

CARTERET COUNTY-BEAUFORT AIRPORT AUTHORITY MINUTES

Regular Meeting

December 3, 2020

Video Conference Call

Members Present:

Jon Brearey, Bob Coles, Scott Evans, John Floyd, Tom Higgins, Chairman Pat Joyce and WF Parker were present. A quorum was established. Others present were Jesse Vinson, Airport Manager, Jay Talbert, Talbert and Bright, and members of the public.

Call to Order:

Chairman Pat Joyce called the meeting to order at 6:00 p.m. and led the meeting attendees in the Pledge of Allegiance.

Approval of Agenda:

The agenda was reviewed. Mr. Vinson requested that the New Business item: Hangar Replacement Project – Engineer Selection Status be moved to Closed Session. *Resolved, Dr. Coles made a motion to approve the agenda as amended, while Mr. Higgins seconded the motion.* The motion was unanimously carried.

Consent Agenda:

The following items were reviewed as a part of the consent agenda: Minutes of October 22, 2020, Committee Reports, Financial Reports and the Manager's Report. *Resolved, Mr. Brearey made a motion to approve the consent agenda as provided, while Dr. Coles seconded the motion.* The motion was unanimously carried.

Public Comments:

Chad Noble, of Crystal Coast Aviation, has received a request for hangar space from a contractor that works closely with Cherry Point and Camp Lejeune. In the past, this contractor has had four to five planes that fly Monday through Friday from December – April annually. The contractor is now requesting hangar space for a Cessna 337 Skymaster from December to April 2021 and the two years following, for a total of three years. The board discussed hangar options and noted the intention to hire a maintenance entity in the short term to fill the maintenance hangar. Board members mentioned that some hangars are currently storing boats and other items outside of aircraft. Mr. Noble will reach out to Mr. Bill Clegg to see if he has any storage space available in hangar 29 that could accommodate this request.

Chairman's Report:

Chairman Joyce informed the board that he attended a general airport update meeting today with Mr. Vinson, County Manager Tommy Burns and Assistant County Manager Gene Foxworth. Discussions took place regarding current project statuses, hangar pricing adjustments on an annual, three, or five-year basis, new hangar pricing and potential land lease opportunities. The County Manager emphasized the airport's plan to be self-sufficient. He also alluded to an upcoming evaluation of hangars and planes at the airport to ensure that hangars are being used appropriately and all planes are accounted for, for tax purposes.

Chairman Joyce acknowledged that everything is going smoothly on the airfield except that the rotating beacon is hung up at this time. The repair company has been notified. Mr. Vinson reviewed a listed the airports accomplishments over the past year, which is also available for review in detail in the Chairman's Report.

Old Business:

Fuel Farm Update

A Fuel Farm update was provided in the board packet. Mr. Vinson noted the challenges that the airport has faced while working with Sunland but acknowledged that things are slowly coming together. The final walkthrough and punch list will be reviewed on Tuesday at 10am. The tanks will be shipped on December 23, 2020 and the fuel farm is set to be operational come February 2021. Mr. Talbert assured the board that the project is on schedule and should be finished on February 9, 2021. He also concurred with the difficulties that were had while working with Sunland. Chairman Joyce noted that the electrical supply has not yet arrived but is scheduled to be delivered in the latter part of December, prior to the arrival of the tanks. Mr. Talbert informed the committee that the electrical installation is scheduled to take place from January 4-18, 2021.

Maintenance Shop Update

Mr. Vinson has spoken with three individuals showing interest in the maintenance position at the airport: Mr. Stuart Dillon with Dillon's Aviation, Inc. in Greenville, Mr. Darryl Centanni with Tradewind Aviation in New Bern, and Mr. Austin Robinson, an ex-American Airlines pilot who is furloughed, is an A&P (airframe and powerplant) mechanic and is taking exams to be a certified IA (inspection authorized) mechanic. Mr. Dillon will be submitting drawings to Mr. Vinson showing the conversions he would need to operate out of the maintenance hangar. Mr. Vinson, Mr. Joyce and Mr. Brearey are scheduled to meet with Mr. Centanni on Tuesday to see his shop proposal. Both candidates require a partitioned area with air conditioning in order to store parts and house an office area. Mr. Robinson did explain that he would return to American Airlines if he was called back to his pilot duties. Mr. Vinson assured the board that he would have further updates and cost estimates available to the board at the January meeting. Mr. Brearey noted that Mr. Dillon is not an IA himself, but he does employ an IA that reviews and signs off on all of the mechanic work.

Maintenance Hangar – Motorized Door

Chairman Joyce discussed the quote received from LAURCO Metalworks for the installation of a motorized hangar doors in the maintenance hangar in the amount of \$15,500. He acknowledged that the project would be paid for with reserve funds. *Resolved, Mr. Brearey made a motion to approve the proposal as provided in the board packet, while Dr. Coles seconded the motion.* The motion was unanimously carried.

Chairman Joyce briefly alluded to minors leak in the maintenance hangar that will be repaired by Waters Contracting Company.

FBO Lease Fully Executed and Recorded

Mr. Vinson informed the board that the FBO lease has been approved and signed by everyone and is now a recorded official document. The board will need to decide when the FBO is shifting to the new lease terms which includes the new fuel farm, the FOD (foreign object debris) pickup and repairs to the building. In regards to the FOD pickup, the board agreed that a meeting should take place with Mr. Seagraves to discuss the expectations to transition from the old lease terms to the new.

FBO Building Roof Repair / Replacement

A quote for roof repairs was provided in the board packet. These repairs must be completed before any further repairs are made to the building. The County Manager and Assistant County Manager have discussed the

potential to relocate some county offices to the airport depending upon the future additions or reconstruction of the building. Mr. Vinson also suggested the opportunity to house a sheriff's deputy at the airport one day. Chairman Joyce met with the roofer and discussed the removal of all shingles and replacement with an ice and water shield and heavy weighted shingles. The contractor quoted charcoal-colored shingles. The board agreed that the whole roof needs to be repaired as soon as possible. The project price is low enough that bids are not required. The contractor requires a week's notice to begin the project. *Resolved, Mr. Brearey made a motion to approve the roof replacement by Curtis Construction Co., Inc., as provided in the board packet, in the amount of \$12,300, while Dr. Coles seconded the motion.* The motion was unanimously carried.

Initial Hangar Pricing Discussions

Chairman Joyce began by directing the board to the Resources tab in OnBoard where a Benchmark Analysis of Hangar and Land Lease Rates has been provided by Pitt-Greenville Airport (PGV). Dr. Coles began making calls to the surrounding airports to gain insight on hangar pricing when PGV volunteered to share a recent study of the same type that they had completed. As the report shows, the authority's rates are slightly higher and a bit variable based on size of hangar. Dr. Coles recommends putting all of the tenants on the same footing by making a set rate based on square footage.

The report shows a rate of \$0.35 per square foot for corporate hangar space on an annual basis. The board agreed that a rate for land leases needs to be established. After much discussion, the board agrees on a recommendation of \$0.40 per square foot per year for a 20-year lease with a 3% annual increase, with an exception based on the CPI (consumer price index). Chairman Joyce will provide this suggestion to the County Manager. Mr. Vinson emphasized that he knows at least six prospects that want to learn more about the airport's land lease opportunities.

Additional Business:

Chairman Joyce discussed Mr. Bucky Oliver wanting to sell his interest in 1/3 of his building but to keep the corporate LLC intact. Chairman Joyce noted that his lease ends in 2033 and the fairest suggestion that he would recommend is to allow Mr. Oliver to increase his lease length to end in 2042, along with another hangar of the same type. The board agreed with this suggestion. *Resolved, Dr. Coles motioned to approve the lease adjustment per Chairman Joyce's suggestion, while Mr. Brearey seconded the motion. The motion was unanimously carried.* Chairman Joyce will meet with Mr. Vinson in the morning to type up the letter to Mr. Oliver.

Planning Workshop Date Consideration

Mr. Vinson suggested that the board hold a planning workshop to discuss the coming year, hangar rent and future planning for the airport. He asked board members to start thinking about days of the week and times that they would be available. He believes the board would need at least a half day or, more preferably, a full day. Mr. Vinson will work on finding a large enough venue where the board can meet while meeting social distancing guidelines. The board agreed to table this discussion until the January meeting.

Closed Session:

Resolved, Dr. Coles made a motion to enter into a Closed Session for purpose of discussing confidential information, personnel and contract negotiations as permitted by NCGS 143-318.11(a)(1), (5) and (6), while Mr. Floyd seconded the motion. The motion was unanimously carried.

Chairman Joyce noted that there were no actions taken during the closed session.

Hangar Replacement Project – Engineer Selection Status

Resolved, Mr. Floyd made a motion to approve Talbert & Bright's proposal as the engineer of the new T Hangar complex and move forward with the project, while Mr. Higgins seconded the motion. The motion was unanimously carried. Chairman Joyce emphasized that the board will need to work together as a team to make sure the project moves along appropriately and by the book. A separate engineer will be hired as a geotechnical expert.

Additional Business:

Mr. Vinson has received several positive comments regarding the new website. The entire board package is now available for public viewing on the website. Mr. Vinson is having continued conversations with Mr. Amato regarding additions to the website for the maintenance facility, ground lease pricing, and an application section for the hangar waiting list. Mr. Vinson reminded the board that the website is a work in progress and he is always open to further suggestions. Dr. Coles asked about indexing the website so it is easier to find through a search engine. Mr. Vinson will follow-up with Mr. Amato regarding indexing.

Chairman Joyce noted that there are currently thirty-eight people on the waiting list for hangar space. The board discussed the potential to build future hangars and will brainstorm cashflow opportunities. Mr. Vinson added that there are private entities that specialize in hangar financing. Dr. Coles noted the national shortage of hangar space and acknowledged that once the new hangars are complete, the airport will have more hangars than any surrounding airport.

Hearing no further business, Dr. Coles made a motion to adjourn the meeting while Mr. Floyd seconded the motion. The motion was unanimously carried and the meeting was adjourned.

Respectfully Submitted,

Jesse Vinson

Interim Airport Manager / Secretary to the Board

Minutes prepared by:
Kristen Janes