

**PEACHTREE CITY AIRPORT AUTHORITY
MINUTES OF MEETING**

March 4, 1998

The regular meeting of the Peachtree City Airport Authority, was held in the City Hall Council Chambers, Peachtree City, on March 4, 1998, at 7:00 p.m. Those present were: Chairman Robert B. Patterson; Members Daniel E. Carr, David M. Good, H.E. Buffington and Janet E. Wells; Airport Manager James H. Savage; Recording Secretary Shirley R. Comer; and Authority Attorney Douglas B. Warner.

I. ANNOUNCEMENTS

None.

II. ADDITIONAL AGENDA ITEMS

None.

III. APPROVAL OF MINUTES

Mr. Good offered a change to the minutes of the February 4, 1998, meeting regarding the actions taken on Old Agenda Item 97-10-01, adding that "after the motion failed, the Chairman ruled that the item was tabled."

A motion was made by Mr. Good and seconded by Ms. Wells to approve the minutes of the February 4, 1998, Authority meeting as amended.

The motion passed unanimously.

A motion was made by Ms. Wells and seconded by Mr. Buffington to approve the minutes of the February 21, 1998, Authority meeting as written.

The motion passed unanimously.

IV. REPORTS

A. Airport Manager - Jim Savage

Mr. Savage distributed the following report to the members:

AIRPORT MANAGER'S REPORT - MARCH 4, 1998

1. On February 16, I met with Mr. David Hunter of Airspace Safety Analysis Corporation and Mr. Cam McNair, City Engineer. Mr. Hunter is developing a software package to run on a PC that will allow the user to determine if a new structure to be built will interfere with any protected airspace for any given airport. The "Beta" product is based on our airport.

As you may be aware, the City has placed a moratorium on further construction of communications towers, until they can develop an ordinance to control their proliferation. In reviewing the current ordinance, I discovered that the only place in the City's ordinance that actually protects the airspace surrounding the airport is in the "airport" zoning district.

With this new software, it will now be possible for us to determine if a new structure would interfere with our airspace by simply entering the coordinates for the structure by longitude and latitude, and receiving a report.

I have suggested to the City that they incorporate a simplified version of the many surface planes that encircle the airport, into the City's ordinance, to act as a first check in the determination of whether or not a new structure would affect operations at the airport. With the complete software, we could then review any structure that penetrated the simplified surface to see if it would indeed create a problem.

Apparently, under the existing rules that the FAA and FCC use, structures or towers that are less than 200 feet in height, can be built without any FAA notification. The danger is that should one be built in a critical area, it could affect the landing minimums of one or more of our instrument approaches and we might not know about it until it was too late.

The finished software will be provided to the Authority at no cost for allowing them to develop it around our airport.

2. I met with several members of the local chapter of the Air Force Association to discuss their involvement in the placement of the F-16. They are checking various sources to find information on mounting structures, including the engineering department of Georgia Tech. They have agreed to take on this project and will provide the mechanics and manpower necessary to reassemble the aircraft upon its arrival and to maintain it once displayed.

We have had no further word from DMARC regarding when the airplane will be ready for shipment, but DMI, the company that will disassemble it, has indicated that they have determined a way to ship it on a single trailer, and are ready to work whenever the aircraft becomes available. The last date promised was late April or May.

3. Due to the lack of a co-sponsor for the Second Saturday for March 14, and the fact that the Second Saturday in April falls on Easter weekend, I have canceled both events.

However, the Air Force Association has agreed to sponsor a fly-in and static display on Saturday, April 25, in their place. Plans call for several active duty USAF aircraft to be flown in, including a C-130, T-37, T-1 and a Cobra helicopter. The AFA will provide food and admission will be free. It is my understanding that the CAP will also be on hand to assist in crowd control.

4. All available T-hangar space has been rented, except one corner space in T-hangar "B". The renter in the space behind the open unit has expressed an interest in moving to the larger unit, which would make T-24 the only unit available.
5. Re-construction of the ODALS approach light system should begin within the next two weeks. Our agreement with Walker & Whiteside is that they will have 45 days to complete the project from signing of the contract.

AT Plastics, Inc., our newest neighbor to the southeast of the airport, has agreed to pay the \$19,000 cost of relocating and realigning the lights that was necessitated by the construction of their new rail spur that runs under the lights.

6. Repairs to the roof, and the interior damaged by the roof leakage, at the Aviation Center are underway. Chairman Patterson and I met with Mr. Jim Pace of Group VI on Monday of this week to discuss the problems with the facility. Mr. Pace assured us that his company would be working to complete the necessary repairs and corrections as soon as possible.

B. Tenant Liaison - Janet Wells

Ms. Wells stated that she had nothing new to report.

V. OLD AGENDA ITEMS

None.

VI. NEW AGENDA ITEMS

98-03-01 Consider authorizing the installation of a second septic tank system to serve lots D15 through D19, and D24 through D27.

Mr. Savage requested authorization to install a second septic tank to serve the above stated hangar lots, which would be paid for by the tenants of those lots in a program similar to the one serving lots D20 through D23. Mr. Good stated his objection to the idea citing his concern for the deviation from the original site plan and the proliferation of septic tanks on the airport. Ms. Wells agreed with Mr. Good's position.

After considerable discussion, a motion was made by Mr. Good and seconded by Ms. Wells to deny the request for the additional septic tank.

The motion failed on a vote of two in the affirmative and three opposed.

A second motion was made by Chairman Patterson and seconded by Mr. Carr to approve the request for the second septic tank.

The motion passed with three voting in the affirmative and two opposed.

98-03-02 Consider proposal from Mr. Leo Giles to build a private hangar on lot D16.

Mr. Giles presented his request to build a 55' X 58' hangar on lot D16, similar in color and height as the one he had previously built on lot D15. He also expressed his thanks for the previous action to allow a second septic tank to serve lot D-16.

A motion was made by Mr. Good and seconded by Mr. Carr to approve the request to build the hangar as presented.

The motion passed unanimously.

98-03-04 Hear proposal from Atlanta *Flight Shares, Inc.*

Chairman Patterson delayed action on agenda item 98-03-03 to allow Mr. Bob Riddell of Atlanta Flight Shares, Inc. to make his presentation on this agenda item.

Mr. Riddell gave a brief review of his company's background and their plans for establishing an operation at Peachtree City-Falcon Field Airport. A copy of that proposal is attached and made a part of these minutes.

A question and answer period followed, however no official action on this agenda item was taken by the Authority.

98-03-03 Consider revision to Hangar Area "B" layout to accommodate 80' X 80' hangars.

Mr. Savage presented his proposal for a modification of the site plan for Hangar Area "B" located on the southeast end of the airport. A sketch is attached and made a part of these minutes.

After discussing the merits, a motion was made by Mr. Good and seconded by Mr. Buffington to approve the concept to revise the Hangar Area "B" layout and to direct the Airport Manager to proceed with its redesign utilizing Wilbur Smith and Associates. The Airport Manager was also directed to coordinate with Peachtree City Development Corp. on "through-the-fence" access and road access along Stallings Road. Initial funding to be set at \$15,000, with additional funding to be approved by the Authority as needed.

The motion passed unanimously.

At 8:10 p.m., Chairman Patterson called for a five minute recess to reconvene in Executive Session to confer with the Airport Authority Attorney on pending legal actions, and to discuss personnel matters.

VII. EXECUTIVE SESSION

Following discussions of pending legal actions, a motion was made by Mr. Good and seconded by Mr. Carr to appoint Ms. Sarah Murphy, Esq. to act as the Authority's arbitrator in the pending legal action with Stevens Aviation, Inc. and Hunting Aircraft, Inc., and directing the Authority Attorney to serve notice to both Stevens and Hunting of such appointment as soon as possible.

The motion passed unanimously.

Following discussions on pay raises and bonuses for Authority employees, a motion was made by Mr. Good and seconded by Mr. Carr, that effective with the next pay period, to increase the pay rates of Ms. Shirley Comer and Mr. Robert Gray by five percent and to award both employees a cash bonus of \$1,000 each.

The motion passed unanimously.

A motion was made by Mr. Carr and seconded by Mr. Good, that effective with the next pay period, Airport Manager Jim Savage be awarded a cash bonus of \$5,000.

The motion passed unanimously.

At 9:05 p.m., a motion to adjourn was made by Mr. Good and seconded by Chairman Patterson.

The motion passed unanimously.


Attested by:


Robert B. Patterson, Chairman

Atlanta FlightShares®

"The Smart Choice for Aircraft Ownership"

75 Longwood Lane, Newnan, Georgia 30263

Phone (770) 944-3031 or Fax (770) 304-2431

Wednesday

March 4th, 1998

Chairman & Authority Members
Peachtree City Airport Authority
P.O. Box 2371
Peachtree City, Georgia 30269

Dear Mr. Chairman and Airport Authority Members:

I represent a group of investor/participants in a start-up venture called Aviation Investment Resources, Inc. or A.I.R.INC. A.I.R.INC. is the parent corporation for several limited liability partnerships or LLP's, all aviation related. All of our investors are active participants. The current average years of experience in aviation that each participant brings to our organization is approximately 30 years in their related area of expertise.

Our various backgrounds are in the fields of aircraft maintenance and repair, paint and interiors, airline sales and marketing, general aviation, commercial aviation, Part 135 air charter, Part 121, FBO management and operation, major airline operations, cargo operations, military operations, flight training and standards, airline management, aircraft sales, avionics, appraisal, consulting and safety.

The primary role of Atlanta FlightShares, will be that of an aircraft management company with the majority of our clients being fractional owners of the aircraft we will manage. In addition, in our efforts to be totally self-sufficient and to obtain full utilization of our aircraft, facilities, equipment and personnel, we will operate: a Part 135 charter; Part 121 scheduled air service to under served, not served or overpriced markets; Part 145 maintenance and repair, paint and interior and avionics facilities; flight operations, flight training, simulator and ground school facilities; aircraft sales and service; aircraft parts and supplies; and pilot supplies.

We are aware that the FBO is now occupied and not available. However, if and when the FBO should become available for any reason, *a strategically located Fixed Base Operation within, or adjacent to, a thriving business, industrial and residential community such as Peachtree City Falcon Field, is essential to our successful operation.*

Our FCC FBO operation will provide first class service to our customers from the time of first contact to the time of their departure from FFC. Each FFC staff member will be uniformed appropriately for the duties conducted with easily identifiable name tags. Each of our personnel will be required to be CPR and First Aid certified. All of our management staff will wear business attire and our pilots are required to wear uniforms (blue blazer, khaki slacks, brown dress shoes, and red striped tie) suitable for the season.

Each aviator or potential aviator will experience that "first class" feeling from the time he or she keys the microphone for airport advisories to the time the client is bid a "good day" on the return trip home. Each passenger will be met by one of our representatives and given the "Red Carpet Treatment" upon exiting the aircraft and entering the FBO. Greetings with a smile and offer of assistance in deplaning, service, information or directions, courtesy car use or car rental, telephone or rest accommodations are key elements in leaving that first "good" impression which is so important to a successful FBO operation. An FBO that provides a friendly, courteous staff from point of first contact and throughout their travel experience will continue to grow and prosper and gain the respect and confidence that leads to the return business or pleasure trip the next time around.

When this level of service is given it is usually appreciated and remembered. We want and need to offer that level of service at FFC. It should not make a difference if you arrive in a J-3 Cub, exotic antique or Gulfstream V. The same level of service should be offered equally.

Within our organization, FFC staff members will be trained to be "goodwill" ambassadors to Falcon Field, Peachtree City, Fayette County and the surrounding residential, industrial, business and governmental offerings. In so doing, everyone involved will be the beneficiary of this goodwill. A.I.R.INC., in turn, expects the many facets of our aviation related businesses to also benefit from a first class FBO operation.

The local aviation and business community deserves and expects nothing less than the transient aviator. All should take pride in their local FBO and be its ambassadors of good will each time they deliver a "word of mouth" recommendation for "their" FBO and the services it provides. Courtesy, confidence, good will and excellence "breeds" and encourages courtesy, confidence, good will and excellence.

We are seeking a *partnership* with the Peachtree City Airport Authority whereby we may operate the FBO, *if and when it becomes available*, and, in the interim and until such availability exists, provide the required *maintenance, flight training* and customer service that is expected with such FBOs. In addition, we will provide all of the above services in conjunction with implementing our One, Five and Ten year growth plan.

Within 90 days of the signing of a mutually beneficial agreement with the Airport Authority for the FBO rights, if and when the FBO should become available, we intend to be in full operation with our:

- FlightShares Fractional Ownership Program

- Part 135 Air Charter Service
- Flight Training Academy
- Maintenance Services
- Sales & Marketing Department

Within 120 days of an agreement with the Airport Authority, we will be able to provide:

- Paint Operations
- Interior Service
- Avionics
- Aircraft Sales & Marketing

We will need two (2) hangars for our Paint and Interior Division. One 75 x 75 for our Strip Hangar and one 100 x 75 for our Paint and Interiors. In addition, we will need one (1) hangar 100 x 100 for a combined Flight Operations, Aircraft Storage, Maintenance & Avionics and Flight Training Facility.

If and when the FBO should become available, A.I.R.INC., as a *partner with The Peachtree City Airport Authority*, intends to: provide FBO management; customer service to our clients; implement our Sales & Marketing Plan; act as goodwill ambassadors for the FBO, Airport Authority, Peachtree City as well as Aviation Investment Resources, Inc. In addition, we are prepared to fulfill any immediate requirement to provide flight training and maintenance as well as aircraft paint, interiors and avionics as facilities for these operations are made available.

A.I.R.INC. will be implementing our Five Year Plan as follows:

ASAP:

1. Provide FBO and Airport Management Services, Sales and Marketing Staff as Goodwill Ambassadors to manage, sell and promote the FBO equal to, or exceeding, the expectations of the Airport Authority.
2. Provide Aircraft Flight Training as temporary facilities are provided.
3. Provide Aircraft Maintenance and Repair as temporary facilities are provided.
4. Provide the labor, talent and expertise to actively promote and market Falcon Field at Peachtree City in an aggressive, complete and thorough manner to all business, civic, governmental and industrial groups.

First Year:

1. In coordination with the Airport Authority, lease land to build permanent facilities for Maintenance, Repair, Avionics, Flight Operations and Flight Training with low interest, long term, (30 year) bond funding on a lease purchase arrangement. (10,000 square feet of hangar and office space with an additional 10,000 square feet of parking and ramp space. Hangar cost approx. \$15 per square foot and or \$150,000 construction

costs, approximately \$75,000 in equipment, and land lease at 15 cents per square foot or \$3000 per year.) Total Investment: \$228,000.00.

2. In coordination with the Airport Authority, lease land to build permanent facilities for Strip Hangar and Paint & Interiors Hangar with low interest funding on a long term (30 year) lease purchase arrangement. (2 hangars totaling 13,125 square feet at \$15 square foot or \$196,875 construction cost plus approximately \$80,000 in special building features such as sprinkler, paint bay ventilation, waste water storage tank systems, ect., and 26,250 square feet of land space at 15 cents per square foot for a total of \$3937.50 per year. Total Investment: \$280,812.50.

Total Hangar and Equipment: \$508,812.5

3. The Airport Authority in conjunction with local, state and federal funding, as available, will provide water, sewage, taxiways, access roads, ramp parking areas, lighting, right of ways and construction of these amenities.
4. Coordinate with Airport Authority to assist in the continued development of Falcon Field at Peachtree City and provide the management resources in a continuing effort to be the example of what the premier planned community airport should be.

Years 2-5:

1. We will be in the process of obtaining certification to become an authorized dealership, repair, parts & service facility and flight training station with a major aircraft manufacturer. In addition, we will be meeting the requirements for a Part 141 Flight Training Facility.
2. Focus will be on the continued growth of our FlightShares Fractional Aircraft Sales and Management Division as well as the growth of our Part 135 Air Charter and Certification of Part 121 Scheduled Air Service Division.
3. Implement plans at Peachtree Falcon Field for the design and construction of our corporate headquarters and maintenance, overhaul and repair station facilities for our Scheduled Air Service Operations. (Estimate the approximate size of the existing Stevens Aviation facilities.)
4. Continued growth of Aircraft Services Department, Aircraft Sales, Parts and Pilot Supplies FBO Sales & Service.
5. Expanded focus on Airport Management and Growth in cooperation and coordination with the Airport Authority.

Years 6-10:

1. Concentration on the physical and economic growth of the FBO facilities, Peachtree City Falcon Field, and Aviation Investment Resources, Inc., in coordination with the Peachtree City Airport Authority and Peachtree City.
2. Implementation of Part 121 Scheduled Air Service, Construction of Corporate Headquarters and Maintenance, Repair and Overhaul Facilities.
3. Continuous reassessment of short and long range goals and achievements to date in order to devise new strategies and direction and /or fine tune existing ones, in accordance with current and/or perceived challenges.

We have one of the strongest management teams, the best site for our operations at Falcon Field Peachtree City Airport, and a solid business plan. We are attaching resumes of our entire group for your information and verification as well as an outline of our One Year, Five Year, and Long Range Business Plan and its projected impact on Falcon Field, Peachtree City, Fayette County and the surrounding communities.

A.I.R.Inc. will create jobs, opportunities for others, competition, and revenue for Falcon Field, Peachtree City, Fayette County and Georgia . Our core management and staff will initially total 15 employees and grow to 50 to 60 employees by the end of first year. By the end of our 5 year mark we should employ approximately 200 people with a growth rate of 20 percent per year in the 6th through 10th year of operation.

We will be in the process of promoting the FBO, expanding fuel sales volume, developing the FBO services and amenities which are critical to producing the revenue to support FBO operations in the quality and professionalism that is expected and desired. This is a tremendous challenge a will require tremendous time and capital resources.

In this regard, we will have to have assurances from the Airport Authority that:

1. low interest, long term, funding for the construction of needed facilities will be made available in a lease purchase option arrangement.
2. provisions and assurances that while undertaking the tremendous debt obligations associated with the current FBO operation, i.e., lease, fuel flowage/overhead charges, fuel farm debt retirement, labor, equipment rental and maintenance, utilities, water, guest amenities, ect., will be covered by fuel sales should any large existing purchasers exit the premises without replacement of comparable contracts which would burden our company or companies to the extent we cannot grow due to undue debt and time constraints.
3. sufficient fund be made available earmarked for marketing and promotion of the FBO in a combined effort with the Airport Authority and Peachtree City to properly promote and market Falcon Field and the amenities it will offer.

4. provisions for a low interest, long term funding be made available for the purpose of purchasing all of the necessary equipment for the operation of the FBO and associated amenities, such as the FBO Facility, Maintenance, Flight Training, Avionics, Paint and Interior, Flight Operations as they are needed by our organization.
5. medium to short term financing and lines of credit are established and made available as needed.

If the above proposal is of any interest to the airport authority, if an when the FBO becomes available, we will be ready to move forward as needed in a mutually beneficial partnership arrangement as outlined above.

If the FBO does not become available in the immediate future, we are prepared to move forward, *in partnership and coordination with the Airport Authority*, to develop the southeast sites of the airport on a timetable which coincides with the planned growth of Aviation Investment Resources, Inc. or to listen to alternative solutions.

Should none of the above plans be of interest to the Airport Authority, we will enter into an agreement with the Airport Authority to secure property on the northeast end of the airport and grow from which we can start immediate operations.

We, as partners in Aviation Resource Investments, Inc., are eager to work with the Peachtree City Airport Authority and Peachtree City to assist in any efforts that will be mutually beneficial to all.

We will be glad to provide any additional information, that is not privileged or proprietary, that the Authority wishes to obtain from us or to answer any questions that you might have in regard to our intended operation.

Please do not hesitate to call at any time if we can be of any assistance in providing any additional information or answer any questions that you may have.

Sincerely,



Robert J. (Bob) Riddell, Sr.
Chairman and Chief Executive Officer
Atlanta *FlightShares*
A.I.R. INC.

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"The Smart Choice for Aircraft Ownership"
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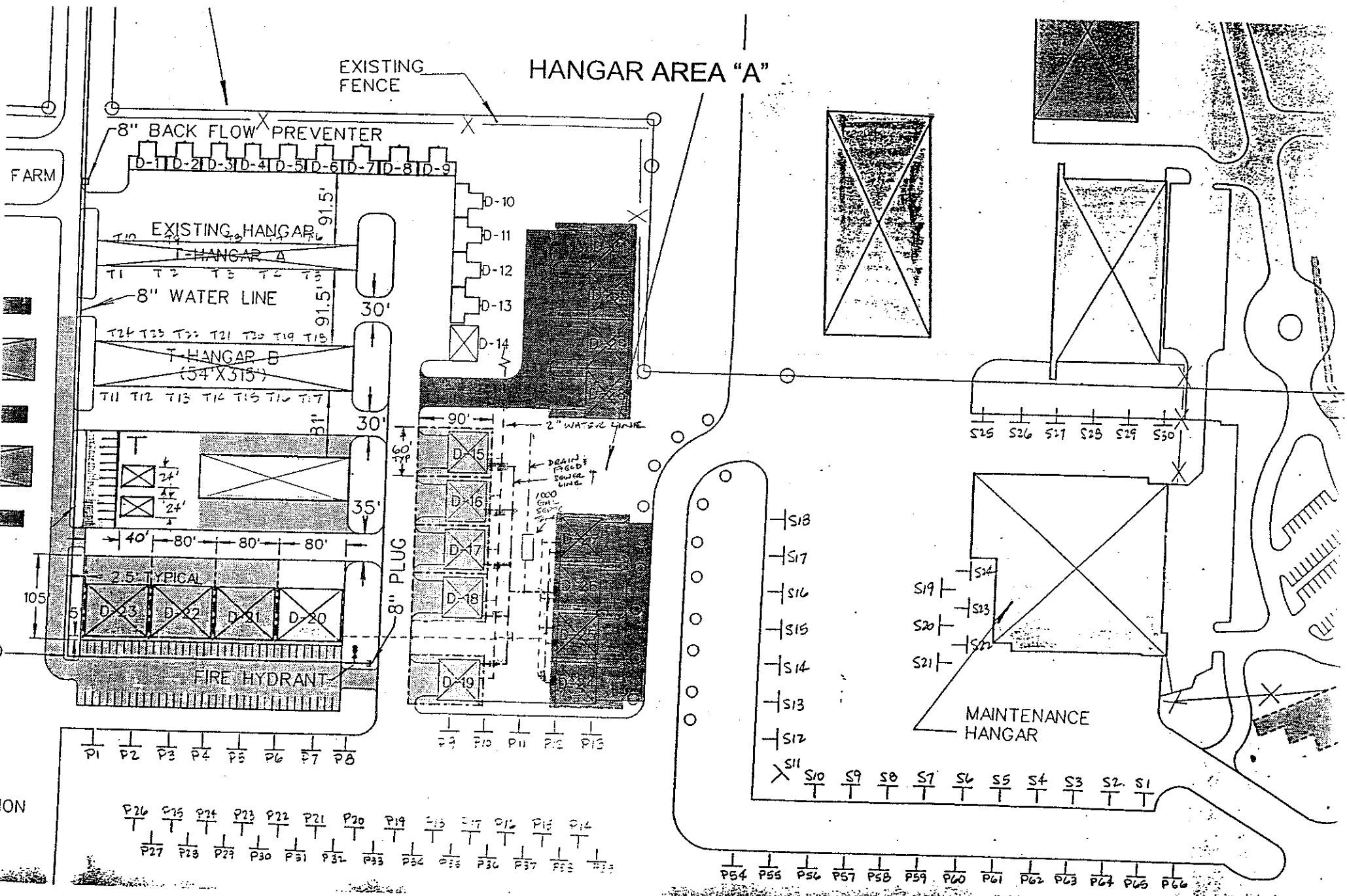
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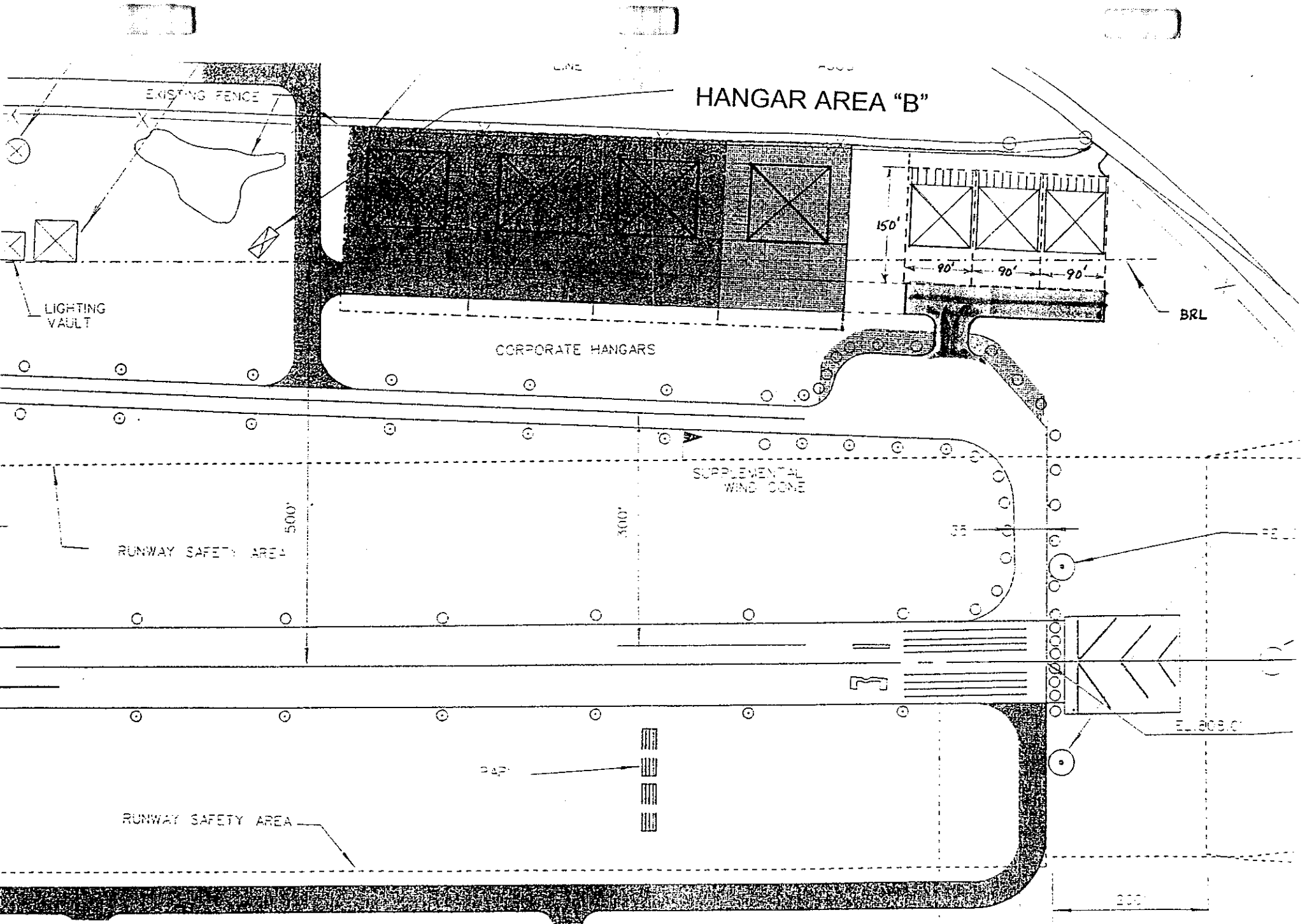
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HANGAR AREA "B"

EXISTING FENCE

LIGHTING VAULT

CORPORATE HANGARS

SUPPLEMENTAL WIND CONE

RUNWAY SAFETY AREA

RUNWAY SAFETY AREA

BRL

EL. 208.0'

200'

240'

35'

300'

500'

150'

90'

90'

90'