

Minutes of Fairhope Airport Authority

July 17, 2018

The Fairhope Airport Authority met July 17, 2018, at 4:00 PM in the Delchamps Suite, Room 1, in the Fairhope Civic Center at 161 N. Section Street, Fairhope, AL 36532.

Present were Joe McEnerney, Chairman, Pam Caudill, Chip Groner, and Will Bruce. Absent were Ray Hix, Jack Burrell, and Vince Boothe. Also present was Josh Myrick, Attorney for the Fairhope Airport Authority. In the absence of Cynthia Boothe, recording secretary, these minutes were written by Joe McEnerney and Pam Caudill.

The minutes of the June 19, 2018 meeting were considered and approved with a motion by Chip Groner, seconded by Will Bruce and unanimously passed.

Acceptance of FAA AIP grant (3-01-0029-2018) of \$3,255,318 and ALDOT (5%) grant of \$180,851 for the east side construction project: Pam Caudill made a motion to accept the FAA AIP grant and ALDOT grants. The motion was seconded by Chip Groner and unanimously passed.

Resolution approving the payment of 5% matching funds by the Fairhope Airport Authority (as Airport Sponsor) with respect to FAA AIP grant 3-01-0029-2018: Pam Caudill made a motion to approve the payment of 5% matching funds by the Fairhope Airport Authority with respect to FAA AIP grant 3-01-0029-2018. The motion was seconded by Chip Groner and unanimously passed.

There was a discussion of another grant fund available for “non-primary” airports. The amount of monies in this fund is approximately \$1 billion dollars. Hank Eubanks of Volkert Engineering discussed the specifics of the grant requirements and method of application, noting it is a 100% grant with no matching requirements. Mr. Eubanks recommended the Airport Authority submit a project

for FY 2019 to rehab the aprons on the west side of the airport. He also recommended the Airport Authority submit a standard discretionary application for land reimbursement costs as well. Joe McEnerney requested Mr. Eubanks submit the initial email requested on behalf of the Airport Authority. Mr. Eubanks agreed to do so.

Approval of changes to the ALEA lease to remove “holdover” rate language: Will Bruce made a motion to approve changes to the ALEA lease to remove “holdover” rate language. The motion was seconded by Chip Groner and unanimously passed.

Approval west side stream mitigation project (@\$11,000/acre or \$330/ linear foot of stream bank.): Chip Groner made a motion to approve going forward with the west side stream mitigation project. The motion was seconded by Pam Caudill and unanimously passed.

Discussion of the development of a regional storm water detention pond for Waterhole branch, on the west side of the airport. Joe McEnerney provided an overview and summary of a proposal from Richard Peterson, Director of Operations for the City of Fairhope to develop a regional storm water detention pond on the west side of the airport.

Development of a “Request for Proposals” for east side hangars ground leases: A discussion was held to consider the next steps going forward in the development of the east side hangars. Joe McEnerney and Hal Eubanks felt that with the acceptance of the FAA AIP and ALDOT grants, all required paperwork should be quickly finalized and certainly by the beginning of October 2018, a contract will be awarded. Therefore, Joe McEnerney wants to go forth and advise individuals who have expressed an interest in building private hangars on leased land on the east side, that the Airport Authority was ready to receive and evaluate such proposals. The Airport Authority will advertise the availability of ground leases on the east side to build hangars. The leases will be for one acre parcels of land. All proposals will be subject to the Airport Authority’s objective minimum standards and must be reviewed and evaluated by the Authority’s

construction and architectural review committees. Vince Boothe and Ray Hix are updating those portions of the minimum standards.

Update on the General Aviation Alliance of Alabama (GAAA) regional airport manager's forum on August 16, 2018: Chip Groner, who is a board member of the GAAA, discussed the planning of the forum and the subject matter to be discussed. Of note will be a presentation on the economic benefits and what general aviation airports bring to local economies. The forum will be held at the Academy at the airport.

Nomination and selection of Fairhope Airport Authority officers for 2018-2019 and discussion of filling the Authority's Secretary/Treasurer officer position:

Chip Groner, part of the nomination committee reported the recommendations of the nomination committee for Airport Authority officer positions for 2018-2019 are:

Chairman – Joe McEnerney

Vice-Chairman – Pam Caudill

Mr. Groner stated that board member Ray Hix wished to step down as Secretary/Treasurer. A discussion ensued regarding separating the Secretary and Treasurer positions. Josh Myrick, Airport Authority attorney advised that under the state law, only the Chairman, Vice-Chairman, and Secretary positions must be held by Airport Authority board members. Therefore, the position of Treasurer could be separated out and the Airport Authority's bylaws amended as such. Mr. Groner stated he and the other members of the nominating committee would reconvene to select a board member nominee for the office of Secretary.

Flight Line Manager's Report: Joe Baggett, the CMS flight line manager was not in attendance, so Joe McEnerney gave the flight line manager's report.

- a. Placement of camera on the west side fence line and gate keypad.
Pam Caudill stated David Shear had met with Abe Harper and the outcome of the discussions would be a review of the floor plan outlining the areas where cameras are needed and coverages are

desired. The recommendation was that this information be assembled into a structured list of needs and wants and then offered for bid. The static considerations would be the type of cabling needed as well as the ability to use multiple viewer locations without additional incurred cost. Also discussed was the introduction of a data retention requirement as well as the ability to expand the system to include access control. The general consensus of the already received proposal was that it had been carved as lean as possible, but still had a very high price point considering the amount of site labor needed which was outside of the scope of work listed in the proposal.

b. Improved access to T-hangars (Bridge over culvert)

The Authority is moving forward with volunteer assistance to build a bridge over the culvert. Chip Groner will be the point of contact.

c. Repair of weather stripping on T-hangar doors

No report / change

d. Replacement of four security lights on T-hangars

Security lights have been purchased but not yet installed.

e. Sealing/paving taxiways and aprons

This is a \$400,000 project will be done in September 2019 as part of next round of AIP grants.

f. Securing a military fuel contract

Joe Baggett of CMS is actively working on securing a fuel contract.

The fuel vendor is assisting him in completing the application paperwork.

g. Removal of dumpster and port-a-let n west side

Final construction totals then need to be received for lease depreciation purposes.

h. Recurring, intermittent lights

A NOTAM has been issued and renewed once. An electrician is to replace the circuit.

Treasurer's Report: The June financial statements contain a cash flow projection. The Authority is in a financially stable position. In September the Authority will make a \$75,000 debt principle reduction payment. The Airport Authority prepaid \$100,000 of the \$175,000 debt payment due in 2017-2018.

The Airport Authority is part of the city's audit with Warren Averett. The City of Fairhope has asked the Airport Authority to pay \$10,000 of the \$78,000 total audit fee. The Airport Authority does have a special needs requirement in that the airport must get a "single purpose audit" for grants administration (a FAA requirement) however, Joe McEnerney stated that while he feels the amount was in excess proportion to the City of Fairhope's total audit fee (approximately 12.8% of total audit fee), he also is of the opinion that to engage in prolonged holdout on paying the bill would not be useful or productive.

Will Bruce asked for the city's rationale behind this audit fee split. No written rationale was provided to the Airport Authority per Joe McEnerney although he did review some audit "work papers" documenting Warren Averett's audit fee.

Joe McEnerney stated he would like to have a motion to approve the payment of the \$10,000 audit fee but noted that next year the Airport Authority would be much more engaged in the overall audit process. Joe McEnerney noted the Airport Authority is responsible for 1% of the city's revenues and only constitutes .5% of the city's total expenses. Will Bruce made the motion to pay the invoiced \$10,000 audit fee and for the Airport Authority to be more engaged in the city audit process for the next year. Chip Groner seconded the motion and it was unanimously passed.

Other Business: Pam Caudill discussed the recruitment results for the newly established Fairhope Airport Authority Advisory Council (pool of volunteers). She made a motion to approve six individuals - Amy Pearson, Abe Harper Jr., Ben Montgomery, Allan Beck, David Keller and Mac Walcott for the advisory council pool of volunteers. The motion was seconded by Chip Groner and unanimously passed.

Pam Caudill also asked for clarification as to whether the authority board had agreed to separate the Secretary and Treasurer positions. In the ensuing discussion, Josh Myrick agreed to prepare for the next meeting a draft amendment to the bylaws stating the Treasurer may, but need not necessarily be a member of the Airport Authority board.

At the request of Joe McEnerney, Pam Caudill agreed to oversee press releases about the receipt of the FAA AIP and ALDOT grants.

Joe McEnerney stated he is going to meet with Stacy McKeenan who is employed by the City of Fairhope as a grant writer. The purpose will be to discuss avenues to raise additional funds to build a general aviation terminal.

Comments from the Public: There were no comments from the public.

There being no further business, a motion was made by Joe McEnerney to adjourn the meeting, seconded by Pam Caudill and unanimously passed at 4:55 PM.