

**PEACHTREE CITY AIRPORT AUTHORITY  
MINUTES OF MEETING**

**November 8, 2000**

The November meeting of the Peachtree City Airport Authority, was held at the Aviation Center, Peachtree City-Falcon Field Airport, on November 8, 2000, at 7:00 p.m.

Those present were Authority Chairman David M. Good; Members Catherine M. Nelmes and Jerry R. Cobb; and Airport Manager James H. Savage.

Secretary/Treasurer H.E. Buffington, Susan M. Cates, and Authority Attorney Douglas B. Warner were absent.

**I. ANNOUNCEMENTS**

Chairman Good announced that Wings Over Dixie, Inc. has set September 7 - 9, 2001, as the dates for the next airshow and festival. Chairman Good requested that the item be placed on the Authority's next agenda for consideration of the degree of participation that the airport will contribute to the event.

**II. APPROVAL OF MINUTES**

A motion to approve the minutes of the October 11, 2000, meeting as presented was made by Ms. Nelmes and seconded by Mr. Cobb.

The motion passed unanimously.

**III. REPORTS**

Mr. Savage gave the following report:

**AIRPORT MANAGER'S REPORT, November 8, 2000.**

1. Phase II of the AIP 11 construction project (Hangar Area "B") is nearing completion. The taxiway and taxilanes have been paved, the retaining wall along the interior driveway is completed, stone has been placed on the driveway, most of the grading is completed and the storm water drainage control system is in place. Minor "finish" grading, replacement of the perimeter fence and access gates and the hydro-seeding of the areas not paved are all that remain.

I have requested our engineering firm to verify the density of some of the paving that was placed, due to the rough texture of the surface. I am concerned that the

plant mix may have had too much aggregate added which would make forming a smooth surface nearly impossible. Test results and a recommendation of how to correct the roughness issue and a "bird bath" near one drop inlet should be coming from Wilbur Smith and Associates soon.

2. We have executed one water line agreement and a new sewer line agreement with many of the "D" Hangar owners which will allow the installation of the sewer line and lift station, and the owners to connect to both. The agreement calls for the Authority to install the lines and for the owners to reimburse the Authority for 100% of the actual cost of installation, plus the first year's water and sewer usage. We will be receiving an annual management fee based on 10% of the actual operating expenses incurred.

It will be necessary to sign an additional water line agreement with the owners of units D14 through D19, which we expect to complete soon.

To date, we have collected the full amount of the estimated cost of sewer line installation, plus water and sewer usage fees, totaling \$23,680. An additional \$2,100 is due from the second group for access to the water line, which will be due prior to their connecting to the system. Should costs exceed estimates, the balance will be billed to the users equally.

3. Mr. Stan Smith and I signed a letter of understanding on September 21, 2000, outlining his desire to lease a minimum of four lots in Hangar Area "A" suitable for developing four private hangars of at least 62' by 60' each. If engineering studies agree that four larger hangars (or five smaller hangars) can be built, we will modify the lease agreements accordingly, and Mr. Smith will pay the difference.

Mr. Smith has given us a deposit for \$8,836.80, which represents the first year's rent for the four lots mentioned. He has also run the required eight inch fire service waterline to the location as approved by the Peachtree City Fire Marshal. Wilbur Smith and Associates is performing the engineering for the site layout, which will be included in the engineering costs associated with the Phase III Hangar project.

Once we have been officially notified by the FAA that the Phase III project has been approved, we will solicit bids for the construction of both areas and request a grant to complete the project on the southeast end of the airport, as well as the taxiway for the lots Mr. Smith has leased. The FAA expects to begin offering grants in December, for FY 2001 projects.

4. I have been requested by Ms. Gloria Reed at City Hall to remind the members of the Authority to please sign the letters of acknowledgement of receipt of the latest version of the Ethics Ordinance that was included with last month's Friday Pack. If you need an additional copy, please let me know and I will see that one gets to you as soon as possible.

#### IV. FINANCIAL REVIEW

Mr. Savage presented the financial report for the month of October, offering explanations for the areas where expenses exceeded the monthly budgeted amounts. While Jet A fuel sales were somewhat less than budgeted, AvGas sales exceeded budget, thus income was somewhat more than expected. Expenses were less than budgeted which contributed to a net ordinary income of \$8,979, versus the budgeted net ordinary income of \$6,162.

Net cash flow for the month was calculated to be a positive \$10,098 versus the budgeted amount of a positive \$4,747.

Chairman Good reviewed the balance sheet for the month, noting that the Reserve Fund had increased by \$15,104, which was the first increase in that fund in many months, and he hoped that it was a sign that the Authority had turned the corner on monthly losses.

#### V. OLD AGENDA ITEMS

None.

#### VI. NEW AGENDA ITEMS

**00-11-01 Consider recommended changes to the Airport Master Plan and adopt same.**

Chairman Good indicated that he believed that the document that had been presented to the Authority last Friday was incomplete and that additional work was needed before the Authority could consider its adoption.

Ms. Nelmes agreed and asked if any of the members or public had any comments regarding the draft document, and if so to please forward them to her as soon as possible. She indicated that she and Mr. Savage had met with the planners at Wilbur Smith and Associates and would be doing so again soon, and welcomed any input prior to that meeting.

Chairman Good called for a formal public hearing on the plan to be held during the January, 2001, Authority meeting, and for a formal adoption to be considered at the February meeting.

Ms. Nelmes indicated that she would like to hold a workshop on the subject in early December, perhaps on the same day as the December 13, 2000, Authority meeting.

It was agreed that public notice of the workshop would be given prior to the meeting to allow interested parties to participate.

No formal actions were taken and the item was considered satisfied until the next workshop or meeting is announced.

**00-11-02 Review previous action to establish lease rates for Hangar Area "B" and discuss paving options, utility service and road access issues.**

Chairman Good reviewed a November 2, 2000, memorandum prepared by Mr. Savage on this agenda item, which is attached and made a part of these minutes, discussing at length his opinion regarding the two options for setting rates that are included in the memo.

Considerable discussion followed by the members and the public assembled, with Ms. Nelmes offering the opinion that the Authority should stay with the original \$.45 per foot rate, but add the commercial fee structure that is applied to "through-the-fence" operators. This would make the minimum rate \$.55 per foot, increasing by 2% of gross receipts above the minimum until it reached a maximum rate of \$.95 per foot.

Mr. Cobb expressed the opinion that perhaps the seemingly high lease rate issue could be offset by increasing the length of the lease term on the property to 25 years from the current 20 years.

Several different rates and combinations of lease term length and future rate reductions (to be considered after the money borrowed to provide the infrastructure improvements had been paid off) were considered, but it became apparent that with just three members in attendance that an agreement on a compromise lease rate would not be possible at this meeting.

Ms. Nelmes and Mr. Cobb both wanted to review the rate issue further and requested additional background information.

Mr. R. Tom Olive raised the question of legal access to the hangar sites using Stallings Road. Chairman Good stated that it was his opinion that because the Authority and the public had used Stallings Road for access to the site for many years, that access could not be denied.

Mr. Savage stated that Mr. Warner had earlier that day expressed an opinion that agreed with Chairman Good, stating that due in part to "adverse possession" that the Authority had a legal right to use Stallings Road for access to the site.

Chairman Good assured Mr. Olive that any lease agreement signed for the area would clearly state that the lessee would have access rights over Stallings Road.

Mr. Cobb moved to table discussions on the issue until additional information on similar rates at other airports was made available for comparison.

The motion was seconded by Chairman Good and it passed unanimously.

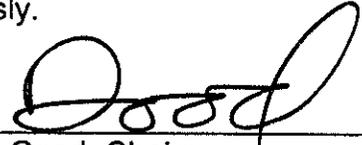
**VII. EXECUTIVE SESSION**

At 8:01 p.m., Chairman Good indicated that he knew of no items for Executive Session and moved to adjourn.

Mr. Cobb seconded the motion and it passed unanimously.



Attested by:



David M. Good, Chairman

**MEMORANDUM**

**DATE:** November 2, 2000  
**TO:** PCAA  
**FROM:** Jim Savage, Airport Manager  
**SUBJECT:** Agenda Item 00-11-02

During the last Authority meeting, it was agreed that discussions regarding the fee structure for Hangar Area "B" should be delayed until this meeting. Listed below is the estimate prepared by Wilbur Smith and Associates for the cost of providing utilities to all sites and the cost of paving all auto parking areas and connecting driveways.

Grading		\$8,000
Paving driveways	2600 S.Y. @ 300 lbs/S.Y.	17,500
Paving auto parking lots	2400 S.Y. @ 150 lbs/S.Y.	8,500
Stone Base	3700 S.Y. @ 6"/S.Y.	18,500
Sewer lines		40,000
Water lines		35,000
Gas		30,000
Electric		5,000
Phone		<u>2,500</u>
	Total	\$165,000

The total area available for lease in all six lots is approximately 120,750 square feet. The total area available in lots B4, B5, and B6 is approximately 64,475 square feet. The estimated cost of utility and pavement development for the entire six lots is \$1.36 per square foot.

Authority action at its September 27, 1999, workshop established a lease rate of \$.45 per square foot, based on the original plan of developing ten hangar lots. The \$.45 rate was to include the cost of paving all auto parking areas and interior driveways, plus the cost of running utilities to all sites. While it was not discussed specifically at the workshop, all current ground leases include the 2% commercial access fee language and it is assumed that it was to be included with all Area "B" lease agreements as well.

If the assumption is made that we would only develop the infrastructure needed to support lots B4, B5 and B6, which will be ready for lease soon, at a cost of \$1.36 per square foot, then we will need approximately \$87,686 in development funds. \$87,686 financed at 9% for 7 years would cost us approximately \$18,000 per year, or \$.28 per square foot of leaseable land.

If our yield for land in Hangar Area "A" is \$.336 per square foot, it would seem that we should realize at least that amount for Hangar Area "B", which would set the minimum price for Area "B" at \$.616 per square foot (\$.336 + .28).

One option the Authority might wish to consider is to set the rate at \$.616 per square foot, and then add the same commercial fee structure that was recently established for "through-the-fence" operators.

A second option might be, given the past discussions regarding the 2% commercial fee, for the Authority to establish a "flat rate" for Area "B" ground leases that would encompass all fees. A flat rate of say \$.75 per square foot would cover ground lease costs, site development costs, and place the commercial fees between the \$.10/ S.F. minimum and the \$.50/S.F. maximum rates recently established. This would also provide the operator with a fixed cost that can be budgeted and it would simplify bookkeeping for all.

PEACHTREE CITY AIRPORT AUTHORITY

RECORD OF ATTENDANCE AS OF:

November 30, 2000

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%	2	2	93%
Susan M. Cates	12	6	50%	2	2	57%
Jerry R. Cobb *	3	3	100%	1	1	100%
Catherine M. Nelmes	12	12	100%	2	2	100%
H.E. Buffington	12	11	92%	2	2	93%

\* New member as of 9/1/00

Members	Dates Absent	Type
David M. Good	8/9/2000	Regular
Susan M. Cates	1/12/2000	Regular
	3/8/2000	Regular
	6/28/2000	Regular
	8/9/2000	Regular
	11/8/2000	Regular
	12/8/1999	Regular
Jerry R. Cobb		
Catherine M. Nelmes		
H.E. Buffington	11/8/2000	Regular

Meeting Dates	Type
1/12/2000	Regular
2/9/2000	Regular
3/8/2000	Regular
3/22/2000	Special
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
12/8/1999	Regular