



"Your Aviation Gateway"

Griffin Spalding Airport

1035 South Hill Street
Griffin, GA 30224

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Minutes of Airport Authority Meeting Regular Meeting 14 September, 2015 6:00PM

Attendees:

Cmr. Dick Morrow (C)
Cmr. Bart Miller
Mr. Carl Pruet

Mr. Ron Alexander (V)
Mr. Brett Lavender
Mr. Larry Johnson

Cmr. Joanne Todd
Cmr. Raymond Ray
Mr. Louis Thacker

Also in Attendance:

Judge William Johnston (Airport Authority Legal Counsel)
Mr. William Wilson (County Manager)
Mr. Kenny Smith (City Manager)
Mr. Mike Reiter (Michael Baker Consulting)
Mr. Mike Van Wie (Michael Baker Consulting)
Mr. Robert Mohl (Airport Director)

I. Call to Order:

At 6:05PM with a quorum present the Chairman Cmr. Dick Morrow called the meeting to order.

II. Adopt Minutes:

a. 10 August, Regular Meeting:

Motion: Cmr. Raymond Ray 2nd: Mr. Ron Alexander (7-0-2*)

* Cmr. Bart Miller & Mr. Brett Lavender Abstained

III. Audience Comments: Mr. John Melin stated that he believed there are historical significant artifacts located within one of the structures on his property. The area discussed appears to be in the zone of acquisition.

IV. Report of Committees:

a. Budget & Finance: No Report at this Time.

b. Legal & Insurance: – No Report at this Time.

c. Personnel – No Report at this Time

d. Property & Assets – Mr. Louis Thacker stated that he has no new info on the new airport as we are still waiting on GDOT to approve our land acquisition plan. In regards to the current airport, there are four items to report on.

1. The appraisals is complete for the Walking Park. The appraised amount is \$427,000.
2. The appraisals is complete for the Sheriff's Dept. Hangar compound. The appraised amount is \$90,000.
3. The decision regarding the portion of the golf course sitting on airport property will be discussed after the city's workshop.
4. The Kiwanis appraisal is on hold awaiting a decision on their acreage request.

e. Marketing: – No Report at this Time.

f. Consultant Selection: – Our selection report will be made later during the regular agenda.

V. Old Business:

- a. **New Airport Update – Staff Workshop Report.** The meeting has been rescheduled for tomorrow. Cmr. Morrow & Mr. Mike Reiter briefly went over items published on the meeting's agenda updating the authority on the current status. There were no questions. (see FAA / GDOT Coordination Agenda attached).
- b. **Discuss / Approve – New 5 Year Master Services Agreement.** Judge William Johnston reported that he has consulted with the candidate's (Michael Baker International) legal team, they have agreed and made the changes he requested. They have submitted a clean copy of the agreement incorporating his changes and the agreement is now ready for adoption should the Authority decide to do so. Mr. Brett Lavender motioned to accept the agreement as presented. Mr. Carl Pruett seconded. The motion was unanimously approved (9-0).
- c. **Discuss / Approve – DBE 3 Year Plan Services Agreement.** AD submitted the Michael Baker Work Authorization detailing the 3 Year DBE plan necessary to begin the New Airport Project. The firm proposed to develop the plan will be conducted by Ken Weeden & Associates. Mr. Brett Lavender motioned to accept the agreement as presented. Mr. Louis Thacker seconded. The motion was unanimously approved (9-0).
- d. **Discuss / Adopt – Rules Regulations for NGSA.** It was decided to publish for 30 days, the Draft R&Rs, on the airport's website for current tenant review and comment. Comments will be consolidated and reviewed by the Legal & Insurance Committee. The Legal & Insurance Committee will present their recommendations regarding the comments at the November meeting.
- e. **Discuss / Adopt – Minimum Standards for NGSA** It was decided to publish for 30 days, the Draft Minimum Standards, on the airport's website for current tenant review and comment. Comments will be consolidated and reviewed by the Legal & Insurance Committee. The Legal & Insurance Committee will present their recommendations regarding the comments at the November meeting.
- f. **Discuss / Accept – Appraisal, Walking Park Appraisal.** Addressed during Committee Reports.

VI. New Business:

- a. **Discuss / Recommend – 7460 Tower Move Request.** AD stated, from an operational perspective, the three towers closest to the proposed airport site should be moved. AD stated that the moving of towers has been incorporated in the engineering estimate originally submitted to FAA.
- b. **Discuss / Approve – Tenant Lease Assignment.** Ms. Jenny Meeks, owner of Morgan & Company Jewelry, storing its company's product within a hangar located at 210 Barry Whatley Way on the current Griffin-Spalding County Airport, requested to sell her leasehold interest to a current tenant on the airfield. Ms. Meeks informed the Authority that the tenant would agree to purchase her leasehold but only if an additional, unrestricted 5 years were added to the remaining 15 years of her original lease. Ms. Meeks stated that the potential buyer needed a lease of at least 20 years to obtain financial support. Morgan & Company signed a standard lease agreement on 10 May, 2000 which is set to expire 09 May, 2030. Ms. Meeks contends that she should have been informed prior to the moratorium placed on new hangar leases adopted by the Authority at their 12 January, 2015 meeting. As well as the subsequent amendment to the moratorium, allowing current tenants to assign their leasehold for the remainder of their lease agreement, adopted on 08 June, 2015. Ms. Meeks further states the moratorium and assignment restriction places an undue burden on her ability to sell her property affecting her property value, damaging her monetarily. Cmr. Morrow stated, after consulting with our legal counsel, the Authority cannot give Ms. Meeks or anyone, added time to their leases as you cannot give something we do not have. Unfortunately, her attempt to sell her property occurred after we received official notice from the FAA authorizing the construction of a new airport. The authorization concludes that aviation operations at the current airport will cease at some point in time before the majority of leases expire. Therefore, no new lease at the current airport can be issued as this would be a contract issuing access over time to something that does not exist. The Authority cannot issue a new lease for access to a runway for 20 or 30 years when we will be moving to a new airport. That would be giving away tax payer money or funding a private entity with tax monies and that is not allowed. The Authority offered a compromise solution.

The Authority stated they could allow Ms. Meeks to assign her current lease (15 years) to anyone she wished and that the Authority would grant an additional 5 years for financial institution assurances, with the stipulation that the added 5 years would only apply to the current location and that the additional 5 years would not add value to any negotiation that may occur for hangar leases at the new airport. The added 5 years are valid for the existing hangar at the existing location. Mr. Van Wie stated that although he sympathizes with Ms. Meeks, she is only entitled to what her ground lease covers. He continues, she is not entitled to that property in perpetuity and that adding years to a lease that will be used as leverage to acquire more (time, space, whatever) than what she has now, at the new airport, you are in fact negotiating away future revenues and is in his opinion, a poor business practice not in keeping with being good stewards of tax payers resources. Mr. Ron Alexander states that he is in full understanding of her situation as he is in a similar situation but that he does not understand why any financial institution would not accept the Authority's compromise solution. Mr. Carl Pruett stated that if we make exceptions and give away new added years, it would set a precedence that all the other tenants would line up demanding the same exception. AD stated that all agendas are posted in accordance with Georgia law ahead of the meeting. And that minutes of Authority meetings detailing these issues are published and posted on the airport's website for anyone who is interested in the activities occurring on the current airport. However, if the Authority would like he could email to the current tenants any issue that the Authority may decide needs added attention. AD further reiterated that we are not in a position to negotiate and buy current leases now as the research to do this has not been completed yet. AD detailed that we have nearly completed the Rules & Regs and Minimum Standards. Once that is completed we will develop the new lease mechanisms for private storage and business operations and then we will need to do an appraisal of all leaseholds. Until we get all three items completed we do not have all the information needed to address the questions of; what can we do, what do I get, what is my hangar worth, etc. when meeting with the tenants to address their concerns. Mr. Ron Alexander motioned to allow Ms. Meeks to assign her existing 15 year lease with all the privileges that entails and grant an additional 5 years that apply to the commercial property at the current airport location with no additional aviation privileges at the new airport or to be considered in any negotiations for space or time or money at the new airport. Mr. Larry Johnson seconded. Cmr. Joanne Todd voiced her strong objection and disappointment with the compromise. She does not agree with adding 5 years regardless of the restrictions. Cmr. Todd further stated that we are opening a can of worms, and once we start down the road of making exception after exception we will end up in the same situation as we find ourselves at the current airport. Cmr. Morrow stated that the addendum for 5 additional years is only for the location at the existing airport and that this adds no monetary value or negotiating ability for the new airport. Cmr. Morrow asked Judge Johnston is this something we can do. Judge Johnston stated that we could, he would draw up a declaration that would be added to the contract that would detail all the stipulations and the potential buyer would have to agree to and sign. A call for the question was made, the motion was approved (5-3-1). Mr. Louis Thacker abstained.

- c. **Discuss / Approve – Travel Request Airport Director**, GAA 2015 Annual Conference. Cmr. Morrow stated that the AD is a past president currently serving on the Board of Directors of the Georgia Airports Association and he is requesting to attend the 2015 Annual Conference in the amount of \$658.94 this is a budgeted expense. Cmr. Joanne Todd motioned to approve. Mr. Brett Lavender seconded. The motion was approved (9-0).

VII. Airport Director's Report: AD provided standard monthly data reports regarding airfield expenditures, revenues and trends for the month ending 31 August 2015. (see attached).

VIII. Authority Member Comments:

Mr. Brett Lavender addressed the Authority saying that he heard the word "uncertainty" in our discussions. He wanted to thank the Board for their efforts in attempting to make issues "certain" or as "certain as possible" so that we may make the best judgements and the best decisions that we can hopefully make.

Mr. Carl Pruett expressed his gratitude to Mr. Van Wie and the Airport Director Mr. Mohl for the presentations, the hard work and meetings and the paperwork so the Board can make decisions. He further stated that he wished to refute the statements regarding the Board not publishing the information and decisions made by the Board. Through a combination of the Griffin Daily News the website, the members of the Board that help issue news articles, the information is out there if folks are really interested in getting it.

Authority Member Comments continued...

Cmr. Raymond ray stated that he met with the Authority Attorney and the AD. They sat at length last week with Ms. Meeks to discuss her issue in detail and attempting to brainstorm and work out different solutions and scenarios, he thought the compromise was a good one. He thanked them for a very intense and lively discussion giving him a lot of information to digest. He thanked Mike Van Wie for an excellent presentation.

Mr. Louis Thacker wanted to recognize Mr. Ron Alexander on his excellent presentation at Osh Kosh.

IX. Next Regular Airport Authority Board Meeting : 12 October, 2015 6PM
Location : One Griffin Center

X. Adjournment: At 7:43 PM, Cmr. Raymond Ray motioned to adjourn. Mr. Carl Pruett seconded and the motion was unanimously approved (9-0).

Respectfully Submitted:

Joanne Todd
Secretary,
Griffin-Spalding Airport Authority

Cc:
Griffin-Spalding Airport Authority
Kenny Smith, City Manager
William Wilson, County Manager