceed \$62,000 for the design. Tom asked how long it is estimated to take for the design project? Phil Cannon from WK Dickson stated it would take approximately two months. Tom asked for clarification of the funding source. Hope stated that initially the funding would come from the airport and would be reimburse by GDOT a couple of years down the road. Bryan asked what we have to do to the ramp area and why we have to do it. Hope explained that if asphalt is not used for a period of time that it deteriorates more quickly and requires additional attention such as crack sealing and seal coating. Bryan asked if there had there been an inspection to check the strength. Hope responded that an inspection would be a part of the design. Charles Murray asked how long reimbursement would take. Hope stated that it would likely take a couple of years because of all of the projects that are slated in front of that.

Allen Morrison made a motion to approve the fencing design project not to exceed \$62,000, seconded by Tom Lacy.

Motion carried 5/0

### **18-11-03 Consider Airport Tenant Workshop**

Allen Morrison reminded the authority of the fact that a tenant had brought up the idea of a Tenant Workshop in a previous meeting. He continued on to note that that structure of the authority meetings did not allow for more of a discussion between the Airport Authority and the Tenants. Allen noted that having attended some of the City Council workshops they are structured and went very well. Allen mentioned that his intention behind having a workshop was to ensure that both the Airport and the Tenants were all on the same page. Allen recommended that the authority entertain putting together one of these workshops. Bryan asked if anyone was familiar with how workshops like this were typically structured. Nathan Lee noted that it would be a public meeting and the structure would be up to the authority. Allen suggested we ask the City how they structure their workshops and receive guidance on how to conduct a successful workshop. Charles Murray acknowledged the importance of communicating both sides however given potential pending law suit from a single tenant regarding their lease a workshop may not be the way to resolve these issues. He appreciated the notion of having a dialogue and to be civil but there is a right approach and a wrong approach. Bryan stated that he does not know enough about the workshop process and would like to take the opportunity of learning more about workshops before committing to holding one given the pending law suit from an individual tenant.

Allen Morrison made a motion to agree to explore a tenant workshop by talking with City Council about how a workshop is conducted prior to the next Authority meeting and to revisit as a potential future agenda item if the authority sees fit, seconded by Bryan LaBrecque.

Motion carried 5/0

### **18-11-04 Consider Ground Lease Rates and Terms for New Construction Tenants**

Hope stated that she had looked back through the minutes and that rates and charges had been established in July and August meeting for Hangars C1 & C3. The going rates for those new leases were \$1.25 per square foot per year for only the footprint of the building with a CPI adjusted every three years and initial term of 30 years. Those rates were voted on in July and August. Allen stated that the purpose of asking to place this on the agenda was to make sure it was put into record.

No action was taken given the information provided.

### **18-11-05 Consider Ground Lease Rates and Terms for Existing Tenants**

Hope stated that again those rates had been established in the past given the signing of the seven new ground leases. The current rate is \$0.53 per square foot per year for the building and the apron, CPI is annually and also lease holders must charge at least 75% of what the airport charges for comparable hangar space and that 10% gross of what the lease holder charges for subleasing activity only is to be paid back to the airport with a 5-year term after for the existing tenants that had already completed a 20-year term. Hope reminded the Authority that seven tenants had accepted those terms over the last few years.

No action was taken given the information provided.

### **18-11-06 Consider Capital Improvement Plan**

Hope highlighted the FAA required Capital Improvement Plan that is due annually. The plan includes an environmental assessment for obstruction clearing (ongoing), obstruction clearing, easement acquisition, additional fencing as mentioned earlier, runway justification reimbursement, environment assessment for a runway extension, updated airport layout plan, and utility reimbursement.

Bryan asked Phil Cannon with WK Dickson if the priority rating would kick some of these projects to the next year. Phil responded that the cut line is around 50 range on a scale of 100. Bryan thanked Phil for the information and just made sure he understood the rating and potential for a project to move forward.

Hope quickly summarized the remainder of the 5-year plan and reminded the authority that the first year is the most important to consider for now and that next year the authority could change the Capital Improvement Plan to adjust for any changes that may have occurred. Bryan asked if the trees across the field would be addressed, Hope responded that they would be addressed, but not until 2021. Allen Morrison asked when a design would age out or if it would age out. Phil Cannon responded that it really depends on the growth rate of the trees. Phil explained typically you catch everything that is 5 feet below the critical imaginary surface such as an approach or departure surface but a design is usually good for two or three years. Bryan noted that 2021 is pretty far out and asked if it would be in our best interest to possibly address these with in-house funds and get reimbursed. Hope stated that we could certainly look at trees within the current Aviation Easement with Planterra Ridge Golf Course. Bryan thought it would be a good idea to take a look at the Planterra situation.

Tom Lacy made a motion to approve the 5-year Capital Improvement Plan as presented and the grant applications that accompany the plan, seconded by Charles Murray.

Motion carried 5/0

Bryan made a comment that we would need roughly \$860,000 in local funds as the airports share to be contributed for the \$15,000,000 in projects in the plan. Hope answered that yes, it is almost a million dollars in local funds the airport would need to contribute to complete the plan as presented. Bryan noted that the airport needs almost a million dollars sitting in the bank to execute this plan, Hope responded that yes, that is the case.

**18-11-07 Consider Incentives for Super Bowl Weekend for Tenant Relocations**

Hope mentioned that we have a parking plan for the Super Bowl that a consultant put together for us but it would require moving many of the tenants similarly to an airshow. Hope said that we could accommodate all but possibly ten of our tenants and we would like to give them incentive to relocate their aircraft during the event. Hope would like the ability to offer them the incentive of two months free rent if they were to volunteer to move their aircraft during that time, which would be about a potential of lost revenue of \$1,500. Allen asked for clarification that we are asking and not telling tenants to relocate. Hope answered that we would be asking and not telling tenants on a volunteer basis only to any and all tie down tenants.

Bryan made a motion to approve Incentives for Super Bowl Weekend for Tenant Relocations, seconded by Allen Morrison.

Motion carried 5/0

**18-11-08 Consider FY 2018 Employee Incentive Plan Payout**

Hope recapped the plan that was put in place by Bryan LaBrecque and that the airport wasn't making very much money at the time. Hope stated that the bonus amount comes from an internal audit conducted by a third party and not by staff. Hope covered the details of the bonus program that ultimately resulted in bonus payout of \$41,451.63 divided between 13 employees, not to include the Airport Manager.

Allen stated his concern was that the range of the bonus goes from 12% to 20% of their annual income and that maybe the airport has outgrown this model. As a public entity it's hard for him to comprehend giving out those types of bonuses. Bryan reiterated that the program was designed so the authority had the say of what percentage of the payout would be paid out that could be nothing or half of that. Bryan noted that the ask is for the full payout. Charley Murray asked Hope if her intention was to ask for the full payout to which Hope responded yes as this money is 2018 money that needed to be addressed prior to the formal audit next week.

Tom Lacy made a motion to approve the Employee Incentive Plan Payout as presented, seconded by Bryan LaBrecque.

Allen suggested that the percentage payout to be half of what was presented.

Motion carried 3/2 (Allen Morrison and Charles Murry voting No)

## **VII. Executive Session**

The Airport Authority entered into Executive Session for Potential Litigation and Personnel matters at 7:56pm.

## **VIII. Adjournment**

Prior to adjournment Bryan made a motion to award the airport manager a bonus as discussed, seconded by Tom Lacy.

Motion carried 4/1 (Allen Morrison voting No)

Bryan LaBrecque made a motion to adjourn the Regular Meeting at 8:33pm, seconded by Tom Lacy.

Motion carried 5/0

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Attest

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Tom Fulton, Chairman