

CARTERET COUNTY-BEAUFORT AIRPORT AUTHORITY MINUTES

Regular Meeting

February 24, 2022

Video Conference Call

Members Present:

Jon Brearey, Bob Coles, Scott Evans, John Floyd, Tom Higgins, WF Parker and Chairman Pat Joyce were present. A quorum was established. Others present were Jesse Vinson, Airport Manager, Kristen Sanner, Business Manager, Anthony Held, Buildings and Grounds Technician, Randy Fender of Talbert and Bright, and members of the public.

Call to Order:

Chairman 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 as presented, 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 January 27, 2022, Committee Reports, Financial Reports, Management Report, FBO Report. *Resolved, Dr. Coles made a motion to approve the consent agenda as presented, while Mr. Floyd seconded the motion.* The motion was unanimously carried.

Public Comments:

There were no public comments.

Chairman's Report:

Chairman Joyce acknowledged the recent tragedy in Carteret County and Eastern North Carolina. The airport authority sends their prayers and condolences to the families of the victims of the plane crash. Chairman Joyce commended the FBO staff in assisting with the search efforts at the request of the County Commissioners.

The airport has purchased runway X's that can be put down with sandbags to notify pilots of the runway closures in the future. Recently, Runway 3-21 had a closure and multiple pilots did not observe the NOTAMs and these X's should assist as a visual reminder. Anthony has fixed multiple hangar roof leaks and taken advantage of lift equipment when on site. The rotating beacon has been repaired. Anthony has completed the grading work around the runway lighting and signs per the 5010-inspection report. The maintenance hangar upfit is going well.

Old Business:

Talbert & Bright (TBI) Update

Mr. Fender reviewed Talbert & Bright's monthly update which is provided as a part of the agenda packet. For the Fuel Farm, as decided by the Authority during January's meeting, TBI coordinated settlement terms with Sunland in order to move forward with closing out the project. Sunland agreed to these terms and has begun to work on closeout documentation. As part of the settlement agreement, Sunland had to agree to move forward with the previously prepared final balancing change order, which they did. Change orders have been sent to the Airport for final execution. For the Airfield Vault Electrical Utilities, all work and punch list items have been completed. The final construction quantity balancing change order has been executed by the Airport. For the T-Hangars and Taxilanes project, the first lane of slab/foundation concrete for the southern hangar is complete and Trader is currently working to prepare the site for the southern hangar exterior lanes. Water line relocation is complete, and testing is underway in order to tie-in to

the existing waterline. Drainage pipe and structures have been delivered to the site and installation is underway. Progress meetings are held weekly every Tuesday via zoom. At the request of the Airport, onsite meetings have been paused at this time. Minutes have been prepared and distributed to attendees for all progress meetings. Change Order No. 1 for additional water line relocation and fire monitoring equipment was approved by the EDA and was sent to the Airport for execution on 2/11. The current contract end date is 6/08/22. Due to extended material lead times, it is anticipated that construction will be complete in late June 2022. On the Runway 3-21 Rehabilitation project, the Environmental wetland and threatened/endangered species investigation took place on 1/26 and the report for this investigation should be received in the next few weeks. Topographic survey field work was completed the week of 1/31. Results of the survey are anticipated from the surveyor this week. Subsurface investigation is anticipated to take place the week of 2/28. Runway rehabilitation options will be developed after receipt of the preliminary investigation results. A work authorization amendment will be submitted after the completion of the Preliminary Investigation phase to complete the design and bid documents. On the Hangar Layout and Permitting Assistance project, approval of the stormwater permit minor modification was received from the NCDEQ on 2/10. This modification covers all six proposed hangars to be constructed on new hangar sites. During the Runway 3-21 Rehab subsurface investigation, the driller will complete a few cores in the existing taxilane widening area to determine the existing pavement thickness. Taxilane widening plans will be finalized after results of this investigation are received. On the Project Little Fish (Avwatch) project, the first reimbursement for the hangar upfit was submitted to the State on 2/10. An RFA for the second grant (new hangar site preparation) was submitted to the State on 2/15. TBI will be submitting a work authorization amendment to provide site preparation design and bidding services this week. Mr. Fender clarified that the second grant will cover site work only. The airport received a stormwater inspection after a neighbor has some concerns. All inspections checked out with no issues. Mr. Vinson noted that the construction progress meeting minutes are available in OnBoard under the Resources tab. This is also where the Closed Session minutes are located. Mr. Parker asked for a briefing on the new ground lease development. Chairman Joyce has spoken with the potential ground lease tenants about submitting their conceptual plans for the board to review at the next meeting. Discussion ensued regarding the placement of the ground lease hangars. Chairman Joyce mentioned that there are drawings available at the office for board members to review. He also acknowledged that the taxilane beside Hangar 19 will need to be rebuilt to code. Mr. Vinson stated that it will be the ground lease tenants responsibility to get from their new hangars to the taxilane behind Hangar 19.

Mr. Vinson shared that the FAA just announced that they are going to provide grant funding for terminal construction. This grant is unusual in that it will be 95/5 funding. There is going to be a lot of competition for this grant, but Mr. Vinson has already completed the pre-application work and TBI is reviewing it currently. It would allow for a 5,500 square foot modern terminal building with only 5% of funding needed from the airport.

Chairman Joyce noted that a military helo landed at the FBO to replace an engine that caught fire. Service members were at the airport for six days and had to provide around the clock guard of the aircraft. The FBO allowed the military members to stay in the FBO overnight and received a thank you plaque for their support.

NCAA 42nd Annual Conference

The NCAA 42nd Annual Conference will take place on April 20-22, 2022, in Winston Salem, NC. Chairman Joyce asked that anyone interested in attending please notify the airport staff so that they may register you for the event. He also asked that each member reserve their own hotel room for the event.

New Business:

Consideration of Lease Requirement to Base Hangered Aircraft at MRH

Chairman Joyce confirmed that each member received a copy of the T-Hangar lease with changes highlighted in red requiring that hangar tenants base their aircraft at MRH. Dr. Coles stated that he is in agreement with the T-Hangar lease as written and has a couple of comments on the ground lease. Mr. Vinson acknowledged that the airport's attorney and the EDA have blessed the change in lease. Chairman Joyce stated that the airport is require to report a list of based aircraft to the County tax office annually for tax purposes. The County Commissioners have charged the airport with moving towards self-sufficiency as the County is currently subsidizing. Mr. Vinson asked that the board

approve the new T-Hangar lease contingent upon new language that was just sent by the airport's attorney today, from the EDA. These hangars are being built through an EDA grant and have requirements that other hangars on the airfield do not require. The board discussed the new basing requirement and how it would affect current hangar tenants in the future. For clarification purposes, there will be two T-Hangar leases moving forward and beginning on July 1. One lease for the new T-Hangars that are being built under the EDA funding and one for current T-Hangar tenants, both will require tenants to base their aircraft at MRH.

Resolved, Dr. Coles made a motion to adopt the lease as presented for the 28 new hangars that the EDA is funding, pending the addition of the required federal EDA language as approved by the airport's attorney. Mr. Brearey seconded the motion. The motion was unanimously carried.

Resolved, Dr. Coles made a motion to adopt the lease as presented for the current hangar tenants. Mr. Brearey seconded the motion. The motion was unanimously carried. Mr. Vinson agreed that each current tenant will sign a new lease or an amendment page acknowledging the new requirement to base their aircraft at MRH and acknowledge the rate increase as of July 1, 2022.

For the future ground lease tenants, Dr. Coles shared some concerns with the authority about requiring those tenants to base their aircraft at MRH, as they will already be paying taxes on their hangar buildings. Ground lease tenants are spending money to build hangars that the airport will eventually get back in 20-30 years. Mr. Brearey agreed that the airport would not want to deter those customers from building on airport grounds by requiring the basing of aircraft for tax purposes. Mr. Vinson believes that the airport should be consistent on the matter of basing aircraft for tax purposes. If the airport is going to require one person to base their aircraft at the airport, then the airport should require all tenants to follow the same requirement, whether ground lease or T-Hangar lease. Mr. Vinson stated that the airport has a lengthy waiting list and would be able to find tenants who would gladly base their aircraft locally. Mr. Higgins stated that on the land lease, he believes the airport should leave the basing requirement out, while Mr. Brearey agreed. Dr. Coles noted that if a ground lease tenant builds a \$500,000 hangar, the County tax department is going to reap the benefits of that tax money. Mr. Evans asked why the authority is getting involved in dictating where aircraft owners base their aircraft. Chairman Joyce explained the process of reporting property to the County tax office annually.

Resolved, Dr. Coles acknowledged that the ground lease will not change, and the new ground lease tenants would not be required to base their aircraft locally. Mr. Brearey seconded the motion. The motion was unanimously carried.

Mr. Vinson reminded the board that the FAA bases future funding on the number of aircraft at each airport.

Closed Session:

Resolved, Mr. Brearey made a motion to enter into a Closed Session for purpose of discussing confidential information, legal matters, personnel, and contract negotiations as permitted by NCGS 143-318.11(a)(1), (3), (5) and (6), while Dr. Coles seconded the motion. The motion was unanimously carried.

Hearing no further discussion Dr. Coles made a motion to return to Regular Session, while Mr. Floyd seconded the motion. The motion was unanimously carried.

Hearing no further discussion, Dr. Coles made a motion to adjourn, while Mr. Brearey seconded the motion. The motion was unanimously carried.

Respectfully Submitted,

Jesse Vinson

Airport Manager / Secretary to the Board

Minutes prepared by:
Kristen Sanner