

**PEACHTREE CITY AIRPORT AUTHORITY
MINUTES OF MEETING**

March 14, 2001

The March meeting of the Peachtree City Airport Authority was held at the Aviation Center, Peachtree City-Falcon Field Airport, on March 14, 2001 at 7:00 p.m.

Those present were Authority Secretary/Treasurer H.E. Buffington; Members: Catherine M. Nelmes, Jerry R. Cobb, and Douglas A. Fisher; Airport Manager James H. Savage and Authority Attorney Douglas B. Warner.

I. ANNOUNCEMENTS

Mr. Savage announced that Chairman David M. Good had tendered his resignation from the Peachtree City Airport Authority effective March 9, 2001. Mr. Good has a cruising trawler under construction on the west coast and will be relocating there soon to retire and live on his boat. The members all expressed appreciation for his some 18 years of service and wished him well in his new venture.

II. APPROVAL OF MINUTES

A motion to approve the minutes of the February 14, 2001, meeting as presented was made by Ms. Nelmes and seconded by Mr. Fisher.

The motion passed unanimously.

III. REPORTS

Mr. Savage gave the following report:

**AIRPORT MANAGER'S REPORT
MARCH 14, 2001**

1. Mr. Leo Giles' T-hangar "C" is nearing completion. They are completing the wiring to each unit this week and hope to have the building inspected next week, with an anticipated occupancy by April 1. We may "lose" a couple of aircraft from the FBO hangar and from our T-hangars, but we have parties interested in our space and should not suffer any loss of occupancy as a result.

It is my understanding that their units will rent for \$350 for singles and light twins, and \$450 for cabin size twins. These rates are similar on a square footage basis to our T-hangar "B" units.

We maintain a waiting list for our T-hangar space, which currently has approximately 40 names listed. We also maintain a list of private hangars that offer rental space from time to time. If you have an interest in contacting one of those owners, please see me for the list.

2. I met with Paul Salvatore of the City's financial department to discuss the Authority's financial condition. He was specifically interested in our monthly debt service and what capital improvements we were contemplating that would require local funding.

As you may have heard, the City is investigating the possibility of increasing the Hotel/Motel tax as a way to fund capital improvements that can enhance tourism in the City. This is a subject that will be discussed at the "retreat" between the Airport Authority and the City Council on March 24, 2001, at 8:45 a.m. Mr. Salvatore was preparing a briefing paper for the City Council on this subject.

The City shares a portion of the current Hotel/Motel tax with us in the amount of approximately \$12,000 per month. Our current debt service is approximately \$16,000 per month. The City is looking at options that might allow them to pay off all of the Airport Authority's debt in an effort to help us become self supporting, and to assist the Development Authority of Peachtree City in their efforts to improve the Tennis Center and the Fredrick Brown Jr. Amphitheatre, which they manage.

3. As we look to the possibility of positive changes in our financial picture, we should also look at a number of facility maintenance issues that have been postponed due to funding limitations. Specifically, the Aviation Center has numerous overhead leaks that may be related to the roof design or the upper "EFIS" walls.

Because the upper roof has no rain gutters as originally designed, there are numerous stains that streak the upper walls. These stains are unsightly and may contribute to the overhead leaks. Most of the current leaks have existed off and on since the building was built, and despite numerous efforts by the builder to correct them, the leaks have always returned.

A second rain related problem involves the gutter system between the main FBO hangar and the Annex Hangar. Mr. Gray and Mr. Freie have made numerous attempts to patch the existing gutter to prevent serious leakage in both hangars, with little long term success. The gutter needs replacing, along with the downspouts, so that water is directed away from the hangar doors.

And the third major issue involves the drainage system on the southwest side of the runway. We have serious soil erosion around several drain pipes that direct runoff from the runway surface area to the drainage system, which has essentially rendered them useless. In some locations, water is now flowing beside the drain pipes and has exposed the bottom of the pipe, which in turn has created an open ditch under or around the pipe.

This may require a redesign of the drainage system utilizing concrete headwalls and other improvements.

4. Finally, while we were not successful in attracting large numbers of the race community to FFC during the Cracker Barrel 500 this last weekend, we did have several sponsor and race team aircraft stay with us during the event.

Due in part to the great weather over the weekend however, we did have two very busy days with the banner tow aircraft flying over the race and numerous transient aircraft stopping for fuel.

Andrew Bolton has been working very hard to get the information about our airport to the race teams and their sponsors, and I am convinced that we will see an increase in traffic for each succeeding race.

IV. FINANCIAL REVIEW

Mr. Savage presented the financial report for the month of February, offering a brief explanation of actual expense versus the monthly budgeted amounts. Jet A fuel sales and AvGas sales were slightly more than budgeted, which generated a gross profit of \$415 more than expected. Actual expenses were \$7,943 more than budgeted however, which lead to a net loss of \$426 versus a projected net income of \$7,353.

The major expense items that contributed to the loss were a spike in utility costs of \$4,650 over budget (mostly natural gas prices), some \$1,895 additional expense in airport maintenance chemicals, and an annual payment for a new computer program that allows the airport to track arrival and departure times of aircraft operating to any airport in the nation.

Net cash flow for the month was calculated to be a negative \$5,852 versus the budgeted amount of a positive \$2,288. While a negative cash flow was calculated, it was not necessary to transfer funds from the reserve account due to an increase in the accounts payable balance.

V. OLD AGENDA ITEMS

01-02-02 Consider sketches for advertising piece for Hangar Area "B".

Secretary/Treasurer (and acting Chairman) H.E. Buffington, asked for the Authority to review the revised ad piece, that was included in the Authority's "Friday pack", and offer any comments.

Ms. Nelmes outlined two or three changes she would like to see made, as did Mr. Cobb and Mr. Warner.

After discussion, it was agreed by general consensus that Mr. Savage should handle the changes administratively and that it would not require any official action by the Authority.

Ms. Nelmes also stated that Chairman Good had discussed the ad piece with the Fayette County Development Authority and they had agreed to fund up to \$2,000 of the cost to develop and distribute the document.

VI. NEW AGENDA ITEMS

01-03-01 Election of Chairman of the Authority and other officers as necessary, and to authorize designated members to sign checks.

Mr. Buffington called for nominations for Chairman of the Authority. Mr. Cobb nominated Ms. Nelmes to serve as Chairman, which was seconded by Mr. Fisher.

Hearing no other nominations, Mr. Buffington called for a vote on her nomination. Ms. Nelmes was elected Chairman by a vote of three in favor, none opposed, and one abstention. Ms. Nelmes abstained from voting.

A brief discussion was held to discuss the need to add a fourth individual to the list of those authorized to sign checks for the Authority, given that Mr. Good was no longer a member of the Authority.

A motion was made by Mr. Buffington and seconded by Mr. Fisher to reaffirm that Mr. Savage, Mr. Buffington, and Ms. Nelmes would continue to be authorized to sign checks, and that Mr. Cobb would be added as the fourth person so authorized. It is the Authority's long standing policy the all checks must have two original signatures and that any two of the authorized individuals may execute the checks.

The motion passed unanimously.

01-03-02 Review Airport zoning regulations in relationship to revised Airport Master Plan, and consider recommendations to City Council regarding the zoning of land adjacent to the airport.

Chairman Nelmes began an open discussion regarding land usage in the Airport Business Park that is adjacent to the northeast side of the airport. She outlined the problems with the property being zoned General Industrial, and how that allows non-aviation related businesses to utilize land with airport access that has been Master Planned for aviation uses for many years.

She reviewed the Authority's plans to acquire some of the land so that it can be preserved for aviation related uses, and asked if anyone had any ideas as to

how the property can be preserved for a mixed use that would include some aviation related component.

Mr. Savage, members of the Authority and Mr. David Rossetti gave various opinions regarding the issue, including possible zoning ordinance changes, agreements between the land owners to look at ways to encourage aviation usage, and reducing "through-the-fence" fees to make the land more attractable to aviation users.

It was agreed that discussions with the landowners and the City should be initiated to review the issue and seek a solution.

Discussions followed regarding the priorities of work to be accomplished during Stage I of the Master Plan, with the idea of determining how soon federal funds might be available for this land acquisition.

On a related matter, Mr. Savage outlined a request from the Planning Commission to look at a site plan presented by Jet Limo, LLC, for the development of approximate 4.9 acres located at Falcon Drive and Victor Road. Specifically, the Planning Commission wanted to know if the Authority had any legal interest in the taxiway easement that crosses the property, a portion of which Jet Limo has requested to abandon, and if the proposed development is consistent with the Airport Master Plan.

Chairman Nelmes expressed her view that the plan appears to be consistent with the Airport Master Plan, in that it shows a mixed-use of non-aviation business and an aircraft storage hangar, but that she was not certain about the legal aspects of the easement issue.

Mr. Warner stated that it was his legal opinion that the Authority had no legal interest in the taxiway easement located on the private property outside of the airport boundary.

Mr. Savage expressed his concern that because the easement allows the other property owners adjacent to the Jet Limo property to have access to the airport, it was important that their access not be affected by development on this property.

He also expressed his concern that the drainage control system planned for the property be designed to match the existing drainage system so that it will continue to function normally.

After additional discussion, Chairman Nelmes moved to send the Peachtree City Planning Commission a letter outlining the following items regarding the site plan presented:

1. On the advise of the Authority's legal counsel, the Peachtree City Airport Authority has no legal interest in the taxiway easement shown on the proposed site plan. However, the Authority believes it is imperative that all existing (or

future, if tract is subdivided) parcels of land in the Airport Business Park have airport access.

2. The proposed development does not conflict with the Airport Master Plan and appears to conform with the established development of adjacent properties, in that it shows a "mixed-use" of non-aviation businesses and an aircraft hangar on the same site.
3. To assure compatibility with the Airport's existing storm water system, the design of the storm water detention area should be coordinated with the Authority's civil engineers prior to construction.
4. The Authority conveys airport access to the adjacent property owners through a document entitled "Airport Access Agreement," which is frequently referred to as a "through-the-fence" agreement. This document may be recorded as an access easement and remains a property right of the parcel regardless of ownership. Jet Limo, LLC, will have to execute such an agreement to obtain airport access from the hangar shown on the site plan.

The motion was seconded by Mr. Cobb and was passed unanimously.

01-03-03 Review proposals received for audit of financial records for fiscal year ending September 30, 2000, and select audit firm.

Mr. Savage reviewed the request for proposals, reading a list of six firms in the Fayette County area that were sent the RFP. Only one firm, Geeslin, Cordle, Johnson and Wetherington, LLP, submitted a proposal.

They proposed to conduct the annual financial audit and prepare a management letter for an amount not to exceed \$4,900.

They also proposed to conduct a compliance audit (referred to as a "single audit") of the federal funds received during the audit period for an amount not to exceed \$2,800, or for a total amount of \$7,700.

Chairman Nelmes asked if the amount bid was budgeted, and Mr. Savage said that it was not, suggesting that it would have to be paid from reserve funds. Chairman Nelmes said the cost of an annual and compliance audit should be included in next year's budget since it is a known annual expense.

A motion was made by Chairman Nelmes and seconded by Mr. Fisher to accept the proposal as submitted, with funding to come from the reserve fund as necessary, and authorizing the Airport Manager to sign the letter of engagement with the audit firm as soon as practical.

The motion passed unanimously.

01-03-04 Consider adoption of operating budget for the second half of FY 2001.

Mr. Savage stated that when he prepared the proposed budget, it was unclear what the City Council's intention was regarding the sharing of the Hotel/Motel tax, and their discussions regarding an increase in the tax to offset capital improvements by both the Development Authority and the Airport Authority.

It was his recommendation, that because the Authorities will be meeting with the City Council on March 24, 2001, that it might be better to pass an interim budget for the month of April, and then adjust the second half budget when it is known if the tax disbursement will be changed. If the Council elects to cover all of the Airport Authority's current debt service, it will improve the Authority's bottom line by approximately \$4,000 per month.

Mr. Savage gave a brief review of the proposed budget for the month of April outlining certain changes from current budget numbers.

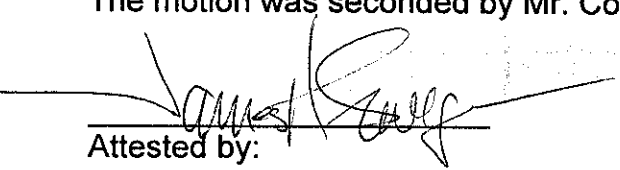
A motion was made by Mr. Cobb and seconded by Chairman Nelmes to approve the April budget as proposed, with the intention of approving a multi-month budget at the next meeting.

The motion passed unanimously.

VII. EXECUTIVE SESSION

At 8:45 p.m., Chairman Nelmes knowing of no additional items to be considered in either regular or executive session, moved to adjourn.

The motion was seconded by Mr. Cobb and was passed unanimously.


Attested by:


Catherine M. Nelmes, Chairman

PEACHTREE CITY AIRPORT AUTHORITY

RECORD OF ATTENDANCE AS OF:

March 31, 2001

Members	Regular Meetings Last 12 Months	Meetings Attended	Regular Attendance %	Special Called Meetings Last 12 Months	Special Called Meetings Attended	Total Attendance %
David M. Good***	12	11	92%	1	1	92%
Douglas A. Fisher *	3	3	100%	0	0	100%
Jerry R. Cobb **	6	6	100%	1	1	100%
Catherine M. Nelmes	12	12	100%	1	1	100%
H.E. Buffington	12	11	92%	1	1	92%

- * New member as of 1/1/01
- ** New member as of 9/1/00
- *** Resigned 3/9/01

Members	Dates Absent	Type
David M. Good	8/9/2000	Regular
Douglas A. Fisher		
Jerry R. Cobb		
Catherine M. Nelmes		
H.E. Buffington	11/8/2000	Regular

Meeting Dates	Type
1/10/2001	Regular
2/14/2001	Regular
3/14/2001	Regular
4/12/2000	Regular
5/17/2000	Regular
6/28/2000	Regular
7/12/2000	Regular
8/9/2000	Regular
9/13/2000	Regular
9/21/2000	Special
10/11/2000	Regular
11/8/2000	Regular
12/13/2000	Regular