

Peachtree City Airport Authority (PCAA)
Regular Minutes
Thursday, June 11, 2015
Aviation Center, Peachtree City-Atlanta Regional Airport
7:00 p.m.

Members Present: Richard Whiteley – Chairman, Bill Flynn – Vice Chairman and Treasurer, Skip Barnette, Bryan LaBrecque, Tom Fulton and Airport Manager –Hope Macaluso, A.A.E.

Not Present –George Harrison – Alternate

I. CALL THE MEETING TO ORDER

Richard Whiteley called the meeting to order at 7:03 p.m.

Bill Flynn recognized Bryan LaBrecque for achieving his Doctor of Philosophy (Ph.D.), in Public Administration.

II. APPROVAL OF MINUTES

Bryan LaBrecque made a motion to approve the March 2015 Minutes, seconded by Skip Barnette.

Motion Carried, 3/0, with Richard and Skip abstaining since they were absent at the last meeting.

III. REPORTS

Airport Safety & Operations (Bryan LaBrecque)

Nothing to report at the time and deferred to Hope.

Finance & Capital Budgeting – (Bill Flynn)

He reported that a finance meeting was held yesterday that went well. May was another excellent month with no irregularities. For details on the finances, he deferred to Hope's report. Richard asked who had attended the financial review this month to which Bill answered it was Hope, himself, and Tatyana (*airport bookkeeper*).

Tenant & Community Relations – (Tom Fulton)

Richard asked if any tenants had raised any issues to Tom, to which he reported there were none brought to him. Tom stated that he had missed the last Fayette County Development Authority meeting but there was nothing on the agenda that would affect the airport.

Marketing – (Skip Barnette)

Skip had no report as he was out of town last month.

Operations – (Hope Macaluso) in Manager of Operations (Mike Melton's) absence

Hope reported:

1. The airport's biennial State Licensing inspection performed by the Georgia Department of Transportation (GDOT) took place May 29th. The airfield meets all state requirements, but not all of the federal requirements. We knew it would not, based on the results of the 18B survey done last fall. This is due to obstructions that will need to be cleared.
2. So far for June, the airport is ahead of forecast gallons in both jet and avgas. A low jet gallon amount was budgeted for June based on historical performance. This June appears to be shaping up better than previous Junes because of one particular new tenant. There is a new Jet based tenant in the FBO hangar as of June 1st. The tenant has been doing a lot of training in the aircraft. Almost half of jet gallons sold this month so far are to that one customer.
3. The airport now has a signed rental agreement with National Rental Car for their kiosk as of June 1st, 2015. They have had personnel turnover and issues with a new computer system, so it is not staffed yet. Hope reported that the airport will continue to receive concessionaire fees in addition to the lobby rent.
4. Hope reminded everyone about the Georgia Business Aviation Association (GBAA) luncheon in the FBO lobby on June 26th. There will be a number of visiting aircraft for static display. Bryan requested that a reminder be sent.
5. The airport has received the Notice to Proceed from the state for the fencing project. Chris Harman with Atkins, airport engineering consultant, held a pre-construction meeting with the contractors and GDOT last week. Construction will begin next week. Bryan asked if this would build off the current fence and whether we would lose any fence, to which Hope replied no fence would be lost and that it would in fact build off of the current fence.
6. All work has been completed in the current state grant that included the runway overlay. There are funds left in the grant that were not used. Hope has requested that the state allow the airport to use some of the funds to test current runway strength. The runway has not been tested since it was initially built. Hope has also requested that some of the funds be used for on property obstruction clearing. These requests have not been granted yet, but she hopes to hear the results soon. Bill asked if this

was a part of the fencing project, to which Hope replied it was from the previous grant that began last year.

7. Hope gave an update to the Area “B” clearing project. The forester is ready to harvest the trees, but the air show (*Great Georgia Air Show or GGAS*) has not secured a contractor for the second phase of the project, which is clearing, grubbing, and seeding. Until the second phase contractor is secured, the airport will not go forward with tree removal. The trees will need to be cut and the land cleared and seeded prior to the air show on October 31. Tom asked if there was a challenge finding the second contractor, to which Hope answered it appears to be. Bryan asked if the second contractor was not secured, where does the tree harvesting stand and does the clearing go all the way to Aviation Way? Hope replied that it is everything between Echo Court and Aviation Way with the exception of a buffer around a potential stream that is behind the CAF (Commemorative Air Force) hangar and all the way up to the “B” hangars. Bryan was concerned that if a clearing contractor was not found, then it would be a missed opportunity to go ahead and harvest the trees. Hope replied that harvesting the trees would still be obstruction clearing for the airport, which is to the airport’s benefit. Hope clarified that we can still harvest the trees without having someone to clear and seed and the only cost is for stump removal and seed, which is at the airshow’s expense. Bill stated that the airshow is trying to secure a sponsor for that.
8. Richard asked if there was any update to the air show and whether the Blue Angels were coming. Hope reported that as far as she knew they were still coming, that she had not been told any different, and everyone is still working as if they are. Richard asked about the show line issues with the trees. Hope reported that she has not been told which method had been approved, but based on conversations that GGAS had with the Blue Angels, they were willing to work with the show on a format for the show line.

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

Hope Reported:

May Revenue Highlights:

Overall revenues were right at forecast for the month.

Although the airport was a bit behind on fuel sale revenues, gallons forecasted were again exceeded this month. Other revenues made up the difference, including:

- Commercial User Fees
- Hangar rents
- Other service fees such as ramp fees, lavatory fees, etc.

May Expense Highlights:

Total expenses were well under budget by 13.2% mainly due to payroll expenses including:

- One 32 hour part time position not being filled.
- Some uncovered vacation time.
- Auto/Truck fuel was also down because the unfilled position is primarily a grass cutting position.

May Net Operating Income Highlights:

Net Operating Income for the month was higher than forecast.

Cash Position:

Hope reported that the cash position was up over last month. Bryan asked how the receivables were for the month. There was discussion as to how to handle a large outstanding receivable. Hope stated that she had tried to contact the party with the largest receivable last week, but was unable due to the person being out of town. She stated she would try again next week.

There was discussion as to how the air show would be billed for this year's air show expenses. It was suggested that GGAS pay at the end of each show day. Doug asked if the airport will fuel the Blue Angels. Hope explained that the military would be providing the refuelers and personnel for them, but they would be getting the fuel from the airport and pay for it directly.

Richard asked if there was any movement from an existing tenant that had wanted to expand. Hope reported that they had extended the lease on the airport hangar that they currently occupy until the end of August. She said that it was her understanding that there is to be some leadership changes within the company, so they were not likely to expand until after those changes have been made. Bryan asked the period of time they would give us notice before ending their current lease to which Hope replied they have to give a 60 day notice. Tom asked if we had given them a 3 month extension to the lease or was it month to month? Hope stated it was month to month. Richard asked of their first of first refusal was still tied to that lease and Hope stated that it was.

V. OLD AGENDA ITEMS

15-05-01 Consider Building Two Clear Span Multiple Bay Hangars

Hope reminded the authority that last month Bill had asked her to reach out to the bank and see what they were willing to offer on a loan. Hope stated she had reached out to

Bank of North Georgia and that they had given her a Letter of Intent concerning the loan. They offered a very good rate and agreed to the term she had requested. There was much discussion concerning the project's small return on investment, upfront costs, and high risk. Staff was not comfortable recommending the project based on those issues, but regretted not being able to accommodate those who want to be at this airport. All agreed that the risk reward was not there.

Bill Flynn made a motion to abandon the consideration of building the two new clear span multiple bay hangars which was seconded by Skip Barnette.

There was further discussion. Richard asked for clarification on the style of building and that it had not changed since he had been briefed before. Hope explained that each building is a row of boxes that open to one side and that the project had not changed. Richard asked the cost again and Hope answered it was an estimated \$826,000 including a 15% contingency. Hope explained more of the terms of the offered loan. Richard made the point that the airport still carries a significant long term debt which the airport has chosen not to pay off. Hope offered that the current long term debt does not mature until 2024. Richard stated that taking on a new long term debt would not be consistent with previous decisions. The authority discussed tabling the project. A citizen in attendance interjected that when the last t-hangar was built, 13 out of 14 bays needed to be filled to break even and without that risk that had been taken, the airport would not have the 14 aircraft that are there today.

A vote was called.

Motion Carried, 5/0.

15-05-04 Consider Alternate 1 to Airport Fencing Improvements Phase I

Bill Flynn motioned to deny this project as well which was seconded by Richard Whiteley.

Richard wanted clarification on the project, that there was a fencing project and that this item was not included. Hope explained that the airport was getting the fence regardless; it is only the type of material that we are discussing. Richard had understood that it was extra material being added that was for screening. Hope explained that this is simply an upgrade in material from galvanized fence to vinyl coated fence in the terminal area only for \$1959.80. Bill stated he would rather spend the \$2000 on adding an electronic gate to the area "B" hangars. Hope stated that the last estimate that she had to install a gate to the area "B" hangars was \$3746. Bill had believed it could be done for \$1500 to \$2000. Bill thought that would be a better use of the funds. Richard wanted clarification that this was an aesthetic upgrade. Hope stated it was, but only in the storefront area where customers enter the parking lot and fuel customers enter the ramp area.

Bryan stated he liked the idea of having a gate to the "B" hangars, that he did not have a problem with the black coating, but that the "B" gate was more important. Hope stated

she believed that we could do both. Skip asked why we were not doing the “B” gate. Hope explained that replacing that gate was in the initial bid package for the current fencing grant, but when the initial bids came back high, cost saving measures had to be taken and that was one of the sliding gates that were cut from the plan. The bid had initially come back at around \$18,000 for that gate alone. Going with a local vendor would be much cheaper.

Richard asked about the capital expense list that Hope had provided at the beginning of the fiscal year. She stated that the fencing upgrade was on that list. He reminded everyone that they had agreed to take the list on an individual basis as the items come up. He stated that he was not up to speed on what else was on the list that we might be sacrificing. He asked when an answer was needed to which Hope stated that construction begins next week and material needs to be ordered.

A vote was called.

Motion Carries, 3/2.

VI. NEW AGENDA ITEMS

None

VII. EXECUTIVE SESSION

A motion was made at 7:40 p.m. by Bill Flynn to go into executive session to discuss matters protected by the attorney-client privilege which was seconded by Bryan LaBrecque.

Motion Carries, 5/0

A motion was made at 8:18 p.m. to exit executive session by Bill Flynn, which was seconded by Richard Whiteley.

Motion Carries, 5/0

VIII. ADJOURNMENT

Bill Flynn made a motion to adjourn which was seconded by Bryan LaBrecque.

Motion Carried 5/0. Time 8:20pm (local)

Attest

Richard Whiteley, Chairman