

PEACHTREE CITY AIRPORT AUTHORITY MINUTES OF MEETING

November 12, 2003

The November meeting of the Peachtree City Airport Authority was held at the Aviation Center, Peachtree City-Falcon Field Airport, on November 12, 2003, at 7:00 p.m.

Those present were Chairman Catherine M. Nelmes; Members Jerry R. Cobb, Douglas A. Fisher, Matt M. Davis; Airport Manager James H. Savage; and Authority Attorney Douglas B. Warner.

Member James E. Toombs and Assistant Manager Andrew Bolton were absent.

I. ANNOUNCEMENTS

None.

II. APPROVAL OF MINUTES

A motion was made by Mr. Cobb and seconded by Mr. Davis to approve the minutes of the October 15, 2003, Regular Meeting as presented.

The motion passed unanimously.

III. REPORTS

AIRPORT MANAGER'S REPORT November 12, 2003

1. Hangar Area "B" construction. Mr. Gardner's building (B5) is nearly closed in and the studding is up for the office area walls.

Mr. Solsvig has been issued a Certificate of Occupancy for Hangar B1 and is renting to sub-tenants for the storage of aircraft.

Mr. Stan Smith has submitted a sketch of the layout of his hangar on B4 and it has been reviewed by Mike Thomas of WSA. It is my understanding that Mr. Smith will be responding to comments Mr. Thomas and I made regarding the sketch. The sketch as submitted shows the building edge facing B5 to be 110' feet from the B5 hangar doors.

Mr. Jim Gess has requested an assignment of lease to secure debt for B3 and Mr. Warner is working with Mr. Gess' attorney to produce the document.

2. Paving of Stallings Road and Aviation Center roof repairs. Progress on these projects has been halted pending the ability to secure a loan from the bank. The roofing contractor has stated that they believe they can hold the material prices until the end of November, but after that they are uncertain.

3. Re-naming of Stallings Road. I sent a response to Mr. David Rast, City Planner, who requested the Authority's choice of the three names approved by the Fayette County EMS for the re-naming of Stallings Road. He is suppose to advise us when the name "Aviation Way" will be presented to the Planning Commission for final approval.

4. NASCAR weekend traffic. While the weather affected the race on Sunday, October 26th, which was started but later postponed until Monday, we did see some corporate traffic from race fans and sponsors. Efforts by Mr. Kim Davis to establish a helicopter shuttle to and from the track were also affected by the weather, and he did not fly.

There were two diversions from Tara Field due to our minimums being lower than Tara's instrument approach, but the majority of the weather related diversions went to Fulton County or Atlanta Hartsfield due to the full ILS capability available at those airports. We sold about 1,000 gallons of jet fuel that weekend.

5. Hangar Area "A" commercial fee changes. Mr. Leo Giles of Air Patch Corporation, who owns T-hangar "C", has requested an amendment to their lease agreement to switch from the 2% of gross receipts "additional rent", to the recently authorized flat fee of \$.04 per square foot of hangar space. His is the first such request that we have received. We will be reminding tenants of the Authority's vote on this matter in our annual year-end memo, which will go out in early December. Neither fee is due until March 1, 2004.

6. Fuel brand change. We have officially changed our fuel brand from Air BP to Shell Aviation. We are still experiencing a few minor credit card glitches however, and therefore we have decided to delay the automation of the "point of sales" operation until later in November or early December. Andrew Bolton is the Authority's point-man on this "debugging" effort. A fix has been promised soon.

IV. FINANCIAL REVIEW

Mr. Savage gave a brief review of the financial information for October. Jet -A sales were more than double the amount budgeted for the second month in a row. While some of the extra sales were attributed to corporate jet traffic associated with the NASCAR race at the Atlanta Motor Speedway on October 26th, the majority of the sales were to new and returning corporate customers. AvGas sales were some 30% higher than budget due mostly to the very good weather during October. Total income for the period was \$126,366 versus the expected \$90,664. Gross profit was calculated as \$64,864, or \$16,343 better than planned.

Expenses for the period were \$47,786, versus an expected \$48,240. Hotel tax distribution was \$10,490, compared to the budgeted \$10,000. Net Income for the month of October was

computed at \$26,554, versus an estimated income of \$9,306. Cash flow for the period was estimated to be a positive \$33,190 versus a budgeted positive cash flow of \$973.

The Capital/Reserve ending fund balance for September was \$163,500 after the normal Hotel Tax fund transfer of \$8,333, and the loan repayment of \$16,972 from the City.

The Grant Fund account balance decreased to \$2,143, after grant receipts of \$22,960 for the AIP 14 project, the payment of invoices totaling \$31,890, and the receipt of \$3 in interest were included.

V. OLD AGENDA ITEMS

03-10-04 Discuss management transition plan to provide for pending departure of current Airport Manager

Mr. Davis gave a brief review of the efforts he, Mr. Fisher and Mr. Vern Darley had initiated to advertise for a new Airport Manager. An ad is running on the American Association of Airport Executives' (AAAE) web site and the information has been distributed to the FAA, GaDOT, Georgia Airports Association, and the Tennessee Department of Transportation. Discussions included the possibility of adding the information to the FFC web site and possibly running an add in the local newspaper.

Mr. Fisher added that they have received over 11 inquiries since the ad was placed at AAAE and that expected more. December 6th was chosen as a cut-off date for accepting applications. After that date the selection committee will review the applications and narrow the list to a more manageable number for the Authority to consider, perhaps as soon as the next meeting.

Other than additional discussion, there were no other actions taken by the Authority and this item is considered satisfied.

03-10-05 Consider rate on \$350,000 loan for Aviation Center roof repairs and paving of Stallings Road.

Chairman Nelmes had asked that this item be listed as an old agenda item due in part to the reluctance of the banks to offer a multi-year loan without City Council agreeing to provide some form of guarantee of revenue to the Authority throughout the loan period, and the possible need for the Authority to consider other options.

Chairman Nelmes indicated that the City Attorney, City Staff and their bond attorneys are developing an Intergovernmental Agreement to address the issue and when it was drafted, they would coordinate with Mr. Warner for review. She also indicated that a called meeting to discuss such an agreement might be necessary depending on the urgency of the efforts.

No actions were taken and the item is considered satisfied.

VI. NEW AGENDA ITEMS

03-11-01 Consider transfer of lease for Hangar B3 from Southern Air Aviation, Inc., to Legacy Aviation, Inc., and review amendments to lease agreement.

Mr. Savage reported that in discussions with Chairman Nelmes, she had pointed out that the transfer had been previously approved at the September 15th meeting of the Authority, therefore no action on that part of the item was necessary.

It was agreed however, that since the original agreement had been amended at the Lessee's request, it would be prudent for the Authority to review the new language and approve it prior to executing the transfer agreement.

After some discussion, including comments from Ms. Karen Gess, President of Legacy Aviation, Inc., a motion was made by Mr. Davis and seconded by Mr. Cobb to approve the amended lease agreement as presented and authorize the Chairman to execute same.

The motion passed unanimously.

03-11-02 Review and set priorities of items listed on the Capital Improvement Plan for the FAA and Georgia Department of Transportation.

Chairman Nelmes gave a brief review of the Capital Improvement Plan (CIP), discussing the need to place the development of Hangar Area "B" ahead of the acquisition of land for development of Hangar Area "C".

Mr. Savage reviewed the numbers presented, and offered a minor change in the projected funding of the project to re-locate the Automatic Surface Observing System (ASOS). Moving the ASOS will be required prior to building the taxiway into the remaining 21 acres of hangar Area "B", and at the request of the FAA, the project has been listed as a separate project so AIP Entitlement Funds can be used to fund the re-location should the entire project not be funded with discretionary funds.

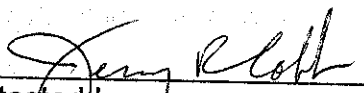
After further discussion by the members, a motion was made by Mr. Fisher and seconded by Mr. Cobb to approve the CIP as amended by Mr. Savage.


The motion passed unanimously.

VII. EXECUTIVE SESSION

There were no items for consideration in Executive Session, therefore at 7:58 p.m., a motion to adjourn was made by Mr. Davis and seconded by Mr. Cobb.

The motion passed unanimously.

Attested by: 


Catherine M. Nelmes, Chairman

PEACHTREE CITY AIRPORT AUTHORITY

RECORD OF ATTENDANCE AS OF:

November 30, 2003

| Members | Regular Meetings Last 12 Months | Meetings Attended | Regular Attendance % | Special Called Meetings Last 12 Months | Special Called Meetings Attended | Total Attendance % |
|---------------------|---------------------------------|-------------------|----------------------|--|----------------------------------|--------------------|
| Jerry R. Cobb | 12 | 12 | 100% | 5 | 5 | 100% |
| Matt M. Davis * | 11 | 11 | 100% | 5 | 5 | 100% |
| Douglas A. Fisher | 12 | 12 | 100% | 5 | 5 | 100% |
| Catherine M. Nelmes | 12 | 12 | 100% | 5 | 5 | 100% |
| James E. Toombs * | 11 | 10 | 91% | 5 | 5 | 94% |

* Members Matt M. Davis and James E. Toombs were appointed to the Authority effective January 1, 2003.

| Members | Dates Absent | Type |
|---------------------|--------------|---------|
| Jerry R. Cobb | | |
| Matt M. Davis | | |
| Douglas A. Fisher | | |
| Catherine M. Nelmes | | |
| James E. Toombs | 11/12/03 | Regular |

| Meeting Dates | Type |
|---------------|----------|
| 1/08/03 | Workshop |
| 1/08/03 | Regular |
| 1/31/03 | Special |
| 2/12/03 | Regular |
| 2/26/03 | Special |
| 3/12/03 | Regular |
| 4/16/03 | Regular |
| 4/28/03 | Workshop |
| 5/05/03 | Workshop |
| 5/14/03 | Regular |
| 6/11/03 | Regular |
| 6/16/03 | Special |
| 7/16/03 | Regular |
| 7/31/03 | Workshop |
| 8/13/03 | Regular |
| 9/14/03 | Special |
| 9/15/03 | Regular |
| 10/06/03 | Special |
| 10/15/03 | Regular |
| 11/12/03 | Regular |
| 12/11/02 | Regular |