

**Peachtree City Airport Authority (PCAA)**

**Thursday, June 11, 2020**

**7:00 p.m.**

***Regular Meeting Minutes***

**Members Present:** Kevin Lund – Chairman, Charles Murray – Vice Chairman, Allen Morrison – Secretary/Treasurer, Tom Lacy – Member, Max Braun – Member, Greg Garmon – Alternate (in attendance via Zoom Conference Call) and Hope Macaluso – Airport Manager.

**Members Not Present:** N/A

**I. CALL THE MEETING TO ORDER**

Kevin Lund called the meeting to order at 7:01pm.

**II. APPROVAL OF MINUTES**

Allen Morrison made a motion to approve the May 14, 2020, meeting minutes as presented, seconded by Charles Murray.

Motion carried 4/0 (Max abstained as he was not present at the previous meeting)

**III. REPORTS**

**Finance & Capital Budgeting – Allen Morrison**

Allen noted that Hope would get in to the details of the financials but said that May was shockingly not as bad as he thought it would be. He noted that while we didn't meet budget, we did not lose money like we did the month before.

**Operations- Manager of Operations, Mike Melton**

**Traffic and Fuel Sales**

We have seen fairly normal operations lately as it pertains to air traffic. With states starting to loosen up restrictions we have additionally seen more jet traffic. Piston traffic has returned mostly to normal.

I have spoken with many of the airports around the area and they have widely varying comments from “things have been busier than before” to “things are still slow but creeping back.”

**Hangar Availability**

We will have a T Hangar becoming available the first of August. I will be reaching out to those on the T Hangar waiting list, which is now at 91.

## Mowing

Just last week we had our zero-turn mower fixed and have begun cutting in around runway and taxiway lights. The big tractor and batwing bush hog will be back to us hopefully tomorrow, so much of the in fields have not be cut in a while. We are looking to get these cut next week once we are back up and running.

## Area C Gate Update

The gate for area c has been installed but we are waiting for the back ordered solar panel that is supposed to be in this week. Installation will not happen until next week.

## IV. FINANCIAL REVIEW

Airport Manager, Hope Macaluso, A.A.E.

### May 2020

#### Revenue and Expense Highlights:

May was another difficult month due to the COVID-19 restrictions, and with rent being down. Revenues were again far below budget by 34%, but better than April. We were below budget in overall expenses by 8%. All that being said, we made \$5,400 in the month and had a year to date operating shortfall of 17.7% below budget.

#### Capital Expenses

We paid to have the power run to hangars C4 and C5 at an expense of \$3300. I do not expect that small amount to be reimbursable in a grant. The largest expense was to finish the fuel farm repairs at \$14,000. We also had to buy a new circuit board for the Leo Giles gate and replace some parts on the Scag mower.

#### Grant Update

The contract for the CARES Act has been fully executed. I expect that we will be able to have those funds in a few short weeks.

We have not completed the Environmental Assessment for Obstruction Clearing, but expect to have everything submitted to GDOT one last time this Monday.

We still have not received our tentative allocation for the next round of grants, but I expect it prior to the July meeting.

Hope also noted that there has been interest in the open facilities that we have available for rent.

**V. OLD AGENDA ITEMS**

**None**

**VI. NEW AGENDA ITEMS**

**20-06-01 Consider Right of First Refusal for Hangar B3**

Hope stated she had received a sales contract from the current owners of B3 and a potential buyer. Hope stated she had completed an analysis of potential income/loss if they airport were to purchase that specific hangar. She stated that because of the type of hangar that it is that she wouldn't see us making much money on it unless we were lucky if someone was to rent to whole hangar. She noted that the chances of that happening any time soon were not likely. Hope's recommendation was to not exercise the airports Right of First Refusal.

Hope noted that the company that would be purchasing the hangar were an aviation-oriented company and very trustworthy.

Allen commented that a \$750,000 expenditure for the airport is not a risk he would be willing to take.

Charles Murray asked Hope to tell the Authority a little more about the prospective buyer. Hope stated it was a company that was located here in the city that is in aviation that would occasionally purchase fuel. Hope reminded the Authority that after the two parties close, they would have to vote next month to assign the lease to the new owner.

Max Braun made a motion to waive the airports Right of First Refusal, seconded by Allen Morrison.

Motion carried 5/0

**20-06-02 Consider Awarding Bid for Area C Water Line Project**

Hope explained that this is the domestic water line that had been discussed in previous meetings. She noted that four bids came in that same day and WK Dickson opened and reviewed those bids. The low bid was \$120,650 and the highest bid was \$220,865. Hope noted that WK Dickson supplied a letter of recommendation for the bids and their recommendation was to proceed with the Corbitt Group Bid, which was the low bidder. Hope also noted that WK Dickson's fees were additional to the bid, to the tune of about \$42,000.

Kevin Lund asked if the Corbitt Group was a reliable company. Michael Joseph of WK Dickson stated that the Corbitt Group had provided samples of work as well as reliable references. Michael also noted that the company was also a certified DBE firm (Disadvantaged Business Entity), that would help the airport meet the DBE goal for the year. Michael also noted that while the price was the lowest, it wasn't low enough to trigger any red flags.

Max Braun asked what the airports annual DBE requirement was, to which Hope responded it was in the neighborhood of 12%. Max asked if we needed this project to hit the DBE goal. Hope answered that we don't really need it.

Allen Morrison made a motion to approve the recommended Corbitt Group bid of \$120,650, seconded by Max Braun.

Motion carried 5/0

Max Braun made a motion to approve a not to exceed of \$42,000 for consulting fees to WK Dickson for the water line extension project, seconded by Allen Morrison.

Motion carried 5/0

### **20-06-03 Consider Terminating Hangar C1 Lease**

Hope explained the agenda item was worded as such because of the language in the addendum and reads "the Lessor has the right but not the obligation to terminate the underlying lease and the addendum."

Hope clarified that the second addendum only postponed their payments through May 22<sup>nd</sup> and we have begun to collect the first lease payment after that addendum.

Hope also mentioned that because of a number of factors that happened both previously and currently, they are making progress but certainly not near a Certificate of Occupancy. Hope noted that the hangar owner had postponed building with the COVID-19 situation but has since resumed building and have graded the land in preparation for the hangar.

Allen commented that he drove by the other day and nothing had been graded. Hope stated that it had indeed been graded since then.

Hope noted that there is an interested party who would like to build a similar size hangar in that same spot.

Kevin Lund asked how communication had been with the hangar owner during the building process. Hope noted that once the owner understood that the lease was about to

terminate the ball started rolling and communication had been frequent, but not until that point was it consistent.

Allen Morrison stated that his concern was that it has been two years since this started and the only reason they started to make movement was because lease termination seemed imminent. Allen wanted to see a guarantee in the form of a deposit. Something to put some skin in the game.

Kevin Lund asked the owners representative (Dan Tucker) what their plan was. Dan Tucker stated their plan was to continue to move forward. He stated they had started excavating and site prep. He said that the concrete contractor is scheduled to come out next week. Once some of the soil samples come back they will immediately start forming the slab. He explained that the steel erector is on standby with the prefabricated building. He reiterated that they did not have any plans to stop construction and that they could complete the hangar in six months or less. He stated that whatever we need to do to keep moving we will, including putting up a deposit. Dan thanked the Authority for giving him the opportunity to speak.

Charles Murray asked Dan what he thought was reasonable in regards to a deposit. Dan answered that they would be willing to put up one year's ground lease as a deposit that would be applied toward the lease once a certificate of occupancy was obtained on the hangar. Max felt that a year is reasonable and asked Dan if he felt 6 months is reasonable for a certificate of occupancy. Dan said the only weak link is the steel company with having to let go some of his employees but that he did feel confident about the 6 months.

Allen Morrison made a motion to extend the time for C1 to obtain a certificate of occupancy by 6 months with the caveat that monthly rent will continue to be paid now and give an additional deposit of one year's ground rent for the amount of \$22,500 that can be applied to future rent after a certificate of occupancy is obtained, seconded by Charles Murray.

Motion carried 5/0

## **VII. EXECUTIVE SESSION**

Prior to entering executive session, Kevin opened up the floor for public comment.

Jon Abarr commented that the new tenant in B3 deals with large helicopters and could be an issue in the future with small airplanes. Jon suggested maybe in the future placing a taxiway connector between Taxiway Echo and Taxiway Alpha to separate the helicopter and small airplane ground traffic. Kevin Lund agreed it could be an issue in the future. Max commented that it could be taken into consideration on the Airport Layout Plan. Jay

Herrin suggested if the helicopters had towing capabilities, a policy could be developed requiring them to tow to a certain location before flight.

Kevin Smith asked how much of the airport was fenced, as he noticed there had been a few deer on the field recently. Mike explained that there were only two areas of the airport that were not fenced. He explained that the areas were at taxiway bravo near the Commemorative Air Force (CAF) and the taxi-lane leading up to the ATP and Toybox hangars along echo court. He continued to explain that the gate in area c would further enclose the airport. Mike noted that there are fencing plans that are awaiting review by Georgia Department of Transportation to enclose the two areas that he had previously described. Mike continued to explain that the deer have a routine and referenced the May 2019 incident and illustrated the deer had come from the non-fenced area near the CAF.

Hope noted that even with a fence, deer still have the ability to jump the fence but it would certainly keep most deer out of the airport property.

Mike explained that the airport does have a permit to take those deer during a certain time of the year and noted that 12 deer were taken last year under that permit.

Kevin Lund thanked City Council Members Kevin Madden and Mike King for being in attendance.

At 7:36pm Allen Morrison made a motion to enter into executive session to discuss real estate matters, seconded by Max Braun.

Motion carried 5/0

At 7:59pm Allen Morrison mad a motion to adjourn executive session and enter back into the regular meeting, seconded by Charles Murray.

Motion carried 5/0

## **VIII. ADJOURNMENT**

At 8:00 pm Allen Morrison made a motion to adjourn the meeting, seconded by Charles Murray.

Motion carried 5/0

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Attest

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Kevin Lund, Chairman