

Peachtree City Airport Authority (PCAA)
Regular Minutes
Thursday, April 9th, 2020
Via Zoom Video Conference Call
7:00 p.m.

Members Present: Kevin Lund – Chairman, Charles Murray – Vice Chairman, Allen Morrison – Secretary/Treasurer, Tom Lacy– Member, Max Braun– Member, – Greg Garmon – Alternate, Nathan Lee – Airport Attorney and Airport Manager –Hope Macaluso, A.A.E.

I. CALL THE MEETING TO ORDER

Kevin Lund called the meeting to order at 7:00 p.m.

II. APPROVAL OF MINUTES

Charles Murray made a motion to approve the February 20th 2020, Meeting Minutes as presented, seconded by Max Braun.

Motion carried 5/0.

III. REPORTS

Finance and Capital Budgeting – Allen Morrison

Allen Morrison had met with Hope, Mike and Ryan previously and went through the numbers for the last two months. Everything looks good and he stated that Hope would talk about our new normal and that we are in a good position to weather this.

Operations Report – Mike Melton

Air Show

As many of you have seen the air show has been canceled and will now take place May 22nd and 23rd of 2021. We have stayed in touch with the air show organizers as they regroup their entire season. We will keep you all posted when we know more.

Executive Order and Fueling

As you know Governor Kemp issued an Executive Order last week that ordered all of Georgia to shelter in place for 10 days. The initial executive order referenced a Department of Homeland Security Document (DHS) dated March 28th, 2020. The DHS document identified Essential Critical Infrastructure Workers that were exempt from the shelter in place, only for the purpose of their critical job. As an airport, our employees fall under the transportation sector of this guidance to allow service for the other Essential Sectors mentioned in this documentation. This is how we arrived at who we would continue to service during the shelter in place order.

Initially, we decided that the FBO will only be providing services to Military, Medical, Part 135 Charter Operations, Maintenance, Flight Training but NOT recreational flying. We came to this decision after talking to Georgia Department of Transportation (who was in contact with the FAA), Peachtree City Police Department and Fayette County Sheriff's Department.

Basically, what everyone agreed with was that if we were to fuel an aircraft that was not abiding by the executive order we could be found as an accomplice to a misdemeanor as mentioned in the Executive Order.

After gaining clarification from the FAA on flight training late Saturday night, we added it to the list that we would not fuel. The FAA guidance left it up to each sponsor (airport) to decide but the Governor did not when referencing the DHS document. While not all airports are doing exactly the same thing...many are. PDK was one of the first ones even before the executive order to completely shut down flight training.

Airport Management did run all of this by the Airport Authority for their guidance and agreed this was the right step to take. We also spoke with FAA Compliance Manager and GDOT's Manager of Aviation Programs and both agreed that it was well within the airports rights to limit fueling and ultimately exposure of employees.

We had spoken with the FAA and GDOT early on but today Hope received a call from GDOT stating that one of our tenants had placed a call to the Director of GDOT Intermodal. The tenant's concern was that he was not allowed to come to his hangar, hangout, and get fuel. The Director of GDOT Intermodal had GDOT's Manager of Aviation's Program return the tenants call. GDOT wanted to make sure that Hope was aware of the call and that GDOT explained to the tenant that the airport was in their right to do what we have done.

The tenant NEVER called airport, but according to GDOT, had apparently called all of the Airport Authority members.

As an Airport, we have NEVER limited access to individual hangars and certainly not the runway. If tenants choose to ignore the Shelter in Place Order given by our Governor, they are committing a misdemeanor. As a business, we chose to not aide people engaging in that misdemeanor. The unnecessary exposure to employees by those engaging in a misdemeanor is also a factor.

Unfortunately, there are other airports in the state that have not changed how they do business in these times. They apparently need the fuel sales enough to jeopardize their employees and their standing with the law. We are not that desperate.

Keep in mind that in none of our emails we restricted the types of flights that could be conducted, only who we would legally service during the shelter in place order.

We also have to consider the implications of a recreational aircraft incident or accident. Either one of these would put our staff and first responders at unnecessary risk, not to mention the fact an accident or incident would pull first responders, emergency services

and health care workers away from the first emergency at hand, which is the COVID-19 virus.

We want to remind everyone that this is a decision that was not easy to make as we would certainly welcome the income from fuel sales but in this extremely unusual time. We felt it our duty to do our part to help protect the Community, State and ultimately our Country from the spread of this extremely infectious virus.

The FBO building remains closed to the public, with the exception of the public restrooms and covered patio area. The T hangar restroom remains open as well. We have stepped up cleaning all around and our staff is practicing social distancing and hand washing as mentioned in both the Governors Executive Order and Federal Guidelines.

The staff is keeping busy with spring cleaning and other projects we have been meaning to get to. So, there is no shortage of projects or grass to cut this time of year. We will continue these projects throughout the shelter in place order.

With the executive order in place, all operations have slowed. While I can't put an exact number on it I would estimate that operations are down 90 to 95%. While we hate to see business slow to an almost halt, we are grateful that the flying public is adhering to the Governor's Executive Order.

Max Braun noted that he had spoken with many other airports and said that how we are handling the Shelter in Place Order is consistent with those other airport's actions. He appreciated the steps that management had taken. Charles Murray also commented that he agreed with management's action and for the thought that went into the decision. Allen Morrison also agreed with airport management and fully supported the decision.

Kevin Lund said that some of the tenants took the initial communication as the authority or someone at the airport would be policing the airport for offenders of the Executive Order. He noted that he did not feel the communication read that way and that was never the intention of the Airport Authority. He stated that he was disheartened by the fact that people do not reach out to Hope and Mike for answers in the first place. Kevin reiterated that we would not be calling the cops on individuals that choose to fly and he wasn't sure how people came to that conclusion. Hope noted that it was enforceable by local law enforcement but not airport staff and that was noted in the email that she had sent out.

Storm Damage

In late March, we had a pretty strong storm blow through with winds that topped out at 70 mph. Fortunately, only one aircraft was damaged. It was very minor and repaired quickly and only one hangar was slightly damaged. With the Spring and Summer weather being unpredictable, we encourage tenants to check their tie down straps often and replace them when needed.

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

Hope reported:

February 2020

Revenue and Expense Highlights:

February was a good very month. Revenues exceeded budget by 16.4%. We were over budget in overall expenses by 3%, but at budget YTD. Net Income was 52% over budget and we had a year to date operating surplus of 34.5% over budget.

Capital Expenses

The capital expenses were for painting the trim around the FBO building, a washer/dryer combo unit for the FBO, and the 50% deposit on the new Lektro. Hope noted she did try to stop the order but they are built to spec and was not able to stop the order.

March 2020

Revenue and Expense Highlights:

As of March, we are no longer receiving rent payments from the flight school and the Toy Box remains empty. We have had a significant drop in fuel sales due to the COVID-19 virus restriction and the loss of Falcon Aviation Academy. This put revenues below budget by 17%. We were also above budget in overall expenses by 4.4%, mainly due to some pricey maintenance expenses with the foam suppression system in the FBO hangar. Net Income was 77% below budget and we now have a year to date operating surplus of only 17.4%.

Capital Expenses

The capital expenses were for the remaining amount owed for the Toy Box carpet replacement.

Hope wrapped up the finance report by insuring that it was her intention to keep everyone employed during this time and that we have plenty of projects to work on.

Kevin Lund asked if there was any sort of aid that was included in the recently passed stimulus package. Hope responded that there were airport specific grants that were available and we were waiting for further guidance from GDOT and the FAA to see exactly what that will be.

Charles Murray asked if there were any sort of contingencies or plans for employees and the business if this situation drags out longer than any of us hope it will. Hope responded that yes things would have to change if this was to drag out for longer and noted that there are a number of expenses that go along with the revenue that will be easy to cut.

V. OLD AGENDA ITEMS

20-02-01 Capital Spending Request for Paving

Hope recapped the approval of the spending request in February and recommended that the project be deferred until things turn around. All members agreed we could wait on this project.

Allen Morrison made a motion to defer the capital spending request for paving, seconded by Charles Murray.

Motion carried 5/0

VI. NEW AGENDA ITEMS

20-04-01 Welcome Greg Garmon – PCAA Alternate

Kevin welcomed Greg Garmon back to the Authority as the new Alternate. Greg stated he had been on the Authority before but moved away and was glad to be back in Peachtree City. He works for the FAA on the air traffic side, investigating accidents/incidents and how it effects the FAA. Greg also noted that he was a corporate pilot in the past and former aircraft owner. He was excited to be involved and said if anyone needed anything to feel free to reach out.

20-04-02 Consider GDOT Supplemental Agreement to the Environmental Assessment for Obstruction Clearing

Hope began by explaining that in the current grant we are in, GDOT had tweaked the scope of work and had asked more of WK Dickson than originally planned. The overage was for \$12,105 for that additional work and GDOT would like to enter into a contract for that overage.

Allen Morrison made a motion to approve the GDOT Supplemental Agreement to the Environmental Assessment for Obstruction Clearing as presented, seconded by Charles Murray.

Motion carried 5/0.

20-04-03 Area C Updates

Mike Reported:

I would like to begin by saying that generally speaking in airport terms, no single question is ever easily answered. There is always red tape to go through and multiple departments that are involved. I will say that regardless of a few opinions, Hope and I have been working diligently on many projects and just not the projects related to Area C. The following update will clarify many misconceptions or misinterpretations.

Addresses & Mailbox

We have been working on the addresses since the Airport Authority approved the road name in summer of 2018. The addresses were established with the post office and the city by September of 2018.

At that point we asked the city and the postmaster for guidance on initially where the cluster mail box for the hangars would go. It was determined that until the fence was completed, making the Area C parking lot publicly accessible that the mailbox would

have to remain temporarily outside the fence close to the top of Aviation Way and South Hangar Road.

We only just received the approval from the postmaster for the mailbox location on March 17th of 2020. It was after almost a year and half and tons of emails prompting the post master for an answer and getting no answer. Almost 50 emails back and forth...for the record.

While this solves the generally smaller mail issue, it does not solve receiving packages that are too large for the medium parcel portion of the cluster mail box that will be placed as mentioned above.

The mailbox concrete has been poured and the mailbox will be installed by the end of the week. This will require all parcel services to be notified and there is no guarantee that UPS or FedEx will initially deliver to the mailbox. They will still likely drop those packages off at the front desk.

Furthermore, when searching for any of the addresses in Area C on many of the search engines and map services...you will not easily find the address as this is the responsibility of the search engine provider or map service and not the post office. As we understand it, these are updated a few times a year and the post office have no control of this other than they allow those services to access their records. The business owner can however reach out to Google or other services to establish an address or a business page with that provider.

Keep in mind that the fence/gate and the mail delivery issues somewhat go hand in hand...

Fence & Gate

We realized that when the hangars were to be built that the public would need to access the parking lot closest to the hangars. This is a project that could be reimbursed by GDOT and FAA grant money... meaning that we would design, bid out and build to GDOT/FAA grant specifications. The engineers estimate for this project is around \$269,443. This would-be paid-up front by the airport and eventually reimbursed 90% in the future by the FAA, the other 10% would be the responsibility of the airport.

Side note: reimbursements from GDOT and the FAA on average have taken about a year and a half to two years.

The swing gate that is now in place would be removed and a fence would run on the North West side of the road (on the right if you were coming into South Hangar Road off of Aviation Way) and run along the road and connect into the side of Hangar C1. Connecting fence would be placed between each hangar and a swing gate between C3 and C4 for access to the ramp for larger deliveries. The fence would then run off of C5 and connect back into the existing fence on the south of the airfield, making the parking lot and landside access to the hangar available to the public.

The important thing to note here is that in order to complete the fence, hangar construction has to be completed to enclose the area completely. So regardless of GDOT and FAA approval, ALL of the hangar in that area (C1, C3, C4 and C5) would have to be finished with construction.

As previously stated, we would then move the cluster mail box from the top of the road to a place more convenient for the hangar owners and still accessible for the post office and other parcel services. At this point and only at this point would parcels of ALL sizes be able to be delivered directly to the mailbox or respective hangar.

Right now, the design for the fence has been completed since August, 20th of 2019, and is currently awaiting approval from GDOT. We first submitted the plans to GDOT on August, 27th of 2019, and have been constantly asking for an update since that time, with the most recent request for an update taking place on April 3, 2020. Once those plans are approved the project will go out to bid, then be awarded and construction can begin...well sort of... reminder that the hangar construction also has to be completed.

Additionally, the FAA 7460 (Notice of Proposed Construction) was completed and approved by the FAA on September 3rd, 2019. This form was initially submitted to the FAA on June 4th, 2019, and as you can see is a very lengthy process.

In the midst of all of the previously mentioned processes with the fence, we have to note that the current gate situation is not ideal. Right now, there is a manual swing gate with a pad lock for access to Area C. While this is not ideal or convenient this is the most economical for the time being. Tenants have asked about making this gate electric but would only be temporary considering the impending fence project mentioned. It would be an expensive endeavor to get power to that area and pay for installation of the electric gate that would only be temporary. The engineers estimate for a gate like this is around \$15,000 and that likely does not include running power to that area.

Domestic Water Line

In September of 2019 we learned that what was reflected on “as built” drawings as domestic water was not as it seemed. Come to find out that a contractor had tied into the fire line and installed a domestic water cover, leading all of us to believe this was indeed domestic water.

Much like the fence project, this is a GDOT and FAA eligible and reimbursable project. So, following the processes and approvals of the governing entities will be important. The engineers estimate for this project is around \$50,000. Much like the fence project, this would be paid-up front by the airport and eventually reimbursed 90% in the future by the FAA, the other 10% would be the responsibility of the airport.

We met with Fayette County Water, the week of September 20th and began the process with our engineers to extend domestic water from Aviation Way to the hangar area. WK Dickson worked with Fayette County Water to design the domestic water line and ultimately just received approval for the drawings on March 23rd of 2020.

Now that the waterline drawings are approved an FAA 7460 (Notice of Proposed Construction) was submitted by WK Dickson and they will be working to expedite approval. The work will hopefully be bid out this week after WK Dickson gets clarification on the bid process length.

Which brings us to our next update...

Hangar Construction Update

Contractors have broken ground on Hangars C4 and C5. They have graded, plumbed and are awaiting concrete to be poured. We spoke with Robert Wagoner this week, who is the project manager for the contractor, and he says they expect concrete to be poured next week, buildings delivered on April 12th or close to that and construction of the building to start on April 20th. They anticipate being completed by mid-May. While this is great news, this adds a bit of complication to the domestic water issue...we are working diligently with our engineers to get this project completed as mentioned earlier.

Regarding C1 Construction: Email from Dan Tucker to Hope...

On Apr 7, 2020, at 1:00 PM, Daniel Tucker < > wrote:

Hope,

Good afternoon. We got the soils report done to confirm the structural concrete design and got the construction staking / surveying completed. Brent asked me to delay the construction for (90) days or until the virus pandemic is resolved. We will revisit our schedule in June or hopefully before if things return to normal. I will keep you posted of any changes. Please call me if you need more information at this time. Also, please note my email that I'm now using for this project.

Thanks,

Dan

FROM HOPE TO DAN:

Thanks Dan. Keep in mind that the last lease addendum only suspends payments through May 22, 2020. Construction has not been halted by the government and I can't speak for the authority on whether or not they will agree to any further addendums.

Hope Macaluso, A.A.E.

Airport Manager

Atlanta Regional Airport - Falcon Field

With this information, we need to keep in mind that if C1 lets their addendum expire, this would alter the fencing plans slightly but certainly not delay it given the timeline mentioned before.

A tenant at a previous Authority meeting asked if we could install metal plates over the asphalt in the vehicle parking lot that was cut out for the installation of utilities. We have rented some plates until we can find some to purchase. This is a pricey temporary fix at \$148 per plate per month...we rented 4 of these plates or nearly \$600 per month. This is a

GA Power trench and will need to remain open until GA power places power for the remaining hangars. Once power has been run, then we will be able to fill the trenches permanently. If anyone has a lead on where these plates can be purchased, it would be greatly appreciated.

Items to Keep in Mind

We currently have almost \$300,000 owed to us in reimbursements from GDOT and FAA that are in some cases 2 years outstanding.

Allen asked for Hope and Mike to keep the authority up to speed on hangar C1 as we drew closer to the expiration date of the addendum.

Charles Murray noted that there were a lot of reimbursements that were due to the airport for various projects and was concerned about long reimbursement times moving forward. Hope clarified that the grant funding that will be coming out for airport will be to keep the economy moving in the form of operational expense and will not cover reimbursements for capital projects. Charles asked hope if two years for reimbursements was unusual and Hope explained that it was not and that the last reimbursement took us three years to get back.

20-04-04 Consider Suspension of Second Signature Requirement on Checks Over \$5,000 Until End of Shelter in Place

Hope explained that was an internal airport policy and not a requirement of the bank. Hope recommended that she coordinate with Allen prior to signing a check over \$5,000, get his email approval and not wait for a second signature.

Allen noted that the emails give a good audit trail.

Max Braun made a motion to approve the suspension of second signature requirements on checks over \$5,000 until the end of the shelter in place with email approval by Allen Morrison prior to payment, seconded by Allen Morrison.

Motion carried 5/0

20-04-05 Consider Rent Deferral Options Based on Federal Guidelines

Hope explained the FAA guidance regarding rent deferral was left up to the individual airports of whether or not to consider. Hope recommended that the airport consider some version of deferral for those seeking relief during the pandemic. Hope gave an example of how we could handle it in the future.

Allen stated he was open to the concept but wasn't interested in charging interest if we did go that route.

Charles asked if there had been any requests from anyone to defer their rent. Hope stated that Enterprise rental car sent a letter asking for a 3-month 25% abatement and another FBO hangar tenant requested rent free for the month of the Executive Order.

Charles noted he was a landlord and he was dealing with it every day with his tenants. He stated that it might be a little premature to start thinking about but we need to be conscious of it and maybe revisit at next meeting.

Allen also commented that a possible moratorium on CPI increases in the coming months. Hope commented that she had been monitoring the CPI and that with the state of the economy she recommended no increase given the current state of things.

Allen Morrison made a motion to move the agenda item to next month's meeting, seconded by Max Braun.

Motion carried 5/0

VII. Adjournment

Prior to adjournment Kevin asked those with comments to reach out to Hope and Mike directly with those comments.

Allen commented that we should consider streaming the meetings in the future.

Charles Murray made a motion to adjourn the Regular Meeting at 8:11pm, seconded by Allen Morrison.

Motion carried 5/0

Attest

Kevin Lund, Chairman