

Peachtree City Airport Authority (PCAA)  
Regular Meeting Minutes  
Thursday, May 8, 2008  
Aviation Center, Peachtree City – Falcon Field  
7:00 PM

Members Present – Chairman - Jerry Cobb, Greg Carroll, Bill Flynn, John Cordner, Aviation Director – John Crosby, Assistant Aviation Director – Barry Griffith, A.A.E., Airport Attorney – Doug Warner and alternate Gerald Stuart.

I. ANNOUNCEMENTS

II. APPROVAL OF MINUTES

Motion made by Bill Flynn to approve the April 10, 2008 PCAA regular meeting minutes seconded by Greg Carroll; motion carries 4/0.

III. REPORTS

Aviation Director – John Crosby stated that WWII Days and the Bonanza Fly-in events were held over the weekend and that there were over 30 aircraft in attendance. He also indicated that the Blue Knights Motorcycle “fallen hero” fundraiser ride had over 3,000 motorcycles in attendance this year and that this event may happen at Falcon Field next year. Mr. Crosby stated that the glideslope antennae and enclosure have been installed and that a preliminary FAA flight check is tentatively scheduled for June 6, 2008. He stated that the Taxiway “F” construction is going well and that the contractors have been able to get good compaction on the dirt due to warmer weather conditions. Mr. Crosby indicated he had been invited to the North Carolina Airports Association conference and will be out of town next week.

IV. FINANCIAL REVIEW

Aviation Director – John Crosby stated that while the runway was closed in March 2008, fuel sales were down. He also indicated that fuel costs have escalated over \$0.51 cents in the last 3 weeks, but Airport staff has not adjusted the price any higher. He stated that pilots from Peachtree-Dekalb Airport have been coming to Falcon Field and generally save up to \$2.00/gallon on fuel. Mr. Crosby made note of that the budget should have been adjusted to reflect that there were three pay periods in March 2008. Bill Flynn expressed concern over several items in the budget including fuel inventories but stated he would work with staff off-line to resolve. Mr. Crosby acknowledged that we are still working on inventory adjustments within the budget and would be available to discuss these concerns. An audience member reported that Villa Rica Airport has some of the cheapest fuel prices in the state. Jerry Cobb made note that April’s jet fuel sales were

the third highest shown since 2001 and that AvGas was clearly not growing at the same rate.

## V. OLD AGENDA ITEMS

08-04-03 Consider Authority's first right of refusal on sale of Hangar D-20 from Mike Prator (Seller) to Richard T. Olive (Buyer) for an amount not-to-exceed \$185,000.00.

Bill Flynn made a motion for PCAA to exercise its first right to purchase hangar D-20 for \$185,000. The motion failed due to a lack of a second. Mr. Flynn indicated he was not aware that a discussion regarding the item could occur before he made the motion. PCAA Attorney Doug Warner indicated that the PCAA could discuss the item first. Mr. Flynn asked the PCAA when the objective to become self-sufficient had changed.

Greg Carroll stated that he thought PCAA's objective was primarily the development of Areas B & C, NAVAIDS and other airport improvements. He stated that the PCAA should not be distracted with other issues and that he had concerns with the PCAA purchasing the D hangars. He indicated that he was afraid of the current environment for both commercial and general aviation (GA) airports. That he did not want debt and two empty hangars. He also stated that he did not want to hamper the culture of the GA community and that he was concerned the GA community would think that PCAA would start to purchase each hangar. Mr. Carroll was concerned that the benefits may not outweigh the risks of purchasing the hangars especially with the current climate in aviation and that this might not be the right time to purchase.

John Cordner stated he was also concerned about the PCAA incurring debt for the 3 hangars and considering that the Airport will need other capital improvement needs down the line in Areas B & C. He also stated concerns over low margins on fuel sales and was not clear what long term affects may be on the horizon.

Chairman - Jerry Cobb stated he owned a hangar in that area and would not vote and he had spoken with attorney Doug Warner as to whether or not he could comment on the issue due to a possible conflict. He was advised to not enter into the purchase discussions. He did discuss his views on the Authority's financial obligations and that his comments should have no bearing on the PCAA's decision to purchase hangars D20 and D28. Mr. Cobb proceeded to read the brief handout, approved by legal counsel, to the Authority and requested it be included in the minutes (see notes attached). Mr. Cobb read the comments he had prepared. In addition to the comments, he stated that the issue was about PCAA incurring non-reimbursable debt and he has concerns over an economy in

dire straits. Mr. Cobb stated that Jet A fuel prices are competitively priced and that there is a bigger margin in sales over AvGas. That increased AvGas prices hurt the recreational flyer more than the customer using jet services. That the decision of the PCAA on these items should not diminish the goal to be financially self-sufficient. He expressed concerns over short term cancellable agreements with the City. He stated that this source of funding could become an issue in the future. He also stated that Area B & C would require greater debt service, greater risks and the need to procure tenants.

Mr. Flynn asked if it makes sense to develop Areas B & C, then why does it not make sense to purchase hangars D20 and D28? He stated that if tenants move out, that the Toybox will cover the debt for all facilities especially since the FAA would reimburse the PCAA for the purchase of the Toybox. Mr. Flynn stated that PCAA would most likely get lower than prime rate on the loan and that monthly revenue for the Toybox would cover the interest carry for D20 and D28. He stated that he did not believe tenants would leave if PCAA purchased hangars and that if the tenants find the hangar deals financially sound and profitable then why shouldn't PCAA? He asked what GA culture would be destroyed?

Greg Carroll stated that his assessment is that the GA culture are the groups of individuals who have privately owned aircraft, and that they spend time at the airport working on the aircraft and have invested in the airport. He stated that Area C would be more tailored toward the corporate flyer, would require larger capital investment, a larger area which the GA recreational flyer simply cannot afford. He stated that he did not want to see any Part 145 Maintenance operators for single or light twin engines driven away. That he was not interested in D28 because you cannot squeeze in more than 4 aircraft and that the PCAA would take on increased liability if any of the aircraft were damaged. He also stated that the proforma did not reflect additional insurance and personnel costs. That when he was involved in renting hangars that it was difficult keeping tenants at \$300/month. Mr. Carroll stated he did not see an economic advantage in purchasing hangar D28 due to its location and size, however, D20 has more options for commercial activity. He asked if anyone in the audience was paying over \$500/month for aircraft storage?

John Cordner said he also had concerns over increased liability of moving aircraft in/out of the "D" hangars. That the proforma does not take into account all intangible costs and operational concerns. That in the long-run, he would prefer that any debt incurred be used for Areas B & C development.

Greg Carroll stated that he was concerned with rising fuel prices and that many people would not be able to afford aircraft in the future which would

make it more difficult to lease space. That many aircraft owners would like their own hangar and do not like to share space in a common hangar.

At this time, Chairman Cobb allowed many members of the audience to have public comment on this item.

Greg Carroll stated that he wanted everyone to understand the mindset and concerns of the little guys on the airport. He equated this item to being like a ballgame where the rules are changed half way through the game. That many of the tenants lose money every month but keep the investment as part of the pride they have in being a part of the GA community. That many aircraft owners are particular about the care of their aircraft and would have concerns about their neighbor's aircraft. He stated that there is a sacrificial passion amongst recreational flyers. He asked why the airport could not have a blended community made up of privately owned hangars versus all hangars being exclusively owned by the PCAA.

Bill Flynn stated that recently the PCAA discussed the issue of self-serve fuel and that while our prices are generally \$0.50 higher per gallon that we are competitively priced with surrounding airports. That with a \$75,000 investment for a self-serve tank, that PCAA could not be certain that we would sell more fuel to cover the debt incurred and that additional revenues would be needed to make up the loss for both the fuel and tanks. That he had not heard any solid business reasons as to why the PCAA should not purchase the hangars. He stated he cannot see how PCAA's ownership of the hangars would change the ability for tenants to use the hangars and that there were many emotional points being expressed. He asked the PCAA and audience what the real reason was for the opposition to the hangar purchases and that he needed a business reason as the numbers showed positive revenue.

Further discussion from the audience ensued and Chairman Cobb called for a motion on this item. Bill Flynn stated that PCAA would have a hard time justifying Areas B & C development for not purchasing hangars D20 & D28 for risk avoidance and disruption of the GA culture. Mr. Flynn stated that PCAA as a group decided to find ways to increase revenues including building hangars to suit in Areas B & C, and that by extension of this effort, that a better return on investment would not be found on a hangar purchase. That he was at a loss as to why the PCAA is not willing take action on this item.

Greg Carroll stated that Area C was slated toward the larger commercial repair stations and operators with long term leases. That the focus should be on the development of Area C.

John Crosby stated that the proforma numbers are positive and recommended the PCAA decide where they wanted to invest money and efforts. That the GA culture on the north corner of the airport, which primarily includes single and twin engine aircraft is reflected on the Airport Layout Plan (ALP). That the PCAA's borrowing power would not be affected as the bank would lend more money than needed. Mr. Crosby stated that the first wave of FAA grant money would be available in June, and that second wave would come in August 2008 but no later than September 31, 2008. That we would not need to increase airport personnel to handle aircraft that would be stored in the hangars and the liability would not be excessively greater. That the FAA would look to airport that has development plans ready for construction for possible discretionary funding. That Phase 1-A of Area C is scheduled to happen in 2009 which is shown to include taxiway access, apron area and two large hangars.

Motion made by John Cordner for PCAA to approve sale of Hangar D-20 from Mike Prator (Seller) to Richard T. Olive (Buyer) for an amount not-to-exceed \$185,000.00, seconded by Greg Carroll; motion carries 2/1 with Jerry Cobb abstaining.

08-04-04 Consider Authority's first right of refusal on sale of Hangar D-28 from Tim Baker (Seller) to Jack Berry (Buyer) for an amount not-to-exceed \$155,000.00.

Motion made Greg Carroll for PCAA to approve the sale of Hangar D-28 from Tim Baker (Seller) to Jack Berry (Buyer) for an amount not-to-exceed \$155,000.00, seconded by John Cordner; motion carries 2/1 with Jerry Cobb abstaining.

## VI. NEW AGENDA ITEM

08-05-01 Consider Authority's right to purchase a through-the-fence (TTF) commercial/private hangar from John Pettitt (Seller) for an amount not-to-exceed \$750,000.00 with airport reimbursement subject to federal approval and funding.

Motion made by Bill Flynn that PCAA agrees to enter into a contract to purchase a through-the-fence (TTF) commercial/private hangar from John Pettitt (Seller) for an amount not-to-exceed \$750,000.00 with airport reimbursement subject to federal approval and funding, seconded by John Cordner; motion carries 4/0.

08-05-02 Approve Reimbursable Agreement titled "Relocate ASOS, Falcon Field, Peachtree City Georgia" between the Federal Aviation Administration

(FAA) and PCAA with advance payment of \$53,415.00 due to the FAA with airport reimbursement subject to federal approval and funding.

John Crosby indicated that the airport would need money to bridge the loan needed to execute this agreement with the FAA or that the PCAA could use money from reserve funds. That it could take up to one year for the FAA to reimburse the airport for the relocation of the ASOS.

Motion made by Jerry Cobb to authorize the Chairman and/or Aviation Director to sign the reimbursable agreement titled "Relocate ASOS, Falcon Field, Peachtree City Georgia" between the Federal Aviation Administration (FAA) and PCAA with advance payment of \$53,415.00 to be taken from PCAA reserves seconded by Greg Carroll; motion carries 4/0.

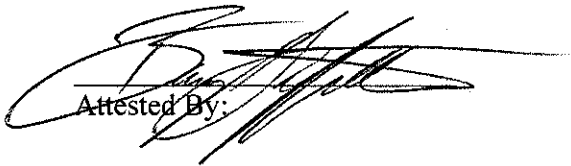
VII. EXECUTIVE SESSION

None.

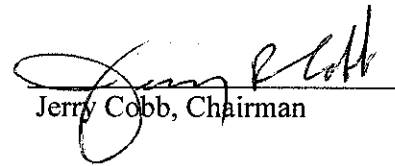
VIII. ADJOURNMENT

Motion made Greg Carroll to adjourn meeting at 8:25 p.m. seconded by John Cordner; motion carries 4/0.

Attested By:



Jerry Cobb, Chairman



**COMMISSION/AUTHORITY ATTENDANCE RECORD**

**Peachtree City Airport Authority**

**May-08**

Board name

Report Date: Month Year

Name & Date of Appointment	Meetings Held Past 12 Months	# of Meetings Member Eligible to Attend	# Meetings Attended	# Meetings Absent	Meeting Dates Absent	Percentage Attendance
Jerry R. Cobb, Chairman 1/1/2005-12/31/2009	11	11	11	0	n/a	100%
Bill Flynn, Vice Chairman 1/1/2007-12/31/2012	11	11	11	0	n/a	100%
Douglas Fisher, Secretary/Treasurer 1/1/2006-12/31/2010	11	8	6	2	6/6/2007 7/6/2007 (resigned 3/7/2008)	75%
Greg Carroll 3/3/2005-12/31/2008	11	11	8	3	6/6/2007 10/11/2007 5/30/2008	73%
Rick Mendenhall 1/1/2003-12/31/2007	11	6	6	0	(Term 12/2007)	100%
John Cordner, III 1/1/2008-12/31/2012	11	11	7	4	6/6/2007 7/6/2007 10/11/2007 11/8/2007	64%