

Minutes of the Fairhope Airport Authority

June 17, 2014

The Fairhope Airport Authority met Tuesday, June 17, 2014 at 4:30pm in the Delchamps Suite, Room 1, in the Civic Center at 161 N Section St.

Present: Charles Zunk, Chairman; other members present: Pamela Caudill, Joe McEnerney, Rod Platt, and Jack Burrell. Absent were Charlie Bassett and Howard Hadley. Present also was David Bagwell, Attorney. Cynthia A Boothe took the minutes.

The minutes of the May 20, 2014 meeting were considered and approved on a motion by Rod Platt, second by Jack Burrell and unanimously carried.

Proposal for a Compass Rose – Chuck Zunk introduced Carol Voss of ‘The 99s’, which is the International Organization of Women Pilots who gave a presentation about the history of the compass rose and showed sample pictures of what it would look like and what materials were required. She stated that her organization would donate the labor to paint the compass rose and would like the Airport Authority to provide the paint and materials as well as having the rose points marked out by an engineer. J Michael Pereira was then introduced and he informed the group that Air Race Classic would be coming to Fairhope next year. The dates for the race are set for June 15-18, 2015, and it will be a ladies only race. The race will begin in Fredericksburg, Virginia and Fairhope will be the terminus. He also stated that they would like to have the compass rose completed in time for the race if possible. Charles Zunk stated that having the race end in Fairhope would be a great event for the airport and should generate a lot of attention and publicity. He also stated that he had spoken to Volkert and that they have agreed to donate their services for the surveying and marking of the compass rose points. He then asked for a motion that the Airport Authority would supply the paint and materials needed to complete the project which was made by Pamela Caudill, second by Joe McEnerney and after the group discussed the project it was unanimously passed.

Discussion of Hanger Space – Charles Zunk stated that all hangers at the airport are full and he has heard that there is some interest from individuals in renting hanger space if it becomes available and that there are larger planes including business jets that have also expressed interest. He stated that there is not enough interest to invest in a new hanger at this time but he feels there may be fairly soon and that the authority need to start thinking about the possibility of building a new hanger or trying to get the interest of several private investors to build one. The group discussed different possibilities for construction and ways to generate interest from companies that would benefit from having their businesses located at the airport. Jack Burrell stated that he will be attending the 2014 Farnborough International Air Show in London, England and stated that he will take information about the airport to the show with him to try and make connections and market the airport while he is there.

Update on “The Academy” – Charles Zunk stated that there are some minor issues with construction that are being dealt with but that it should not delay the opening of the Academy in August.

Discussion of the FY2014 AIP Grant – Charles Zunk stated that the funds for the AIP (Airport Improvement Program) grant should be received sometime in July or August so that the dirt work on the east side can begin. He also stated that even though the land had already been purchased several years before the grant was applied for that because the land had been set aside for airport projects that the FAA will also let the airport use grant money to reimburse itself for the cost of the land. Also because of ALDOT budget shortfalls for this year more federal grant money may be available to the airport. Any money received above the 1.2 million dollar grant the airport is already receiving will not be matched by ALDOT and the airport will have to provide 10% instead of 5% for the rest of the funding.

Discussion of drainage improvement plan – Charles Zunk stated that Volkert has completed their investigation project of the existing drainage system and have found no significant problems but have given an opinion that because of changes upstream of the airport that it may now become insufficient to handle all the water that will be moving downstream toward the airport. They have been asked to make recommendations for adding

drainage under the new eastside taxiway when it is installed in order to handle the extra drainage.

Long-Term Debt Review – Charles Zunk stated that in 2010 the airport refinanced 8.9 million in debt with a floating rate and a balloon note due in 2020. Because interest rates have been favorable to the airport since 2010 and he feels the rates will not stay this low for much longer that the board might want to think about refinancing again before the end of the year. He gave several suggestions for refinancing and said that the board would also need to talk with the city about any refinancing recommendations. Jack Burrell stated that the city would be glad to talk with the board at any time and then the group discussed various refinancing possibilities and items that will need to be considered before moving forward.

Discussion of conservation easement – Chuck Zunk stated that an engineering firm has approached the airport authority about buying approximately 5 ½ acres of land for a conservation easement for stream mitigation and Rod Platt gave the group the details of the sale stating that after all parties had been consulted that the engineering firm agreed to pay \$10,000.00 per acre with the proceeds going to principal reduction. After the group discussed the sale Rod Platt made a motion to go forward with the sale with a second from Jack Burrell and it was passed unanimously.

Charles Zunk also added before the Treasurer's report a discussion about signing over the right of way along McGowin Drive to the City of Fairhope for maintenance along with all the other property owners on the drive. Les Holford of Segers Aero explained that a new plat would be drawn and signed by all parties involved donating the land so that the city would own the right of way along both sides of the drive. Charles Zunk said they would need to find out if a new survey would be required and how the transaction will be handled before going forward.

Treasurer's report – Joe McEnerney went over the Treasurer's report and stated that all is correct and that the Authority has \$550,000.00 in cash and that \$18,000.00 was spent on the Academy in May.

There being no further business, the meeting was adjourned at 6:20 PM.