

Peachtree City Airport Authority (PCAA)
Regular Meeting Agenda
Thursday, April 11, 2013
Aviation Center, Atlanta Regional Airport Falcon Field
7:00 p.m.

I. CALL THE MEETING TO ORDER

II. APPROVAL OF MINUTES

March 14, 2013 PCAA Meeting Minutes

III. REPORTS

Airport Safety & Operations - George Harrison

Finance & Capital Budgeting - Bill Flynn

Tenant & Community Relations - Bill Rial

Marketing – Skip Barnette

Operations- Airport Manager, Hope Macaluso

IV. FINANCIAL REVIEW

Aviation Director-Bryan LaBrecque

V. OLD AGENDA ITEMS

None

VI. NEW AGENDA ITEMS

None

VII. EXECUTIVE SESSION

VIII. ADJOURNMENT

NOTE: This agenda is subject to change up to 24 hours before meeting.

NOTE: A quorum of the Peachtree City Mayor & Council may be in attendance.

Peachtree City Airport Authority (PCAA)

Regular Minutes

Thursday, April 11th, 2013

Aviation Center, Peachtree City-Atlanta Regional Airport

7:00 p.m.

Members Present: Richard Whiteley, Chairman, Vice-Chairman & Secretary/Treasurer - Bill Flynn, Bill Rial, Joe Woods - Alternate. Aviation Director – Bryan LaBrecque, Airport Manager –Hope Macaluso, A.A.E. and Airport Attorney – Doug Warner.

I. CALL THE MEETING TO ORDER

Richard Whiteley called the meeting to order at 7:03 p.m.

II. APPROVAL OF MINUTES

Bill Flynn made a motion to approve the February Minutes, seconded by Bill Rial. Motion Carries, 3/0.

III. REPORTS

Airport Safety & Operations - George Harrison (not present)

None to report.

Finance & Capital Budgeting - Bill Flynn

Bill Flynn stated that the monthly review went well with no adjustments needed. Bill Rial asked Bill Flynn if having an accountant on retainer was important and necessary. Bill Flynn deferred to Bryan LaBrecque who responded that in his opinion the use of an outside accountant/consultant was, and is, extremely helpful as we rely heavily on the consultant's expertise when it comes to a number of subjects. Bryan also indicated the significant benefit our outside accountant/consultant provides during the annual audit period, which has saves the Authority considerable audit costs, and therefore the need to continue using an outside accountant still exists.

Tenant & Community Relations - Bill Rial

Bill Rial asked management what the policy was for “tying down” and “chocking” aircraft on the ramp. He noted that while most of the aircraft are chocked, the Academy aircraft are often left un-chocked. Bryan responded that there is no requirement to chock or tie-down aircraft levied by the airport and that it was an individual aircraft owner/operator preference.

Marketing – Skip Barnette (not present)

None to report

Operations – Airport Manager, Hope Macaluso

Hope began by mentioning the women’s restroom hit a snag with some drywall issues. Hope gave a quick update on the Great Georgia Airshow business after hours with the Chamber of Commerce. She continued on to note that both the Police Memorial Ride and World War II Heritage days were both coming up. Hope mentioned that Carla Sands with the Georgia Department of Transportation had contacted the airport about funds being released and possibly being able to bump up the overlay project earlier than expected. She also noted that an advertisement had been put out for bids on the project. Bryan noted that once the bids came in then we would know more about where the survey could possibly fit in. Richard asked if the difference in the original estimates and the updated higher estimates would be met. Bryan stated that only funds of the original project would be filled. Richard asked how cost overruns would work and Bryan responded that a 10% margin was built in to the estimates for just such an occasion. Hope reminded the board that the \$308,000 in entitlement funds would be used toward this project and that using those funds was always GDOT’s intention. Bryan stated again that this came together quick and gives a quick kudos to the team for pulling it all together. Hope turned it over to Mike Melton who quickly gave an update on the Tara field two month closure and noted that some of those tenants had temporarily relocated to Atlanta Regional Airport. Hope also announced to the board that Mike Melton is now the Customer Service Supervisor.

IV. FINANCIAL REVIEW - Aviation Director - Bryan LaBrecque

Bryan LaBrecque started off by saying that the month of March represented a strong financial month overall, finishing with \$12,600 net operating income. He noted that the primary positive financial drivers were hangar rents and fuel sales, rebounding from a less than stellar January and February. Richard asked if the improvements to the FBO hangar have attracted new tenants. Bryan responded that in his opinion, those improvements as well as others, play a key role in drawing in new tenants.

Bryan continued by indicating that, aside from meeting our monthly volume objective, Jet A margins were slightly above target. He also noted that we earned nearly \$700 above plan in miscellaneous income, the bulk of which resulted from was from additional after

hours call outs. He did however, remind the Authority that some of that revenue would be offset in payroll, as payout to the employees for the extra time. Bryan reported that revenue from Avgas sales fell short of target but noted that margins for avgas were on target.

Bryan moved on and mentioned that expenses for the month more than five percent below plan and noted that March represented the third consecutive month of declining maintenance expenses. Notwithstanding that positive movement, Bryan mentioned that with the upcoming weather – particularly thunderstorms - in the spring and summer months, it is likely that this trend will not continue. Bryan finished the month financial review by noting that we completed our first six months of our fiscal year and our net operating income is right on target. These funds are critical in helping to replenish the cash spent on the roof replacement and repaying our loan.

Moving from the past month's fiscal review, Bryan informed the Authority of an impending financial issue surrounding a recent storm water bill that increase of nearly 130% or an increase of \$28,000 per year. Bryan pointed out that Mark Casper was here from the water authority to answer any of the board's questions. Bryan stated that this new bill could have a major effect on the airport's future viability. Bryan noted that the billing computations are based on impervious surface area.

Bill Flynn asked Mark Casper if this was an ordinance passed by city council and if residents and business owners were told their bill was going to double. Mark Casper stated that the discussion on the increase started two years ago with a proposed increase in 2011 - which did not occur until 2013. Mark stated that the increase was discussed in a public meeting that was held in March of 2013 and included a bond project. Mark noted that the additional funds were to be used for potential flooding issues and other aging infrastructure. Bill Flynn again asked Mark if residents and businesses were told the bill would more than double in cost. Bill stated he thought the bill was outrageous and asked how they could justify the massive increase. Mark responded that he could appreciate and understand the frustration and mentioned that it emanated from the Clean Water Act and the infrastructure and permit the city is required to keep with the state. Bryan asked if other airports were required to pay similar storm water fees. Mark stated that he had not queried many airports to that point but that Gwinnett County and Griffin airports had similar charges. Mark continued on to mention that a credit of up to fifty percent is available if certain requirements are met and noted that the airport was currently receiving a ten percent credit. Bill Flynn stated that to meet the remainder of the fifty percent discount the airport would need to meet the detention pond requirements and would have to potentially invest in an additional detention pond.

Bill Rial mentioned that he was in the city when the first storm water bill came out and stated that the airport contributes a tremendous amount of money to the city, which should be considered in the billing process. Bill Rial then asked if the billing came out of Marks office. Mark responded that the bills do come out of his office and noted that he is a supporter of the airport. Richard then questioned whether the new billing charges would stop at the new levels as it appears that the water authority could increase again at any

time. Bill Flynn asked Councilwoman Fleisch – who was in attendance - if she was aware of the increase. Ms. Fleisch answered that she was aware of the increase but did not recognize that it would impact the airport to this extent. She continued on to note that the city pays close to \$300,000 for their portion of the storm water bill.

Bill Flynn then asked Mark Caspar if the storm water utility bill is considered a tax. Mark stated it was not a tax, but a user fee. Bill Flynn reiterated his strong aversion to this increase. Richard asked if the rates were the same for residential as they are for businesses. Mark stated that all were calculated as if they were residents. Richard stated that the airport is not a residential and it seemed the fee took no consideration of the impervious surface use. Bill Rial then asked if Mark was responsible for the billing calculations. Mark responded that the billing computations were generated by his office but done so under the auspices of the ordinance. Richard again noted that he believed that the computation logic is flawed and that use should be taken in to consideration.

Richard then and asked if there were waivers for any other businesses. Mark stated that all impervious surfaces were billed evenly and referred the board to the credit manual established by the water authority. Richard asked if the city was paying itself and wondered aloud if it sounded reasonable for a business to spend 42% of its operating revenue to pay this bill. Bryan added that for the last five years, the airport has been working to turn this airport around and just now making headway and in a single day all this improvement is negated. Richard requested Bryan to contact the Mayor and/or council and/or the city administrative staff, in an attempt to resolve this issue.

Bill Rial noted that Mark had given the Authority a good explanation and thanked him for his time but also noted that the Authority now needed to start working with the city to move forward.

Bill Flynn asked Mark if any of their storm water piping system were on airport property. Mark responded by noting that the airports run-off empties into Line Creek which is a part of Peachtree City's storm water system. Bill Flynn illustrated the inequity in costs associated with the execution of this ordinance. He again stated that the math does not add up because the airport utilizes no infrastructure yet we are required to pay an inequitable amount. Mark stated that the storm water monthly debt service for the bond is \$57,000. Bill noted that as a result of the new billing, the airport itself is responsible for approximately 8 % of that debt service.

Bill Rial reminded Councilwoman Fleish and the Airport Authority of the value the that airport brings to the city and the county and stated that in very short order, this cost could shut down the airport. Bill Rial again stated that the airport authority needs to work directly with the city on this matter. Richard wants the city to recognize the importance of the airport to the community and stated that there should be an incentive for being an airport not a penalty.

Doug Warner asked if the Clean Water act is Federal Act. Mark answered that it is nationwide. Doug asked how other airports were treated. Mark said he would work with

the airport's engineering firm to see how the airport could meet the 50% discount. Richard thanked Mark for being there and stated they would request a meeting with the city to discuss. He continued on to note we have some homework to do on the airports part and stated that it is our business to be an impervious surface and felt there needed to be some sort of relief for that. Bill Rial agreed.

Bryan concluded the financial portion of the meeting by indicating that there is a \$10,000 bill outstanding that was due to the old engineering firm and that it will be paid in full this month. Bill Rial asked if a lien had been put on the aircraft in Area C. Bryan responded that he had discussed with Doug.

V. OLD AGENDA ITEMS

None

VI. NEW AGENDA ITEMS

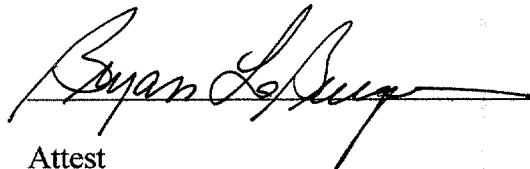
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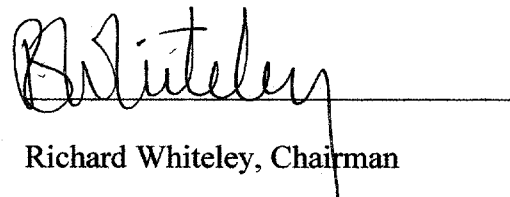
VII. Executive Session

None

VII. Adjournment

Bill Flynn made a motion to adjourn the meeting which was seconded by Bill Rial.
Motion Carried 3/0. Time 8:17pm (local)


Attest


Richard Whiteley, Chairman