

# PEACHTREE CITY AIRPORT AUTHORITY MINUTES OF MEETING

March 12, 2003

The March meeting of the Peachtree City Airport Authority was held at the Aviation Center, Peachtree City-Falcon Field Airport, on March 12, 2003, at 7:00 p.m.

Those present were Chairman Catherine M. Nelmes; Members Jerry R. Cobb, Douglas A. Fisher, Matt M. Davis, and James E. Toombs; Airport Manager James H. Savage; Assistant Manager Andrew Bolton; and Authority Attorney Douglas B. Warner.

Mr. Warner and Mr. Davis arrived for the meeting at 7:15 p.m.

## I. ANNOUNCEMENTS

Chairman Nelmes announced that a specific date in April for the Authority Planning Session had not yet been set, due to difficulties in scheduling a facilitator from Georgia Power. She stated that if she cannot get a firm date soon, she will schedule the retreat without a facilitator.

Mr. Toombs asked Ms. Susan Cates to come forward and using a "virtual" copy of a picture of the airport, thanked her for her past service on the Authority. He indicated that a color photo of the airport had been ordered and would be delivered when it was available.

Mr. Fisher thanked Chairman Nelmes for the excellent presentation she gave during the recent City Council retreat. The Power Point presentation was well received by the City Council and they appeared to share the Authority's enthusiasm and stated goals and objectives.

Chairman Nelmes asked if the Authority would object to considering Agenda Item 03-03-03 as the first order of business to allow Mrs. Carolyn Cary to depart for another meeting.

A motion was made by Mr. Fisher and seconded by Mr. Toombs to consider Agenda Item 03-03-03 as the first order of business.

The motion passed by a vote of four in the affirmative and none opposed.

**Item: 03-03-03 Consider request from Mrs. Carolyn Cary to use Indian artifacts found during airport construction as part of a permanent display at the new Fayette County Courthouse.**

Chairman Nelmes thanked the Authority for moving the item up on the agenda and asked Mrs. Cary to give a brief review of her request. Mrs. Cary stated that she had been collecting similar artifacts in the county for many years and had supported the efforts by the Authority to perform the "archeological dig" that occurred prior to runway construction.

She would like to place many of the items from the old display that was previously shown at the City Library, in a new display at the Fayette County Courthouse. She will use some of the identifying data used in the original display and will credit the airport with the permanent loan of the artifacts used.

After a short discussion, a motion was made by Mr. Fisher and seconded by Mr. Toombs to loan the government of Fayette County the Indian artifacts requested by Mrs. Cary for a permanent display at the Fayette County Courthouse.

The motion passed by a vote of four in the affirmative and none opposed.

## **II. APPROVAL OF MINUTES**

A motion was made by Mr. Cobb and seconded by Mr. Fisher, to approve the minutes of the February 12, 2003, Regular Meeting as presented.

The motion passed with four voting in the affirmative and Mr. Davis abstaining.

A motion was made by Mr. Fisher and seconded by Mr. Cobb to approve the minutes of the February 26, 2003, Special Called Meeting as presented.

The motion passed with four voting in the affirmative and Mr. Davis abstaining.

## **III. REPORTS**

### **AIRPORT MANAGER'S REPORT March 11, 2003**

**1. AIP 12 Project.** We received a response from Mr. Cline, of Cline Services Corp., dated February 24, 2003, that outlined his opinions regarding the liquidated damages we have imposed and *some* of the information that we have requested on AIP 12, but not all.

Doug Warner and I will be meeting with Wilbur Smith and Associates (WSA), to review the information that we have received and develop a recommendation to the Authority regarding this project. It is our intention to close-out this project as soon as possible and we should have our final recommendation prepared by the April meeting.

**2. Inspection of Aviation Center Roof.** The engineers from Williamson and Associates have completed their Condition Survey of the roof and upper areas of the building and have presented their recommendations for a permanent repair.

As I write this report, I have not had time to review the report in detail, nor schedule a meeting with Williamson and Associates to discuss their findings. On initial review however, they are recommending a complete replacement of all roofing materials and a reworking of much of the EFIS wall systems. They estimate the cost to be between \$170,000 and \$195,000.

Clearly this issue must be studied further. I will contact the Architect and General Contractor who designed and built the building to seek their input and their comments on the Condition Survey. Apparently, the problem is much worse than we expected.

**3. Meeting with Engineers on Lot B3.** I met with Mike Thomas of WSA yesterday to review the drainage problem associated with Lot B3. Since WSA was responsible for the original layout of this lot, I thought I would give them an opportunity to offer a solution. It is Mike's opinion that the bank and handrail offer very little benefit, however if the hangar is built as specified in the site plan, the current swale serves a useful purpose in dealing with the water discharge from the building.

If the Tenant for lot B3 wishes to build a larger hangar or wishes to move the planned hangar closer to the auto parking lot, then a method for handling the water discharged from the structure must be designed into the building. Mike agrees that the existing retaining wall can be removed and a new wall could be built that is an integral part of the building design. This would allow a building of 120' X 100' to be built on the site.

Mike estimates that the cost of removing the existing wall and building a six inch curb and gutter on the parking lot should not exceed \$6,000.

**4. Fire Hydrant Test, Hangar Area "B".** After a couple of attempts, John Daily of the Peachtree City Fire Department was able to verify that the water flow rates and pressure at the northwestern most fire hydrant in Hangar Area "B" meets or exceeds that necessary for hangar construction in the area. Had it not, an internal fire sprinkler system might have been required, which might have been cost prohibitive.

After the initial test, which was low, it was found that a valve located in Stallings Road was partially closed. Once the Fayette County Water System opened that valve, our system performed as designed.

**5. Deaf Pilot's Fly-in, 2004.** I met with Mr. Jack Kelso and others with the Deaf Pilots Association to discuss their national organization holding what will be their 11<sup>th</sup> Annual fly-in for deaf pilots, in July of 2004, here at FFC.

The event will be a one week event, utilizing FFC as the base of operations for cookouts, banquets, flying contests, poker runs and a host of side trips and other scheduled events. They are talking with local hotels, the CAF and other places for meeting locations and

overnight accommodations. They expect 50 to 100 people with some 10 to 15 aircraft flown in by hearing impaired pilots.

We discussed the safety aspects of flight operations by non-hearing individuals at a busy airport, and we will discuss specific limitations on their operations as the event develops. They have FAA imposed limitations on their operations unless they have a pilot onboard who can communicate by radio, otherwise they are restricted to non-towered airports and VFR operations.

I believe it will be an excellent opportunity to showcase our airport to a segment of the aviation community that we have not previously touched. Last year's event was held at Frederick, Maryland.

**6. City Council Retreat.** On Saturday, March 8<sup>th</sup>, Chairman Nelmes gave a Power-point presentation to City Council on the activities and plans of the Authority for the coming year. All of the members and myself were present, and following the excellent presentation, participated in a general question and answer session with the Council. The overall reception by the Council was very positive and their comments indicated that they are looking forward to the Authority continuing with it's current efforts and they wished us great success.

**7. Jim Freie's Passing.** I close on a sad note. Former Airport Maintenance Technician Jim Freie lost his year-long battle with pancreatic cancer on Tuesday, March 4, 2003. He is survived by his wife Renee and two grown children. We will miss him. The staff and I are looking into the concept of planting a couple of trees in his honor. One at his home, and the other here at the airport. We seek your comments or suggestions.

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

Mr. Savage gave a brief review of the financial information for February. Jet -A sales were better than expected, while AvGas fuel sales were somewhat less than expected due mostly to the poor weather. As has been the case for several months with no tenant in the Annex Hangar, total income has been impacted by that loss of revenue and other factors, such that for the month, gross profit was \$6,622 less than budget.

Due in part to a colder February and an increase in natural gas prices, expenses were some \$1,148 greater than budget. However, with the Hotel Tax distribution being \$2,657 more than budget, and with a \$3,000 payment for display of the Cooper-Mini in the lobby, the net income for the period was a positive \$6,514 versus the anticipated income of \$8,816.

With the normal fluctuations of Accounts Receivable, Accounts Payable and Inventory, the estimated cash flow for February was a positive \$15,145 compared to the original estimate of a positive \$1,361.

The Capital/Reserve Fund balance for February was \$151,288, and the Grant Fund account recorded a balance of \$38,944.

## V. OLD AGENDA ITEMS

### **03-02-03 Consider contracting with Kevin McCarty to update Authority's web site.**

Mr. Savage pointed out that at the February 12<sup>th</sup> meeting, the Authority had agreed that this item should be reviewed further in light of other marketing ideas during the planning workshop tentatively set for April. He suggested that a motion to table the item until after that meeting would be appropriate.

A motion was made by Mr. Cobb and seconded by Mr. Davis to table the item until the first meeting after the planning workshop.

The motion passed unanimously.

### **03-02-05 Consider changes to airport manager's job description.**

Mr. Fisher gave a brief review of the efforts that he and Mr. Davis have undertaken to rework the original draft of the job description, including meetings with Mr. Savage for his input on methods of implementation and how the changes might impact airport operations.

Mr. Savage has been asked to provide a written review of the recent draft by March 17<sup>th</sup> and following that, Mr. Fisher and Mr. Davis will prepare a second draft for the other members to review and consider. It was Mr. Fisher's hope that the subject could be considered as an integral part of the planning workshop.

No actions were taken and the item remains tabled.

### **03-02-07 Consider ground leases for Hangar Area "B".**

Prior to the meeting, Mr. Savage distributed a response that he had been requested to prepare by Chairman Nelmes. The response was to address several issues raised by Mr. Jim Gess regarding the lease for Lot B3. Originally it was believed that Mr. Gess would not be able to attend the meeting, however his schedule changed and the response was prepared the day before the meeting.

After taking a moment so that all members could read the response, Chairman Nelmes asked Mr. Gess if Mr. Savage's response answered his questions and would the proposed Addendum that Mr. Savage had prepared be satisfactory?

Mr. Gess offered pictures of the site and discussed several of the issues with the Authority. Using Mr. Savage's proposed Addendum, Chairman Nelmes went through the issues one by one. During the discussions, it was agreed that Paragraph 2 should include language requesting that representatives from the Authority meet with Mr. Gess and his site planners, prior to preparation of a site plan, to negotiate solutions to the drainage problems.

It was also agreed that Paragraph 3 should be changed to clarified that curb and gutter will be added to the parking lot, and that the driveway that will connect the taxilane between Lots B2 and B3 to the auto driveway be 15 feet wide rather than the 24 feet proposed in the original addendum.

Mr. Gess agreed that with the above mentioned additions, the Addendum to the generic lease agreement, as prepared by Mr. Savage, would be acceptable.

A motion was made by Mr. Fisher and seconded by Chairman Nelmes to approve leasing Lot B3 to Mr. James M. Gess using the current generic lease with the Addendum prepared by Mr. Savage as modified during the above discussions. The amended Addendum is attached and made a part of these minutes.

The motion passed unanimously.

## **VI. NEW AGENDA ITEMS**

### **03-03-01 Consider request from Peachtree Flight Center to lease Annex Hangar.**

Chairman Nelmes asked Mr. Dan Waters, of Peachtree Flight Center, if he would like to address the Authority regarding the draft lease agreement for the Annex Hangar that was the results of a recent meeting between Mr. Waters, Chairman Nelmes and Mr. Savage?

Mr. Waters reviewed his plans for expansion of his aircraft maintenance operation and the need for additional security that will be required for his soon to be approved FAR 135 and FAR 141 operations. He expressed the view that the draft agreement meets his current needs and is acceptable.

Discussions followed regarding Paragraph 4 of the Addendum, which does not address the question that should the Sheriff's Department choose to leave on its own, would the flight school immediately take the remaining space in the hangar? Mr. Waters agreed that it was his understanding that he would do so.

A motion was made by Mr. Cobb and seconded by Mr. Fisher to approve the lease as submitted, including the Addendum, provided Paragraph 4 of the Addendum is amended to state that should the Sheriff's Department depart the facility on their own accord, the Lessee will immediately assume the additional hangar floor space as part of the Leased Premises and will began rent payments on the additional space immediately as provided therein.

The motion passed unanimously.

A copy of the Annex Hangar Addendum as amended, is attached and made a part of these minutes.

**03-03-02 Consider request from Mr. Mike Gunn to amend the commercial fee structure for lease agreements signed in Hangar Area "A".**

Mr. Mike Gunn gave a brief review of several documents that he had previously given the Authority and outlined previous discussions with the Authority in past years regarding the difficulty that small commercial operations have turning a profit with the current 2% commercial fee.

His suggestion was that the 2% fee be changed to a fixed fee based on square footage of the hangar for the commercial sites, and that it be dropped altogether for the private hangars with limited commercial operations. He also presented a petition with several signatures supporting his position.

A discussion followed among the Authority members, airport tenants and staff regarding the difficulty of enforcing the current fee structure, the amount of fees the 2% might actually be expected to generate, and how the Authority might determine a fair and logical method of establishing a fixed fee as a substitute.

A motion was made by Mr. Fisher and seconded by Mr. Davis to table further discussion on the subject to allow staff to research the historical data of actual payments received so that an alternative fee structure could be based on a logic and reason.

After a reminder from Mr. Warner of the possible conflicts of interest that Mr. Cobb and Mr. Toombs might have because of their hangar ownership, the motion passed with three voting in the affirmative and Mr. Cobb and Mr. Toombs abstaining.

**VII. EXECUTIVE SESSION**

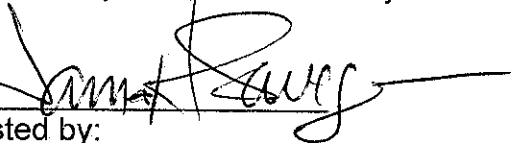
At 8:54 p.m., Chairman Nelmes called for a motion to recess, to reconvene in Executive Session to discuss personnel matters. Mr. Davis so moved, which was seconded by Mr. Fisher and which was passed unanimously.

The Authority Members and Mr. Warner met in Executive Session to discuss personnel matters, but took no official action.

At 10:20 p.m., a motion to adjourn was made by Mr. Cobb and seconded by Mr. Toombs.

The motion passed unanimously.

Attested by:



Catherine M. Nelmes, Chairman

## ADDENDUM #1 TO LEASE AGREEMENT

### LOT B3, HANGAR AREA "B"

The parties signed below agree that the items listed in this addendum shall amend the Lease Agreement to which it is attached and shall be made a part thereof.

1. Lessor shall verify that the drop inlet located at the south corner of Lot B3 is designed and properly installed to provide adequate drainage for Lot B3 and the adjacent areas without water backing-up into Lessee's hangar facility. If it is determined that the drop inlet does not function as designed, Lessor shall take whatever remedial actions necessary to correct any such deficiencies at Lessor's sole expense.

2. Lessee shall provide Lessor with a site plan that depicts the facility and the adjacent aircraft parking apron. These plans shall include auto and delivery truck access points, man-way and service doors, handicap access locations, and anticipated drainage and run-off improvements necessary to correct any current drainage issues. *Lessor and Lessee agree to meet prior to the submission of a site plan, to review, discuss and concur on proposed solutions to existing drainage problems to facilitate plan approval.*

Once the completed plans have been submitted to Lessor, Lessor shall have 45 days to review and approve such plans, or seek amendments or modifications as Lessor may deem necessary, providing however, that approval shall not be unreasonably withheld.

If no action is taken by Lessor within the specified time period, said plans shall be deemed approved by Lessor.

3. Lessee will undertake any improvements or changes to the drainage system, *including the addition of curb and gutter to the auto parking lot, as approved in Paragraph 2 above*, as part of the overall site development and project construction. Lessee shall provide Lessor with itemized invoices and records depicting the cost of such improvements. Lessor agrees to reimburse Lessee for 50% of the costs of such drainage improvements, up to a maximum of \$5,000. Such reimbursement shall be in the form of rent adjustments (without interest) over a specified period until the amount due has been fully satisfied.

4. A 15 foot wide driveway connecting the taxilane between Lots B2 and B3, to the auto roadway adjacent to both lots, shall be built by Lessee during construction of Lessee's aircraft parking apron. Said driveway shall be built to accommodate delivery trucks and auto access to the aircraft side of the facilities on Lots B2 and B3. Lessor agrees to reimburse Lessee for one third of the cost of this driveway, up to a maximum of \$2,000. Such reimbursement shall be in the form of rent adjustments (without interest) over a specified period until the amount due has been fully satisfied.

5. Security fencing with movable access gateways, shall be installed by Lessor to control vehicular access to the aircraft side of the facilities on Lots B2 and B3 from the driveway described in Paragraph 4 above. Said installation shall be at Lessor's sole expense and shall be of a design and of materials determined by Lessor.



6. Lessor agrees to consider a request from Lessee to extend the inducement period described in Paragraph 4 of the Lease Agreement for an additional six month period, provided Lessee requests such an extension within the first six months of the lease period described in Paragraph 2 of the Lease Agreement, and Lessee provides Lessor with a signed copy of a sub-lease from a sub-tenant of "sufficient caliber" to warrant such an extension.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2003.

**LESSOR:**

**PEACHTREE CITY AIRPORT AUTHORITY**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Catherine M. Nelmes, Chairman

**LESSEE:**

**SOUTHERN AIR AVIATION**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
James M. Gess, Jr., President

**ADDENDUM #1**

**ANNEX HANGAR LEASE AGREEMENT**

The parties signed below agree that the items listed in this addendum shall amend the Lease Agreement to which it is attached and shall be made a part thereof.

1. Within 90 days of the execution of the attached Agreement, Lessor, at Lessor's expense, will provide separate meters for electrical and natural gas service. Lessee shall be responsible for extending telephone service or other telecommunication services as may be necessary.
2. Lessor will provide water service to the Annex hangar at no cost to Lessee, provided water usage is limited to incidental uses.
3. Lessor and Lessee agree that for as long as the Fayette County Sheriff's Department shall utilize 1,200 SF of hangar space for the service and storage of its helicopter, the annual rents due Lessor from Lessee shall be based on a total hangar area of 8,800 square feet times the prevailing rate. The rates shown in Paragraph 6 of the Agreement are based on this assumption.
4. Lessor and Lessee agree that upon a 30 day written notice to the Fayette County Sheriff's Department, Lessee may occupy all of the space available within the Annex Hangar and the Sheriff's Department shall vacate the space described in Paragraph 3 of this Addendum. Lessee's rent shall then be increased by the prevailing square footage rate then in effect, times 10,000 square feet of hangar space, which shall continue until the Agreement is terminated. *Lessor and Lessee agree that should the Sheriff's Department vacate the Premises voluntarily, Lessee shall occupy the vacated space and pay the additional rents due as if Lessee had requested them to depart.*
5. It is further agreed that it is the intent of Lessor to investigate the cost of designing and constructing office, shop and restroom facilities ("Improvements") for the Annex Hangar, with the further intent to lease the Annex Hangar and such Improvements to Lessee after the expiration of the attached Agreement.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2003.

**LESSOR:**

**PEACHTREE CITY AIRPORT AUTHORITY**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Catherine M. Nelmes, Chairman

**LESSEE:**

**PFC AVIATION, INC.  
dba, Peachtree Flight Center**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Daniel J. Waters, President

**PEACHTREE CITY AIRPORT AUTHORITY**

**EXECUTIVE SESSION AFFIDAVIT**

The undersigned hereby states under oath, in the presence of a notary public, as subscribed below, that the undersigned presided over a meeting of the Peachtree City Airport Authority, in the capacity set forth below, on the meeting date set forth below.

A portion of this meeting was held in executive session and closed to the public, pursuant to motion duly made, seconded and passed by the Authority. The closed portion of such meeting, held in executive session, was devoted to matters within the exceptions provided by law, specifically as initialed below:

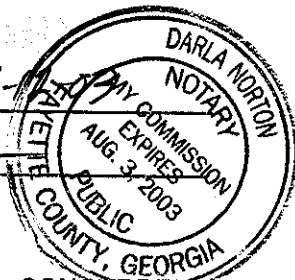
- Discussing matters protected by the attorney-client privilege. O.C.G.A. §50-14-2(1).
- Discussing the future acquisition of real estate. O.C.G.A. §50-14-3(4).
- Discussing or deliberating the appointment, employment, compensation, hiring, disciplinary action or dismissal, or periodic evaluation or rating of a public officer or employee. O.C.G.A. §50-14-3(6).

The closed portion of the meeting was held in compliance with the law, based upon the advice of legal counsel for the Authority, and based upon observation of all members present.

In witness whereof, the undersigned has signed this affidavit on the date indicated below.

Sworn to and subscribed before me this date: 3-12-03

[Signature]  
Notary Public



[Signature]

Signature

CHAIRMAN

Capacity

Date of meeting: 3/12/03

**CONCURRENCE OF AUTHORITY MEMBERS**

The undersigned confirm that the statements contained in the above affidavit are true and correct.

[Signature]  
[Signature]  
[Signature]  
[Signature]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**OPINION OF LEGAL COUNSEL**

The closed portion of the meeting of the Peachtree City Airport Authority referenced in the above affidavit was appropriate under Georgia law and was held pursuant to my advice and counsel.

[Signature]

Legal Counsel

MOTION TO ADJOURN  
JERRY COBB  
SECOND JIM ZOUMBS  
10:20 AM