

# PEACHTREE CITY AIRPORT AUTHORITY MINUTES OF MEETING

February 13, 2002

The February meeting of the Peachtree City Airport Authority was held at the Aviation Center, Peachtree City-Falcon Field Airport, on February 13, 2002, at 7:00 p.m.

Those present were Chairman Catherine M. Nelmes; Secretary/Treasurer H.E. Buffington; Members: Jerry R. Cobb and Mark H. Harris; Airport Manager James H. Savage; Assistant Manager Andrew Bolton and Authority Attorney Douglas B. Warner.

Member Douglas A. Fisher was out of town on business but was able to participate in the meeting by speaker-phone. Notice of his remote participation was given more than twenty four hours prior to the meeting. A legal opinion from Mr. Douglas B. Warner regarding this method of remote participation is attached and made a part of these minutes.

## I. ANNOUNCEMENTS

Mr. Cobb gave a brief review of progress on the development of the Wings Over Dixie Airshow and Festival 2002, asking that if anyone is interested in serving as a volunteer during the event, to please contact him for information.

## II. APPROVAL OF MINUTES

A motion to approve the minutes of the regular scheduled meeting of January 9, 2002, as presented, was made by Mr. Cobb and seconded by Mr. Harris.

The motion passed unanimously.

A motion to approve the minutes of the special called meeting of January 22, 2002, as presented, was made by Mr. Cobb and seconded by Mr. Fisher.

The motion passed unanimously.

## III. REPORTS

Mr. Savage gave the following report:

# Airport Manager's Report

## February 13, 2002

1. The Airport Improvement Program Project #12 continues at a very slow pace. In spite of repeated warnings from myself, and our consulting engineers, that the contractor is unlikely to finish by the March 6, 2002, deadline, he has chosen not to increase the number of employees or equipment on the job site to take advantage of recent periods of good weather.

On January 16, 2002, I sent a registered letter to Mr. Cline reviewing our past concerns regarding his ability to finish the job on time, and making it perfectly clear that we intend to impose the liquidated damages of \$750 per day should he not finish by the deadline. He did not respond to me regarding this letter.

Most of the stone base for the taxiways and auto parking areas has been placed and awaits testing for adequate compaction. Assuming it meets those requirements, the prime coating over the stone base is scheduled for installation on Friday of this week and plans call for APAC, Inc. the paving sub-contractor, to begin paving next week if the weather and temperature permit. The primed surface must be dry and the temperature must 40 degrees Fahrenheit and rising before paving can begin.

The ten inch and two inch water lines have not been connected to the supply line, nor has the meter box been constructed. Until the water lines are connected and pressure tested, the lines cannot be covered so several hundred feet of open ditches remain.

Walker Whiteside, the lighting sub-contractor, cannot come on site until all grading and paving are complete and the water line ditches have been filled and compacted. This delay is necessary to prevent damage to the lighting fixtures by the paving contractor during the paving process. It is my understanding that the lighting sub-contractor will need a minimum of one week to complete his work.

While it may still be possible to complete the project by the March deadline, seasonal wet weather and cold temperatures will most likely interfere with those plans.

2. Progress on the Commemorative Air Force's hangar (CAF) is also moving at a snail's pace. I met with representatives of the City and the builder last week to discuss the drainage issues associated with the hangar site. Based on those discussions and promises made by the builder to correct the lack of sediment control during construction, the City lifted the "stop-work" order that had been in place since December 31, 2001.

In conversations with Troy Besseche, City Engineer, he stated that it was his opinion that the storm water drainage system planned for the site meets the design criteria for the area, and that based on a prior study conducted by our consulting engineers, the detention pond adjacent to the CAF site, which is located on the airport, was designed to accommodate all of the water flowing from that portion of the Airport Business Park. As a result, on-site detention from the CAF site will not be required.

A previously revised estimate of an April completion date for this project seems to remain valid.

3. On January 24 - 25, Mr. Cobb and I attended the 11<sup>th</sup> Annual FAA Communications Conference. The major reason for attending these events is to meet and speak one-on-one with the FAA staff that you must work with throughout the year and to discuss airport issues and possible solutions with your peers. The actual information presented during the conference changes little from year to year.

The major topic of discussion during this year's conference pivoted around airport security and how the creation of the new (and soon to be very large) Transportation Security Administration will affect the industry. While no specifics were given, it seemed to be the general consensus that some increased security will be required at all general aviation airports. The degree of security, how it will be funded, who will be responsible for implementation and future operations were just a few of the questions left unanswered.

Organizations such as the Georgia Airports Association, for which I serve as Treasurer, are working with other industry organizations in a pro-active manner to help develop these new regulations. The issue is not that we need new security measures, most would agree that we do, the question is how to develop rules that make sense and how to implement them in a cost effective manner.

As in past years, we were again promised that precision GPS approaches will be a reality soon. When I mentioned that we had heard that same promise for the last three years and did they have a firm date in mind, we were told that it would probably be at least "three years and three months." I think the individual had his "tongue-in-cheek", but precision GPS approaches are likely to be several years away. We may wish to proceed with efforts to get a congressionally mandated ILS.

4. I placed an ad this morning with the Fayette County News / Today in Peachtree City for the Terminal Area Drainage System Improvements Project that will re-route a portion of the Aviation Center's storm water discharge to keep the water within the airport boundary. The Authority authorized an expenditure of not more than \$25,000 to make these improvements on December 12, 2001.

The bids will be due by 11:00 a.m. on March 12, 2002, here in the Aviation Center. We have allowed 45 calendar days to complete the job, with liquidated damages accruing at \$1000 per day thereafter. Plans and specifications are available in my office or from Wilbur Smith and Associates in their Atlanta office.

#### **IV. FINANCIAL REVIEW**

Mr. Savage gave a very brief overview of the financial report for the month of January, noting that Jet "A" sales were \$7,645 better than budget, and Avgas sales were also \$4,890 better than forecast. These sales contributed to a gross profit of \$57,507 for the month, or \$6,290 more than budget.

Expenses were held to \$188 less than budget, generating a Net Ordinary Income of \$4,806, which when combined with Other Income and Other Expenses created a Net Income of \$16,008 versus a projected Net Income of \$6,470. After principal reduction and Capital/Reserve fund transfer, a cash flow for the month of a negative \$2,914 was calculated, versus the anticipated negative cash flow of \$9,272.

Mr. Savage pointed out that January was one of two months during the year that has three payroll periods. The additional \$11,000 + bi-weekly payroll usually causes a negative cash flow during those two months.

#### **V. OLD AGENDA ITEMS**

None.

#### **VI. NEW AGENDA ITEMS**

**02-02-01 Consider request from Mr. Leo Giles to lease lot B2 in Hangar Area "B", but to delay start of rent payments until he is issued a "Certificate of Occupancy" by the City for the completed hangar.**

Prior to the start of discussions on this Agenda Item, Mr. Cobb indicated that because he is a principal in the company known as "Air Patch Corporation", the company that Mr. Giles is representing in his request, that he (Mr. Cobb) would not participate in the discussions nor would he vote on the item because of a possible conflict of interest.

Mr. Cobb offered to leave the room if the other members of the Authority, or any member of the public in attendance, would be more comfortable with his absence during the discussions of the issue. Chairman Nelmes hearing no objections, suggested that Mr. Cobb remain, which he did, but he did not participate.

Mr. Giles made his presentation regarding his request, suggesting that it would be in the best interest of both the Authority and his company to have a hangar under construction in Hangar Area "B" as soon as possible. Recalling his early construction of a hangar in Hangar Area "A", which he believes triggered additional interest in construction and the ultimate build-out of the area, he felt that as an incentive, the Authority should help the "pioneer" in Area "B" as well.

Discussions continued for over an hour on the pros and cons of the proposal, with several members and staff expressing the concern that should they give Mr. Giles such a break in rents that others wishing to lease in the same areas would want the same consideration.

In an effort to move forward, Mr. Fisher moved to create a 90 day window of lease promotion, during which anyone who signs a standard lease agreement for a lot in Hangar Area "B", will be given a deferment of lease payments for five months, or the issuance of a Certificate of Occupancy, whichever is the lesser time period.

The motion was seconded by Chairman Nelmes and passed with four voting in the affirmative and Mr. Cobb abstaining.

As a point of clarification, which was accepted by the maker and second of the motion as being consistent with their understanding, Mr. Savage stated that the standard lease agreement will require the first year's rent to be paid in advance as normal, but under these circumstances, the lessee's account would not be debited until after the fifth month or the issuance of the C.O., whichever came first.

Chairman Nelmes called for a ten minute recess to review documents for the next agenda item.

After the recess, a motion to rescind the previous action to consider additional information was made by Mr. Harris and seconded by Buffington. The motion to rescind was passed with four voting in the affirmative and Mr. Cobb abstaining.

Discussions continued on a concern expressed by Mr. Giles that because the lot and associated infrastructure might not be available for his use by the previously anticipated date of March 6, 2002, he did not wish to give a deposit and sign a lease until he knew for certain that he had the full five month period for site development. He also wondered if the Authority would consider delaying of the actual "start" date of the lease to coincide with the end of the five month/C.O. period.

After considerably more discussion, Mr. Fisher moved to create a 90 day window of lease promotion, during which anyone who signs a standard lease agreement for a lot in Hangar Area "B", will be given a deferment of lease payments for five months, or the issuance of a Certificate of Occupancy, whichever is the lesser time period, and that the start of the five month lease payment deferment and the 25 year initial lease period will begin when the taxiway and infrastructure development is essentially completed and the Authority has declared the site available for use by the lessee.

The motion was seconded by Chairman Nelmes and passed with four voting in the affirmative with Mr. Cobb abstaining.

**02-02-02 Consider proposed Operating Budget for the second half of FY 2002.**

Chairman Nelmes requested Mr. Savage to give a brief overview of the changes in the operating budget from the current budget. Mr. Savage reviewed the increases in income which includes one leased lot in Hangar Area "B", the resumption of income from Mr. Stan Smith's lots in Hangar Area "A", and the expected move of the flight school's maintenance operation to the Annex Hangar upon the completion of the Commemorative Air Forces' hangar on Echo Court.

On the expense side, he reviewed several minor adjustments, both up and down, in certain expense areas, which included the addition of a part-time summer employee to help with airport maintenance, the monthly transfer of \$5,000 to the Capital/Reserve account and the monthly set-aside of \$3,500 for deficit reduction should the City experience a shortfall in Hotel/Motel Tax receipts. The calculated net cash flow for the six month period is \$4,783.

After discussion by the members, which included a comment from Mr. Fisher that should the Authority wish to discuss individual pay rates he would like to do so in an Executive Session to be held at a later date, Mr. Cobb moved to approve the budget as submitted.

The motion was seconded by Mr. Fisher, and was passed unanimously.

**02-02-03 Consider Five Year Capital Improvement Plan for the purchase of capital equipment and for Non-AIP improvements to the airport facilities.**

Chairman Nelmes gave a brief overview of the Five year CIP and ask Mr. Savage to provide greater detail of the certain areas. Considerable discussion followed including a comment from Mr. Gunn that he noticed that paving of the Hangar Area "A" driveway and auto parking areas were not included. He said he and the other operators in the area had been promised that it would be paved eventually and he wondered when that might be.

Mr. Savage acknowledged that he had overlooked adding the Area "A" paving to the budget and agreed that it should be included.

Chairman Nelmes stated that she did not believe it would be necessary to take a formal action to approve the document, since adjustments would be made continually. She indicated that she liked having the CIP as a guide but felt that the proper process would be for Mr. Savage to solicit bids for each item in priority order, based on his judgment, and bring them to the Authority for approval on a case by case basis. She added however, that she believed all would agree that repairing the roof on the Aviation Center should be the number one project.

Mr. Cobb agreed that the paving of the gravel areas in Hangar Area "A" should be included and that he was in general agreement with the Chairman on how to use the document.

By general consensus, it was agreed that the Five Year Capital Improvement Plan would be used as a planning document and modified as needed to accommodate changes in the airport's needs. No formal action was taken.

**VII. EXECUTIVE SESSION**

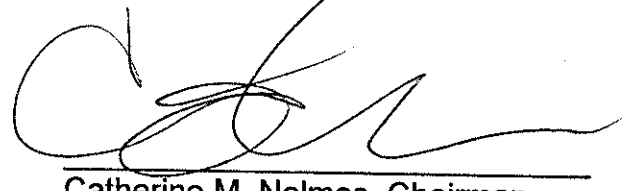
None.

Chairman Nelmes, knowing of no additional items for consideration, called for a motion to adjourn.

At 9:28 p.m., Mr. Cobb moved to adjourn, which was seconded by Mr. Harris.

The motion passed unanimously.

Attested by:



Catherine M. Nelmes, Chairman

## Jim Savage

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**From:** Jim Savage [jimsavage@kffc.org]  
**Sent:** Tuesday, February 12, 2002 11:08 AM  
**To:** H. E. Buffington; Catherine M. Nelmes; Douglas A. Fisher; Douglas B. Warner; Jerry Cobb; Mark H. Harris  
**Cc:** Jim Toombs; John Munford; Pam Dufresne; Danny Harrison; B. Stan Smith  
**Subject:** FW: Legal opinion on attendance by telephone conference speaker phone.

Dear Members & Interested Parties:

Cathy had asked me to get an opinion from Doug Warner regarding participation in an Authority meeting by conference call; should a member not be able to attend the meeting in person.

It is my understanding that Doug Fisher will be in Washington the night of the February 13th meeting, but could "attend" by conference call if it is legal.

Doug Warner's opinion is stated below. We will have a speaker phone standing by should Doug Fisher wish to participate Wednesday night.

This e-mail message shall serve as notification of Doug Fisher's desire to participate in the meeting by conference call.

Jim Savage.

-----Original Message-----

**From:** Douglas B. Warner [mailto:warner@warnerlawfirm.net]  
**Sent:** Tuesday, February 12, 2002 10:42 AM  
**To:** Jim Savage  
**Subject:** Legal opinion on attendance by telephone conference speaker phone.

Per our discussion, it is my legal opinion that a member of the Authority may attend a public meeting by speaker phone. The law says that when meetings are held in this manner, notice must be provided in advance that this will occur and the location of each person must be stated in the notice. There must be at least one location where the public may attend the meeting. The failure to provide the notice will not invalidate any action taken provided the public had the normal opportunity to attend the meeting. The member may participate in discussion, make motions, and vote on motions. The public must be able to hear the member at all times, and the member must be able to hear the public at all times.

Needless to say, I think this type of participation should be discouraged, but in exigent circumstances, it is legal.

Doug



**PEACHTREE CITY AIRPORT AUTHORITY**

**RECORD OF ATTENDANCE AS OF:**

**February 28, 2002**

Members	Regular Meetings Last 12 Months	Meetings Attended	Regular Attendance %	Special Called Meetings Last 12 Months	Special Called Meetings Attended	Total Attendance %
H.E. Buffington	12	12	100%	3	2	93%
Jerry R. Cobb	12	11	92%	3	3	93%
Douglas A. Fisher	12	11	92%	3	3	93%
Mark H. Harris*	9	9	100%	1	1	100%
Catherine M. Nelmes	12	12	100%	3	3	100%

\*\* New Member as of 5/18/01

Members	Dates Absent	Type
H.E. Buffington	1/22/02	Special
Jerry R. Cobb	12/12/01	Regular
Douglas A. Fisher	1/09/02	Regular
Mark H. Harris		
Catherine M. Nelmes		

Meeting Dates	Type
1/09/02	Regular
1/22/02	Special
1/23/02	Workshop
2/13/02	Regular
3/14/01	Regular
4/11/01	Regular
4/19/01	Special
4/25/01	Workshop
5/09/01	Regular
6/13/01	Regular
7/11/01	Regular
8/08/01	Regular
9/12/01	Regular
10/10/01	Regular
11/14/01	Regular
12/12/01	Regular