

PEACHTREE CITY AIRPORT AUTHORITY MINUTES OF MEETING

September 23, 2002

The September meeting of the Peachtree City Airport Authority was held at the Aviation Center, Peachtree City-Falcon Field Airport, on September 23, 2002, at 7:00 p.m.

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

Assistant Manager Andrew Bolton was absent to attend a meeting of the Peachtree City Planning Commission.

I. ANNOUNCEMENTS

None.

II. APPROVAL OF MINUTES

A motion to approve the minutes of the regular meeting of August 14, 2002, as presented, was made by Mr. Buffington and seconded by Mr. Cobb.

The motion passed unanimously.

A brief discussion was held to determine the need for the Authority to prepare minutes of a workshop with the City Council since the City Council will be issuing minutes themselves. It was stated by Mr. Warner that it would be proper either way but should the Authority issue its own minutes there would be a permanent record of the meeting in the Authority's minutes books.

Following the discussion, Mr. Cobb moved to approve the minutes of the August 22, 2002, workshop as presented. The motion was seconded by Mr. Fisher.

The motion passed unanimously.

III. REPORTS

AIRPORT MANAGER'S REPORT: Mr. Savage gave the following report:

1. AIP 12 Project. While the actual construction on this project was finished some months back, we still await action by the General Contractor to submit the required certification that he has paid all of his sub-contractors and his certification to the FAA that he has met his DBE goals. We still hold a total of \$20,663.51, in retainage from the contractor's final payment, plus the \$21,750.00, in liquidated damages. Efforts to date to get him to comply have fallen on deaf ears.

2. AIP 13 Project. We have received the FAA Grant for this land acquisition project and it has been executed by Chairman Nelmes. We await the transfer of funds into our line-of-credit account with the FAA. It is our goal that once we have established that the funds are available we will set a closing date sometime prior to September 30, 2002. Pathway Communities has a couple of items to satisfy prior to closing which they hope to complete soon.

3. Stallings Road Paving. Engineers from Wilbur Smith and Associates met with the City Engineer to discuss the preliminary plans for the road and to work on the logistics of "who, what, when, where and how" the road will be built.

In a recent meeting with myself, City Manager Jim Basinger and City Engineer Troy Besseche, we agreed that since the road construction will be handled as a City project, Troy should act as the project coordinator. Funds that will be provided by outside sources will flow through the Airport Authority to the City for ultimate payment.

As we develop greater details of the how the project is progressing, I will report back to the Authority. At some point, it will be necessary to generate an agreement between the City, County and the Authority on how this project will be conducted, who contributes what and when it will be built. That agreement must then be ratified by all three governmental entities.

4. Zoning Change. Our request to rezone the 23.93 acres that we will be acquiring under AIP 13, that was originally scheduled for City Council action last Thursday evening, has been delayed. The hearing on that parcel, along with many other parcels not owned by the City, will be rescheduled for a later date to allow City staff to complete the review process and make the required legal advertisements in the City' legal organ.

Given that the Planning Commission sent our request forward without a recommendation, this delay may be to our advantage to give us time to close on the property. Once we are the actual owner of the land, we can then approach the Planning Commission and the City Council with our request. More information when it becomes available.

5. "Hangar Alley" Access Gate. In our recent efforts prior to the airshow, we began to refer to the access road to the north T-hangar area as "Hangar Alley" in reference to an old taxiway at O'Hare Airport in Chicago. The new access gate with its hydraulic operator was

installed and operating before the airshow. The new system appears to work much better than the old chain driven system.

6. Airport Security Conference. Mr. Andrew Bolton and myself attended a one day conference sponsored by the Georgia Airports Association (GAA), in Macon last week.

The purpose of the meeting was to share ideas and general concerns regarding what requirements may be imposed by the Transportation Security Administration (TSA) on General Aviation airports.

There were a couple of highly condensed presentations by security consultants that touched on the many different aspects of enhancing security at airports. During the limited discussions by the attendees, most agreed that some additional security measures will be necessary, but all stated very strongly that each airport should be considered individually and that a "one size fits all" approach will result in wasted resources and a system that would simply not work. It is feared that if the industry does not take measures to enhance security on its own, the TSA will impose requirements that may not be practical or fail to meet any realistic cost/benefit ratio.

Unfortunately the TSA was not in attendance, although they had been invited and indicated they would attend. Representatives from the Aircraft Owners and Pilots Association (AOPA), National Business Aircraft Association (NBAA), National Air Transport Association (NATA), Georgia Aviation Trade Association (GATA) and GAA did attend and all indicated that the TSA under the direction of its new Administrator is listening to the general aviation industry and wants to work with us to find effective security measures. Time will tell.

7. 20-Man Team Para-sail. On a lighter note, during the Saturday attempt to provide an airshow, those of us that were on the stage at the Communication Center when the storm's gust front went through, helped develop a new Olympic Sport. We have decided to call it the 20-man team para-sail event. Since it is a new event, we established the longest duration flight which, while it seemed to last forever, was only some 10 minutes long. Fortunately, there were no injuries and only minor damage to the stage and electronic equipment.

As to the airshow in general, we were very concerned that the "Flying Farmer" Charlie Kulp was in serious danger trying to terminate his performance in an aircraft that flies at speeds slower than the sustained wind that accompanied the storm's frontal passage. Indeed, it blew him backwards off of the taxiway and had it not been for several volunteers who rushed to his aid, his aircraft might have flipped over.

As to the rest of the aircraft on the field, again thanks to volunteers and staff who held on to several aircraft that were not tied down, damage was limited to two aircraft which was minor in nature.

AIRSHOW REVIEW: Mr. Cobb gave a brief review of the event that was marred by poor weather and stated that it would be a couple of weeks before the financial condition of the Airshow committee would be known. He offered the following "e-mail" message of September 20, 2002, as his report:

Air Show Team:

Thank you all for your dedication of effort and time during the months leading up to the show. We had planned the show well and I believe we were prepared to execute the plan.

Due to the adverse weather our plan changed to one of recovery.

Through the 'above and beyond' efforts of so many of our volunteers the show did go on. It would have been easy to have cancelled the whole show after the Saturday windstorm. Since our expenses were essentially fixed at that point we looked at the possibility of a Sunday show. John Flynn quickly checked to see if we could restore the tents, vendors indicated they would return, and a thorough weather briefing was obtained. Weather forecasters felt that we could have show ceilings and visibility by 1300 with no possibility of wind or thunderstorms. Consequently, we made the decision to go ahead with the show on Sunday. I believe that we made the correct decision.

Sunday's show was exceptional and we can all be proud to have been a part of it. The professionalism of our performers and enabled us to change the show sequence as the ceilings changed. Military support was exemplary. Capt. Ed Casey in the F-16 and the B-1 crew from Abilene treated us to a thunderous routine complete with halos around their aircraft. Thank you Manny.

While official attendance figures are not yet available, I feel that we had 2500-3000 patrons on Saturday and more than 6000 on Sunday. Ann photographed the crowd from several angles on Sunday, and comparing to crowd photographs from the 2001 Sunday show (6500), it appears that we had considerably more in attendance on Sunday 2002. Some of Sunday's crowd may have been returnees from Saturday.

Considering the rain and low ceilings I believe this was an exceptional turn out.

On the financial side, we are still collecting data. We do not know the amount of the advance sale tickets. We are working on this and expect to have something definitive next week. It is too soon to make any statement as to the profit/loss situation. Please don't speculate until we have more information.

I have been asked by the media on several occasions to speak about injuries on Saturday. Records from THE DOCTOR'S OFFICE, GA-3DMAT, and the Fire Department indicate no treatment for any injury of consequence associated with the wind on Saturday. GA-3DMAT looked at one possible ankle sprain. Someone else reported a minor scratch that wasn't treated. The Fire Department EMT transported a person who had some physical problem prior to the wind event.

There are rumors of other things happening, but none can be verified.

Please provide factual information if asked about this subject.

Please make notes on how your job was handled and how it could be improved. Include contacts that would be beneficial to someone else who might be involved with your task in the future.

I need comments on any aspect of the show for the archives. Please make notes now and I will put them in the records for future shows.

Some posters and programs are available. I will be bringing them to the next meeting of the Airport Authority, Kiwanis Club, and Dixie Wing.

Thank you for the support of more than 300 volunteers from the Kiwanis Club of Peachtree City and the Dixie Wing of the CAF.

The Georgia Defense Force enhanced the security of our patrons immeasurably.

A special thank you to Wayne Clanton of THE DOCTOR'S OFFICE for his support.

We appreciate the support of the Peachtree City Fire and Police Departments and the Staff of Peachtree City.

Committee Chairmen, please forward to other volunteers on your mailing lists.

I have been most honored to have served with all of you during this year's show preparation and presentation. Your trust and loyalty are precious and I will always treat them with utmost respect.

Respectfully,
Jerry

IV. FINANCIAL REVIEW

Mr. Savage gave a brief review of the Authority's financial position for the month of August. He stated that the estimated net cash flow for the period was a positive \$1,922, versus an anticipated positive cash flow of \$3,988. The \$2,066 difference was mostly attributed to the extraordinary cost of air conditioning equipment repairs at Enterprise Car Rental and the Aviation Center for \$2,446.

Mr. Savage pointed out that the combination of actual income to date plus anticipated income for September, calculates to an estimated Net Income for the second half of FY 2002, of \$60,200, or some \$4,417 more than originally budgeted.

V. OLD AGENDA ITEMS

None.

VI. NEW AGENDA ITEMS

02-09-02 Consider authorizing Chairman to: (1) accept grant from Georgia Department of Transportation to perform a crack sealing program on 22,000 linear feet of pavement cracks; (2) to authorize Chairman to execute all agreements, contracts and associated documents to complete said project, and; (3) increase the amount of Authority matching funds from \$3,500 previously authorized to \$3,850, and authorize Chairman to disburse those funds as necessary.

Mr. Savage gave a brief review of the progress on the crack seal project advising the Authority that this agenda item has been added to follow up on an action taken by the Authority during the July 10, 2002, Authority meeting. At that time it was believed that the bid price per linear foot of crack routing and sealing would be approximately \$.60 per linear foot. The bid came in at \$.70 per linear which increased the Authority's matching share by \$350.

The Authority has received the grant offer from the GaDOT in the amount of \$11,550, which when combined with the Authority's matching funds of \$3,850 would meet the bid price of \$15,400.

He recommend that the Authority approve the items listed above so that the project can be started in early October.

A motion was made by Mr. Cobb and seconded by Mr. Fisher to authorize the Chairman to: (1) accept the grant from Georgia Department of Transportation to perform a crack sealing program on 22,000 linear feet of pavement cracks; (2) to authorize the Chairman to execute all agreements, contracts and associated documents to complete said project, and; (3) to increase the amount of Authority matching funds from \$3,500 previously authorized, to \$3,850, and authorize Chairman to disburse those funds as necessary.

The motion passed unanimously.

02-09-02 Consider authorizing Chairman to execute letter of engagement with Geeslin, Cordle, Johnson & Wetherington, LLP, to perform audit of the Authority's financial statements for year ending September 30, 2002, for a fee not to exceed \$7,700.

Chairman Nelmes offered her "annual" concern that the cost of having an audit performed seemed high to her and that upon inquiry, Mr. Savage had indicated that the cost was the same as last year.

Mr. Savage explained that the "not to exceed" price stated above includes performing a "single" audit that is required by the FAA when the Authority spends more than \$300,000 per year in grant funds. The Authority received some \$395,502, in FY 02, most of which

has been distributed except for funds being held on the AIP 12 contractor awaiting completion of required paperwork.

He also explained that the Authority took bids last year for these services and GCJW was the low bidder. Typically, the Authority does not seek bids for professional services more frequently than once every three years. The bid price for this audit is the same as last year, except that it was not necessary to perform the "single" audit because the Authority did not cross the \$300,000 threshold during FY 01, and therefore last year's cost was some \$2,300, less.

He recommend that the Authority authorize the Chairman to execute the letter of engagement as presented. The amount is included in the FY 03 Operating Budget.

A motion was made by Mr. Cobb and seconded by Mr. Harris to authorizing the Chairman to execute a letter of engagement with Geeslin, Cordle, Johnson & Wetherington, LLP, to perform an audit of the Authority's financial statements for year ending September 30, 2002, for a fee not to exceed \$7,700.

The motion passed unanimously.

02-09-03 Consider adoption of Operating Budget for FY 2003, and review the Ten Year Capital Improvement Plan.

Chairman Nelmes asked Mr. Savage to review the proposed Draft #1 budget in detail including his assumptions used to determine the basis for his numbers.

He explained that he had prepared a 12 month budget which shows operating revenues of just over \$1,000,000, for the year. He stated that for several years the Authority has been working on six month budgets due to the volatility of its operation, but with four years of experience in the FBO business, it seems to have stabilized to the point that the Authority should be able to look ahead for a 12 month period with a reasonable degree of confidence.

He had prepared an Ops Budget Draft #2 that is identical to Draft #1 except for an additional employee to work part-time throughout the year doing airport maintenance, but the income stream necessary to support that position is not yet there. Mr. Savage stated that he and Chairman Nelmes had been discussing alternative methods of performing outside maintenance and should the Authority's revenues increase due to new hangar construction (with the associated increase in fuel sales) the Authority may want to consider amendments to the budget later in the fiscal year.

Mr. Savage explained that the Private Hangar income line does not include any revenue from Hangar Area "B" ground leases. Recalling that the Authority had allocated that income to Capital Improvements in the Ten Year Capital Budget, along with \$7,500 per month from the Hotel/Motel Tax revenues during FY 03.

Mr. Fisher questioned how income from ground leases in Hangar Area "B" would be shown on the monthly budget reports if it was not included as a line item. Chairman Nelmes wondered why the Authority would be applying lease revenue to capital programs and using Hotel Tax revenues for operating expenses.

Mr. Savage explained that he had designed the operating budget to match the 10 year capital budget that had been presented to the City Council during Intergovernmental Agreement discussions, and that he would seek recommendations from the Authority's auditors on what was the best way to present the information.

Mr. Savage gave a line by line review of the assumptions he used to determine the budget numbers. Following that review, there was additional discussion on the need to add funds for advertising and travel expenses associated with efforts to market the airport and vacant businesses in the airport business park. It was agreed by consensus that a marketing committee would be developed from the Authority members, with Mr. Harris offering to have a marketing acquaintance of his meet with the committee to develop ideas.

After stating that he believed the budget was a good effort under the current conditions and that he felt the Authority should continue with it close look at its financial condition on a monthly basis, Mr. Fisher moved to approve the budget as submitted. The motion was seconded by Mr. Cobb.

The motion passed unanimously.

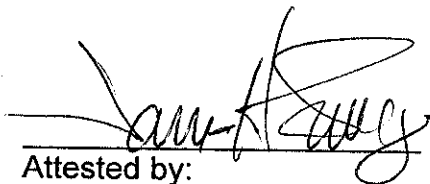
VII. EXECUTIVE SESSION

None.

At 8:58 p.m., hearing of no further business for consideration in regular session, Chairman Nelmes moved to adjourn. The motion was seconded by Mr. Buffington.

The motion passed unanimously.

Attested by:



Catherine M. Nelmes, Chairman

PEACHTREE CITY AIRPORT AUTHORITY

RECORD OF ATTENDANCE AS OF:

September 30, 2002

Members	Regular Meetings Last 12 Months	Meetings Attended	Regular Attendance %	Special Called Meetings Last 12 Months	Special Called Meetings Attended	Total Attendance %
H.E. Buffington	12	12	100%	2	1	93%
Jerry R. Cobb	12	11	92%	2	2	93%
Douglas A. Fisher	12	9	75%	2	2	79%
Mark H. Harris	12	9	75%	2	2	79%
Catherine M. Nelmes	12	12	100%	2	2	100%

Members	Dates Absent	Type
H.E. Buffington	1/22/02	Special
Jerry R. Cobb	12/12/01	Regular
Douglas A. Fisher	1/09/02 3/13/02 4/10/02	Regular Regular Regular
Mark H. Harris	4/10/02 7/10/02 8/14/02	Regular Regular Regular
Catherine M. Nelmes		

Meeting Dates	Type
1/09/02	Regular
1/22/02	Special
1/23/02	Workshop
2/13/02	Regular
3/13/02	Regular
4/10/02	Regular
5/08/02	Regular
5/28/02	Special
6/12/02	Regular
7/10/02	Regular
8/14/02	Regular
8/22/02	Workshop
9/23/02	Regular
10/10/01	Regular
11/14/01	Regular
12/12/01	Regular