

Peachtree City Airport Authority
Regular Meeting Minutes
Thursday, July 14, 2011
Aviation Center, Atlanta Regional Airport - Falcon Field
7:00 PM

I. CALL THE MEETING TO ORDER

Chairman Richard Whiteley apologized for being late after being stuck in Atlanta traffic, and called the meeting to order at 7:23 P.M.

II. APPROVAL OF MINUTES

Member Bill Flynn moved to approve the June 9, 2011, minutes as presented. The motion was seconded by Mr. Zaheer Faruqi.

The motion passed unanimously.

III. REPORTS

Airport Safety & Operations - George Harrison.

Mr. Harrison stated that he had been conducting an informal survey of the tenants and that most seemed pleased with the airport operations, especially the recently implemented fuel discount program for AvGas.

Finance & Capital Budgeting - Bill Flynn

Mr. Flynn stated that he had met with airport staff to conduct the monthly financial review and that the finances look good and that Mr. LaBrecque would address certain details.

Tenant & Community Relations - Bill Rial

Mr. Rial agreed with Mr. Harrison that most of the tenants seemed happy with current operations. He also complimented the airport maintenance crew for a job well done on the recent re-painting of the fuel farm storage tanks. He also expressed his thanks for airport staff's work with Mr. George Shemo in T-4 to address the wet floor problem in that unit.

Marketing - Zaheer Faruqi

Mr. Faruqi reviewed recent efforts by Nancy Price of the Convention & Visitors Bureau to escort representatives for Rand McNally in their inspection of several cities in the finals for the "Most Patriotic City" competition. Peachtree City is one of seven finalists. On short notice, members of the Authority and airport staff were able to give a tour of the F-16 Veterans Memorial, airport facilities and the museum at the Commemorative Air Force hangar. Mr. LaBrecque added that by giving the photographer of the group a ride in one of the vintage aircraft, he was able to get many aerial photos of the city. Both thanked the CAF for their participation on such short notice.

Operations – Interim Airport Manager, Jim Savage

Mr. Savage briefed the Authority members on the following subjects:

- (a) Lead CSR Heather Vernon has completed updating the data base for the software "FBO Manager" and continues working with supplier Cornerstone with the hope of implementing the system soon. Some issues remain. Heather and Financial Advisor Marla Curly worked on the system today and made significant progress, but Marla advises that the earliest date for switching to the new system should be August 1st.
- (b) Mr. Savage has been negotiating with two roofing companies to make repairs to the Toybox hangar roof. The best price to date is \$5,727, but additional work may be necessary. This project is the number one maintenance item pending.
- (c) Mr. Savage has negotiated an agreement with Aircraft Spruce and Specialty Company to purchase pilot supplies at a major discount for re-sale in the FBO. This will provide a good base price and a readily available supply of merchandise. Negotiations continue on buying navigation charts through them as well.
- (d) The airport recently received a letter from the GDOT outlining the recent airport inspection. Called the "5010" inspection, which is conducted by the State for the FAA every two years, it noted several areas that need attention within the airport boundaries to improve safety. Several of the items have already been corrected, however some tree issues remain and could be quite expensive. Staff will address all issues outlined with a corrective plan and respond to the GDOT soon.
- (e) Mr. Savage indicated that he had discussed the re-location of the water line along TDK Boulevard with Brian Salyers of TBI. Apparently Fayette County wants the line completely within the road right-of-way. It was not designed that way initially, and Brian says that the cost to re-design will be billed at their posted prices, not to exceed \$10,000. Doug Warner explained that easements for placing the water line in the portion of the ROW that is still owned by the City have been delivered to the City Attorney and await City action. Mr. LaBrecque will be in touch with the FAA to discuss this latest snag, with the hope of getting the construction started as soon as possible.

IV. FINANCIAL REVIEW - Interim Aviation Director - Bryan LaBrecque

Mr. LaBrecque gave a brief overview of the recent lease negotiations with Geo Digital for leasing the Toybox Hangar. It is a five year lease, with a minimum stay of 3 years and a five year option after the first five years. Lease rates are similar to previous rates for that hangar. Repairs to the roof and some minor landscaping will be necessary, at the Authority's expense. Additional work, including interior changes, of up to \$25,000 will be paid by the Authority. The tenant will pay back to the Authority the amount spent on renovations over the first three years of the lease at an agreed interest rate of 5% or more. A letter from Chairman Whitely welcoming Geo Digital to the airport will be prepared.

Mr. LaBrecque gave a brief overview of the monthly financial numbers, noting that the operational profit of \$11,888 was better than forecast. This was accomplished by containing costs and removing the extra payroll burden of the last three months.

The airport has some \$500,000 in cash reserves that are not encumbered with offsetting debt, but which draws very little in interest. He expressed the need to find safe investment

ideas that pay more than the less than 1% currently available at the bank. Airport staff will begin the FY2012 budget process on July 15th. It will take several months to develop the budget from the ground up, but a goal will be to remove at least \$24,000 from the cost side in the anticipation of losing at least that much from the distribution of the hotel/motel tax for the coming year.

Mr. LaBrecque stated that the previous Toybox tenant had agreed to a repayment plan for past rents due that should be completed by the end of September.

Fuel sales for June showed a slightly smaller margin on Aviation Gasoline due mostly to the change in pricing that started mid month. Jet fuel margins were up over the previous month. He expressed the view that while the volume of AvGas sales was slightly down over the budgeted amount, it is a little early to judge how the new pricing structure will affect fuel volume. Bill Rial expressed the view that perhaps airport staff should redouble efforts to let all tenants know about the reduced pricing for based customers. It was agreed by Mr. LaBrecque that an updated based customer list will be available to the Authority by next meeting.

Mr. LaBrecque expressed the view that in the financial review process it was discovered that some 20% of the items charged to "Repairs and Maintenance" should indeed be charged to other cost areas. Changes will be forthcoming.

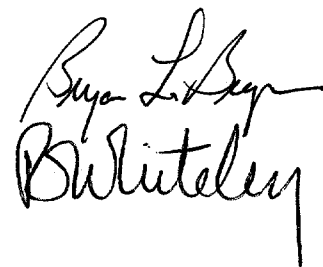
Mr. LaBrecque reviewed efforts to find areas of cooperation between Priority Jet and the Airport that could lead to increased revenue for both parties. A "joint venture" where the airport provides fuel at a volume discount to other charter companies that work through Priority Jet, combined with using PCAA facilities to store overnight aircraft, sharing vendors like limousine services, and having Priority provide lavatory servicing for PCAA customers, present a win-win for both parties.

The Chairman raised a question about the status of acquiring the Rossetti property on Falcon Drive. Mr. LaBrecque offered the opinion that while the FAA is strong on helping airports acquire through-the-fence operations, that because this property does not have airport access at this time, and because the facility on the property was designed as an office warehouse building, it is not currently a viable option for airport use. He recommended that the Authority take no action at this time.

Concluding, Mr. LaBrecque briefed the members that the search for a permanent Aviation Director was progressing normally. A number of applications and resume's have been received from the ads running on Monster.com; the City's web site; the Georgia Airports Association web site; and the Authority's web site. The job application deadline is July 31st. The selection and interview process will begin shortly thereafter with the goal of having a candidate by early September.

V. OLD AGENDA ITEMS

None



Handwritten signatures of Ryan LaBrecque and Bill Rial.

PEACHTREE CITY AIRPORT AUTHORITY
FINANCIAL SUMMARY

	Jun 11	Jul 11	Oct '10 - Jul 11
4022 · Fuel Sales Jet	72,295.54	76,873.87	613,361.25
Profit - Jet Fuel	21,459.27	21,463.31	173,665.28
Proft % - Jet Fuel	29.7%	27.9%	28.3%
Jet Gallons Sold	14,596	15,846	138,962
4023 · Fuel Sales Avgas	48,659.00	47,518.56	428,104.86
Profit - Avgas	5,483.83	6,444.96	72,370.05
Proft % - Jet Fuel	11.3%	13.6%	16.9%
Avgas Gallons Sold	8,732	8,869	85,197
 Hotel/Motel Tax Income	 9,269.00	 12,902.00	 95,274.00
 OPERATING PROFIT/(LOSS)	 <u>11,888.49</u>	 <u>16,743.44</u>	 <u>96,551.56</u>
 CASH BALANCE	 694,836.84	 748,758.18	