

CARTERET COUNTY-BEAUFORT AIRPORT AUTHORITY MINUTES

Regular Meeting

October 22, 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 of Talbert and Bright, James Amato of WRAL Digital Solutions, Reid Parker of Carr, Riggs, and Ingram LLC, 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. *Resolved, Mr. Brearey made a motion to approve the agenda, while Mr. Parker seconded the motion.* The motion was unanimously carried.

Consent Agenda:

The following items were reviewed as a part of the consent agenda: Minutes of September 24, 2020, Committee Reports, Financial Reports and the Manager's Report. *Resolved, Dr. Coles made a motion to approve the consent agenda as provided, while Mr. Floyd seconded the motion.* The motion was unanimously carried.

Public Comments:

There were no public comments.

Chairman's Report:

Chairman Joyce acknowledged that all projects are moving forward as planned. He recognized the great work of Mr. Held and Mr. Vinson on airport maintenance and airport management, respectively. Chairman Joyce noted that the contractor working on the fuel farm is having some trouble with the soil dryness level but should be able to haul in rock soon.

Mr. Vinson introduced Mr. James Amato with WRAL Digital Solutions who provided an overview of a marketing plan for the airport. Mr. Amato shared his background as a private market economic developer, his experience assisting with the economic development narrative of the crystal coast, and the history of WRAL. Mr. Amato unveiled the airport website staging to the board and asked for feedback. Board members discussed the tribute to Michael J. Smith, adding further information regarding hangar rentals/tie-downs, the domain name of flythecrystalcoast.com, google analytics, contextual targeting, and including links/ads for other local sites of interest with the possibility of charging for advertising. Mr. Amato believes that the site is about 48 hours away from going live. He thanked the board for entrusting him with the creation of the site.

Old Business:

Presentation of FY19-20 Audit by Mr. Reid Parker

Mr. Reid Parker, of Carr, Riggs and Ingram LLC (CRI), was introduced to the board. This is Mr. Parker's fourth year working on this engagement with the airport. The 2020 audit was submitted to the state in late September and has been approved by the state. CRI was engaged to provide an opinion on the airport authority's financial statements and, as noted in the report provide, did not identified any deficiencies that they would consider material weaknesses. As required there was a state single audit performed on transportation. Any time that there is \$500,000 of large expenditures a single audit is required for that program. There were no weaknesses or internal control findings on that program, which is noted on page 41 of the audit program. Financial highlights were as follows: The assets of the Authority exceeded its liabilities at the close of the fiscal year by \$16,917,289 (net position); The government's total net position increased by \$2,813,190, due to an increase in the operating revenues and grant funding for the year; As of close of the current fiscal year, the Authority's General Fund reported an ending fund balance of \$218,684, an increase of \$59,012 in comparison with the prior year. Approximately 7.94% of this total amount, or \$17,371, is non-spendable or restricted; At the end of the current fiscal year, unassigned fund balance for the General Fund was \$201,313, or 104.94% of total general fund expenditures for the fiscal year. Ongoing projects noted in the report are the ALP project, the pavement rehab project and the fuel farm project. The T hangar project was closed out this year. Based on early conversations, it does appear that for FY21 a federal or state audit will be required. Chairman Joyce showed his excitement in having no shortcomings and recognized Peggy, who was on the call. Mr. Parker has mailed a hard copy of the report to the county offices.

Billy Miller Construction

Mr. Parker reminded the board of Mr. Billy Miller, grading contractor hired by Tungsten to work on the new hangars on a time and material basis beginning in July 2017. The concern is that the last invoices for work completed by Mr. Miller were not paid for by Tungsten. Tungsten claimed that the work was not a part of the original contract and that the bond would not cover it. Mr. Parker recommends that a letter be drafted from the board and sent to the bonding company supporting Mr. Miller's case, as his work was done as a warranty item. The board agrees that the issue should be pursued. Mr. Parker will draft the letter and Mr. Higgins will review before the final draft is sent to the board members, signed by the Chairman and sent to the bonding company.

Additional Business:

Mr. Vinson has been in contact with a mechanic candidate that is interested in locating a facility at the airport. Further discussions will be had regarding hangar configuration, specifications and needs of the candidate. Mr. Vinson will provide an update to the board when further information is available.

Mr. Higgins asked for an update on the hangar tear down and the status of the lighting vault. Mr. Vinson noted that this is a work in progress and that the lighting vault needs to be moved before the last hangar can come down. The hang up is that the lighting vault's conduit is run through the building before it drops into the ground. Mr. Vinson will provide the board with an update as he learns more.

Closed Session:

Resolved, Mr. Higgins 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. Brearey seconded the motion. The motion was unanimously carried.

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

Hearing no further business, Dr. Coles made a motion to adjourn the meeting while Mr. Brearey 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