

Minutes

Date: January 12, 2015

Members present: John Springthorpe, Chairman
Don Holder, Vice Chairman
Greg Perkins, Treasurer
Tom Jackson
Nolan Kirkman
Thomas Taylor

Others present: John Spane - RA- Tech Aviation
Dennis Jones - RA-Tech Aviation
Tim Grubel – Parrish & Partners
Bobby Robacker, Seth Young, Tom Mayberry
Dennis Angel

1. Call to order 5:30 p.m.
2. The minutes for the December 8, 2014 meeting were presented and reviewed. On a motion by Don Holder, seconded by Nolan Kirkman, the minutes were approved.
3. Dennis Jones presented the manager's report:
 - a. The Authority approved a request by Ra-Tech to put out a banner near US-52 to advertise the flight school.
 - b. The telephone line outside the terminal has been disconnected as directed.
 - c. Servicing of the Port-A-John has been discontinued and the unit will be removed from the airport.
 - d. The Authority approved the purchase of a new computer for the flight planning room at a price not to exceed \$750.
4. Tim Grubel reported the road relocation project is moving forward. Parrish & Partners is in discussions with the City of Mount Airy regarding the water line relocation. The City is objecting to running the line under the new runway extension and wants it along the road right of way instead. The City's preference will add \$300,000 to the cost.
5. John Springthorpe reported that the hearing for the Hicks case is scheduled for tomorrow.
6. The project to allow 24-hour access to the restrooms in the terminal is complete. The combination to the outside door will be given to pilots with aircraft based at the field.
7. The mowing map was presented and discussed. Ra-Tech Aviation offered to mow the areas as shown on the map for the same price as charged by the previous vendor.

Mount Airy-Surry County Airport Authority
PO Box 6607
Mount Airy, NC 27030

Discussion ensued as to whether a bid was required. The Chairman expressed his belief that services do not have to be bid, but he recommended it. The majority supported accepting Ra-Tech's offer. The Authority requested Ra-Tech to provide a detailed schedule showing how often each area will be mowed, the type of mowing to be performed and the price for mowing each of the areas shown on the map.

8. On a motion by Thomas Taylor, seconded by Don Holder, the Authority approved spending \$5,075 to repair the door on the AES hangar.
9. On a motion by Greg Perkins, seconded by Nolan Kirkman, the Authority approved Work Authorization #3 for Parrish & Partners and authorized the Chairman to sign the paperwork needed to implement the work authorization.
10. On a motion by Don Holder, seconded by Thomas Taylor, the Authority approved the following:

WHEREAS, a Grant in the amount of \$148,950 has been approved by the Department based on total estimated cost of \$165,500; and

WHEREAS, an amount equal to or greater than 10 percent of the total estimated project cost has been appropriated by the Sponsor for this project.

NOW THEREFORE, BE AND IT IS RESOLVED THAT THE Chairman of the Sponsor be and he hereby is authorized and empowered to enter into a Grant Agreement with the Department, thereby binding the Sponsor to the fulfillment of its obligation incurred under the Grant Agreement or any mutually agreed upon modification thereof.

11. Discussion followed on changes to the Hangar Policy. The Authority requested an opinion from Attorney, Jay Williams on the legality of requiring liability insurance and limiting hangar tenants to Surry County residents or providing hangar priority to Surry County residents. Nolan Kirkman offered to get quotes on liability insurance. John Springthorpe said he would seek input from other NC airports regarding their insurance requirements.

Dennis Angle spoke against changing the hangar policy to only allow a person's name on the waiting list once if that change would apply to him (he has paid two deposits to have his name on the list twice).

Noting that it was possible for anyone to come in and just write a check to put their name on the list as many times as they could afford, Nolan Kirkman made a motion that effective immediately, no person may add their name to the hangar waiting list if they are already on the list. The motion was seconded by Tom Jackson and passed.

There being no other business, the meeting was adjourned.

Mount Airy-Surry County Airport Authority
PO Box 6607
Mount Airy, NC 27030
Minutes for Special Meeting

Date: February 9, 2015

Members present: John Springthorpe, Chairman
Don Holder
Greg Perkins
Nolan Kirkman
Tom Jackson
Victor Zamora
Thomas Taylor

Others present: John Spane - RA- Tech Aviation
Dennis Jones - RA-Tech Aviation
Jay Williams - Lowe and Williams
Jeff Kirby
Dennis Angel
Seth Young
Bobby Robacker
1 other unidentified individual

1. Call to order 5:30 p.m.
2. The minutes from the January, 2015 Regular meeting was presented and reviewed by the Authority. Don Holder made a motion that the minutes be approved. The motion was seconded by Nolan Kirkman and passed.
3. Greg Perkins presented the finance report for the previous month. There was brief discussion regarding the current profit & loss report and the status of the annual audit.
4. Dennis Jones presented the managers report for the previous month and reviewed fuel inventory and pricing status with the Authority. Dennis reported several additional items.
 - a request was made to allow the removal of non-structural sheet metal for back to back hangars for the purpose of creating a walk through. The sheet metal would be replaced at the end of the lease term. There were no objections.
 - Dennis reviewed recent repairs to the rental property held by the Authority, including a request to make repairs to the gas logs at Sage Lane at a cost of \$88
 - There was general discussion of recent hangar door repairs and the status
 - there was a brief review of ongoing safety items

5. Jeff Kirby reported on the status of the relocation project. The project is proceeding and Jeff reported that the road may be completed by April. At this time, the Authority is up to date with all pay requests. Jeff reported that at this time all of the Federal funds have been utilized and future payments will be made utilizing State and local funds. Jeff does not anticipate any cost over runs on the project at this point.
6. Jeff reported that the request for funding for the Bannertown VFD purchase did not make it onto the December Agenda with the Division of Aviation. It is currently included in the 2015 budget, but Jeff is unsure of the current status.
7. Jeff reported that the reimbursement for the Cook and Davis purchases has been approved. The process of filing for the payment has been started.
8. The paperwork for the Runway Extension Grant has been forwarded to John Springthorpe for signatures.
9. It was reported that the issues regarding the proposed relocation of utility lines is currently being discussed with Mount Airy City officials.
10. There was a brief discussion related to the “buffer” on the Brown property. Jeff reported that there was a small strip of property retained by the Authority between the property retained by the Browns and the new road. There is no action required on this right now, but it will need to be addressed at a later date.
11. The proposal from Ra-Tech to complete the mowing at the Airport was presented and discussed. The proposed contract would extend through the end of the existing fbo contract. After general discussion, there was a motion to approve the contract by Don Holder. The motion was seconded by Thomas Taylor and was approved.
12. As noted during the Manager’s report, the repairs to the AES hangar door have been completed.
13. The Authority is still waiting on requested information related to the proposed changes to the hangar policy. Discussion related to any proposed changes to the policy will be delayed until all of the relevant information has been received.
14. The Authority was presented with a renewal quote for D&O Insurance for \$4,629 per year. There was general discussion regarding the quote. Greg Perkins made a motion that the Authority renew the policy for the quoted premium. The motion was seconded by Thomas Taylor and passed. It was noted that the Authority needed to request that the exception related to Mike Venable be removed.
15. There was general discussion related to the need to approve a budget amendment to appropriate \$50,000 for legal costs related to the actions brought by Billy Hicks. The amendment will need to be made prior to the end of the fiscal year. Greg Perkins suggested that the amendment be made in April or May.

16. The Authority was presented with an amendment to the contract with Martin Starnes to conduct the annual audit for the Authority. The motion to approve the amended contract was made by John Springthorpe. Don Holder seconded the motion which passed.

17. John Springthorpe made a motion ratify/approve the following actions or decisions made by the Authority.

- The Authority will contest the allegations made by Billy Hicks
- The Authority will offer a common defense for the Authority and its members
- The Authority will engage an attorney to defend the pending actions while the liability carrier completes a review of the policy
- The Authority will offer/make all appropriate counterclaims against Billy Hicks
- The Authority will retain Howard C. Jones, II as the attorney for the Authority at an hourly rate of \$200 and a retainer of \$15,000

Nolan Kirkman made a motion the Authority go into closed session for the purpose of discussing legal matters. The motion was seconded by Thomas Taylor and passed.

The Authority returned from Closed Session.

There being no other business, the meeting was adjourned.

Mount Airy-Surry County Airport Authority
PO Box 6607
Mount Airy, NC 27030

Date: March 9, 2014

Members present: John Springthorpe, Chairman
Don Holder
Greg Perkins
Nolan Kirkman
Tom Jackson
Victor Zamora
Thomas Taylor

Others present: John Spane - RA- Tech Aviation
Dennis Jones - RA-Tech Aviation
Jay Williams - Lowe and Williams
Tim Gruebel – Parrish & Partners
Jeff Kirby – Parrish & Partners
Jeff Boyles – City of Mount Airy
Dennis Angel, Seth Young

1. Call to order 5:30 p.m.
2. The minutes from the February 9, 2015 Regular meeting were presented and approved by the Authority.
3. Greg Perkins presented the finance report for the previous month. There was brief discussion regarding fuel sales and flowage fee payments.
4. Dennis Jones presented the manager's report for the previous month and reviewed fuel inventory and pricing status with the Authority. There was a brief discussion regarding the write off for the remaining balances owed by Bobby Brown. Dennis reported on items including the completion of required repairs to the doors, the installation of a safety switch to prevent future damage to the door at a cost not to exceed \$750, and he reported that the compressor had been replaced in the heat pump at a cost of \$800.
5. John Springthorpe reported that the Bannertown VFD acquisition had finally been approved and the paperwork was being processed. The closing will proceed as soon as everything is completed.
6. Jeff Boyles was present to discuss the options for relocation of utilities for the project. The City engineer has reviewed the proposal and has no objections. John Springthorpe will present the proposal to run the lines under the runway at the April 2 meeting of the City Commissioners.

7. Tim Gruebel reported on the status of the project. They are reviewing the retention ponds for potential removal at a later date. At this point, the earth work is approx. 95% complete. Estimated completion of the current phase is in May and design is now proceeding on the next phase of the project.
8. There was a request to allow two aircraft to be stored in Hangar 8. After brief discussion, Greg Perkins made a motion to approve the request provided that the lease agreements are updated to reflect the change if needed. The motion was seconded by Thomas Taylor and passed.
9. There was a request that the tenants in hangars 5 & 18 be allowed to switch. Thomas Taylor made a motion that the change be approved provided that the tenants execute updated lease agreements which reflect the change. The motion was seconded by Nolan Kirkman and passed.
10. Nolan Kirkman suggested that the bylaws for the Authority be amended to allow up to 5 consecutive terms in an office. It was noted that proposed changes to the bylaws need to be delivered to members for consideration not less than 7 days prior to a vote.
11. It was noted that the County Commissioners have requested that the Authority submit its funding request for the next fiscal year. John Springthorpe suggested that the Authority consider including a special appropriation request to cover legal costs.
12. Nolan Kirkman reported that the exclusion in the general liability policy regarding Mike Venable has been removed.
13. There was general discussion regarding the installation of motion sensors in the terminal building to reduce energy consumption.
14. Greg Perkins made a motion that the Authority enter closed session to discuss legal matters. The Motion was seconded by Nolan Kirkman and passed.
15. The Authority returned from Closed session and Tom Jackson immediately made a motion to return to closed session to discuss legal matters. The motion was seconded by Nolan Kirkman and passed.
16. The Authority returned from Closed Session and recognized Jeff Kirby. Jeff discussed the status of the retention ponds briefly. He also suggested that the non-primary entitlement funds be saved for later projects because of the flexibility allocating those funds.

There being no other business, the meeting was adjourned.

Mount Airy-Surry County Airport Authority
PO Box 6607
Mount Airy, NC 27030

Date: April 13, 2015

Members present: John Springthorpe, Chairman
Don Holder
Greg Perkins
Nolan Kirkman
Tom Jackson
Victor Zamora
Thomas Taylor

Others present: John Spane - RA- Tech Aviation
Dennis Jones - RA-Tech Aviation
Jay Williams - Lowe and Williams
Jeff Kirby
Tim Gruebel
Dennis Angel
Seth Young
1 other individual

1. Call to order 5:30 p.m.
2. The minutes from the March 9, 2015 regular meeting were presented and reviewed by the Authority. Nolan Kirkman made a motion that the minutes be approved. The motion was seconded by Greg Perkins and passed.
3. Greg Perkins noted that the finance report for the previous month was not available and would be available at the next meeting.
4. Dennis Jones presented the managers report for the previous month and reviewed fuel inventory and pricing status with the Authority. There was a brief discussion regarding the following items:
 - The new tenant has taken possession of hangar 7
 - Dale Puckett has purchased the remaining interest in hangar 10
 - There was discussion regarding several maintenance items, including the possible need to repair or replace the AWOS system. Jeff Kirby will explore pricing options.
 - Dennis presented an estimate of \$2,100 to place electrical interlock or "limit" switches on 3 hangars (hangars 2,3 & 4) in order to minimize the risk of damage

to the doors. Nolan Kirkman made a motion to have the switches installed. The motion was seconded by Tom Jackson and passed.

- SWPPP has been completed
- DOT has conducted a routine inspection and noted some areas where there is cracking on the taxiway
- reviewed monthly hangar rental arrangements

5. Jeff Kirby reported that the contractor in continuing to work on the project. They are currently working with Duke Power regarding the relocation of several utility poles. They expect to have the project “substantially complete” by June 30, with a “total completion” date of July 31.

Jeff has also submitted a revised request for services tied to the completion of the project. Jeff requested some guidance prior to submission of the request to DOT. It was his opinion that no additional grant funds would be needed to satisfy the request. There was no objection to the submission. In addition, Jeff reported that work authorization #4 is ready for submission.

6. Jeff Kirby reported that they are currently waiting on paperwork for 2 separate grants to complete the purchase of the Bannertown Volunteer Fire Dept. property.

7. Jeff Kirby reported that the city approved the relocation of utilities for the project and that the design is being revised.

8. Jay Williams reported that the Fire Department has asked for a ten year extension again for the lease on the new site. After discussion, Don Holder made a motion to offer a 10 year extension, provided that the Authority could terminate during the extension period. In the event that a termination occurs, the Authority would agree to compensate the Fire Department an amount equal to 10% of the fmv value of the building for each year remaining on the extension at the time of termination. The motion was seconded by Nolan Kirkman and passed.

9. John Springthorpe advised that the Hicks matter would be discussed in closed session.

10. There was a brief discussion regarding the status of the pending hangar swap, previously approved by the Authority. Dennis Angel requested that the Board modify the standard lease agreement to allow him to vacate without any liability for the remaining lease term. Jay Williams explained that the Authority has an obligation to mitigate the loss, and as long as there was another tenant to fill the vacant spot, Dennis would not be liable. No action was taken to modify the lease.

11. Tom Jackson raised the question regarding tenant responsibility for electric usage in the hangars. Some tenants have indicated concern that a few hangars are separately metered while others are on a common meter with utilities paid by the Authority. After discussion, there was a motion to add \$20 per month to hangar rents moving forward to include electric usage. Greg Perkins seconded the motion which then passed.

12. There were 3 proposed bylaw changes that had been circulated prior to the meeting for the consideration of the Authority.

- Don Holder made a motion that paragraph 4.8 regarding term limits for officers be deleted. The motion was seconded by Thomas Taylor and passed.
- Nolan Kirkman made a motion that paragraph 5 be deleted and the remaining sections be re-numbered accordingly. The motion was seconded by Victor Zamora and passed
- Nolan Kirkman made a motion that the words “at a meeting” be deleted from paragraph 11.1. The motion was seconded by Tom Jackson and passed.

13. John Springthorpe reported that it was time to forward the budget request to the County Manager.

14. John Springthorpe reported that the Renfro lease is currently being reviewed.

15. Jeff Kirby noted the rental sign for the Restaurant located next to the Airport entrance. Jeff believes that if available for purchase, the Authority should consider acquiring it as a potential commercial development site. In addition, Jeff noted that there is a property at 310 Holly Ave. for sale that is in the long range plans.

16. There was a brief discussion regarding rumors indicating that the entire expansion project may be funded sooner than anticipated. Jeff indicated that there is no evidence that is the case at this point, but there is a possibility that funding could be accelerated.

Greg Perkins made a motion that the Authority enter closed session to discuss legal matters. The motion was seconded by Nolan Kirkman and passed.

The Authority returned from Closed Session.

There being no other business, the meeting was adjourned.

Mount Airy-Surry County Airport Authority
PO Box 6607
Mount Airy, NC 27030

Date: May 4, 2015

Members present: John Springthorpe, Chairman
Don Holder
Greg Perkins
Nolan Kirkman
Tom Jackson
Victor Zamora

Others present: John Spane - RA- Tech Aviation
Dennis Jones - RA-Tech Aviation
Jay Williams - Lowe and Williams
Jeff Kirby
Tim Gruebel
Seth Young

1. Call to order 5:30 p.m.
2. The minutes from the April 13, 2015 regular meeting were presented and reviewed by the Authority. Nolan Kirkman noted that item 11 on the minutes should reflect that the motion was made by Don Holder and seconded by Victor Zamora. Nolan Kirkman then made a motion that the minutes be approved with the noted correction. The motion was seconded by Don Holder and passed.
3. Greg Perkins presented and reviewed the finance report for the previous month. Greg noted the need to the Authority to adopt a Budget Amendment increasing the line item for legal expenses from \$50,000 to \$125,000. Greg Perkins made a motion that the Authority approve the budget amendment increasing the line item for legal expenses from \$50,000 to \$125,000. The motion was seconded by Victor Zamora and passed.
4. Dennis Jones presented the managers report for the previous month and reviewed fuel inventory and pricing status with the Authority. There was a brief discussion regarding the following items:
 - safety switches are currently being installed in previously designated hangars
 - the new bulletin board has been installed
 - the 3 button station has been replaced as needed
5. Jeff Kirby reported on the status of the road relocation project:

- Duke Energy has relocated the power lines. Time Warner Cable is scheduled to move the remaining lines this week. that the contractor in continuing to work on the project.

- There will be additional clearing beginning this week related to a required update of the environment impact statements/report.

- Grant Documents are being revised based on DOT approval of Work Authorization #4 and also an additional services and supplemental agreement for #3 for \$52,690. No additional funds will be required as the additional services portion may be met with funds saved in other areas of the project. Jeff Requests that the 2 documents be approved.

- Greg Perkins made a motion for the approval of Supplemental Agreement #3. The motion was seconded by Nolan Kirkman and passed.

- Nolan Kirkman made a motion to approve Work Authorization #4. The motion was seconded by Don Holder and passed.

6. Jeff Kirby reported that they are currently moving forward with the design phase of the extension project. They expect to advertise the project as early as July, 2015 and should begin accepting bids 30 days after. Initial work on the project could begin as early as September.

7. Jeff Kirby reported the they have begun the paperwork to replace the AWOS system. They have currently submitted the required questionnaire to the FAA to perform cost/benefit analysis and are waiting on a response. They will also follow up with the NC-DOA regarding the status of current negotiations related to the service contract for maintenance of those systems.

Nolan Kirkman made a motion that the Authority approve up to \$75,000 for the acquisition of a new system at the appropriate time. The motion was seconded by Tom Jackson and passed.

8. Jeff Kirby reported that the appraisal on 310 Holly Ave has been approved by NC DOT. Don Holder made a motion that the Authority spend a total amount up to \$5,000 for the completion of the required survey, appraisal, review appraisal and phase 1 environmental assessment. The motion was seconded by Greg Perkins and passed.

9. Jay Williams reported on the status of the closing on the Bannertown VFD property. An agreement has been reached and they are attempting to finalize documents and schedule a closing.

10. John Springthorpe advised that the portion of the Hicks matter before the NC Court of Appeals has been withdrawn with prejudice. The final bill for the state action has been paid.

11. There was a brief discussion regarding the uncertain status of the pending hangar swap, previously approved by the Authority for Dennis Angel. There was some additional discussion regarding potential issues with hangar swaps and the most appropriate way of dealing with those potential issues.

12. The proposed Renfro lease was presented for review, Greg Perkins made a motion that the lease be presented to Renfro for consideration. The motion was seconded by Don Holder and passed.

13. Victor Zamora reported that he had attempted to get in touch with the owner of the Airport Rd diner, but had been unsuccessful.

14. John Springthorpe presented the Grant agreement for the Bannertown Volunteer Fire Department property and made the following motion:

Whereas, a Grant in the amount of \$256,500 has been approved by the Department based on a total estimated cost of \$285,000; and

Whereas, an amount equal to or greater than 10 percent of the total estimated project cost has been appropriated by the Sponsor for this Project.

Now therefore, be and it is resolved that the Chairman of the Sponsor be and he hereby is authorized and empowered to enter into a Grant Agreement with the Department, thereby binding the Sponsor to the fulfillment of its obligation incurred under this Grant Agreement or any mutually agreed upon modification thereof.

The motion was seconded by Nolan Kirkman and passed.

15. John Springthorpe presented the Grant Agreement for the Runway Extension Site Preparation and made the following motion:

Whereas, a Grant in the amount of \$137,356 has been approved by the Department based on a total estimated cost of \$152,618; and

Whereas, an amount equal to or greater than 10 percent of the total estimated project cost has been appropriated by the Sponsor for this Project.

Now therefore, be and it is resolved that the Chairman of the Sponsor be and he hereby is authorized and empowered to enter into a Grant Agreement with the Department, thereby binding the Sponsor to the fulfillment of its obligation incurred under this Grant Agreement or any mutually agreed upon modification thereof.

The motion was seconded by Nolan Kirkman and passed.

16. There was general discussion related to e-mail to and/or from Bobby Walston regarding the current economic impact study related to the airport. Members were aks to encourage participation in the survey.

17. The Authority elected the following officers:

Chairman - John Springthorpe nominated by Nolan Kirkman. Seconded by Victor Zamora and approved.

Vice-Chairman - Don Holder nominated by Nolan Kirkman. Nolan Kirkman was nominated by Tom Jackson, but requested that his name be withdrawn. Nominations were closed, voted on and Don Holder was elected.

Secretary - Nolan Kirkman nominated by Victor Zamora. The nominations were closed, voted on and approved.

Treasurer - Victor Zamora was nominated by Tom Jackson. The nominations were closed, voted on and approved.

18. Victor Zamora presented an updated hangar rent proposal based on cost analysis per hangar. There was general discussion related to the nature of the analysis. Nolan Kirkman made a motion that in lieu of the \$20 per month increase voted on previously, that hangar rents be increased as set forth in Victor's proposal. The motion noted an exception for Hangar 3 in compliance with the agreement for the Authority to use a portion of that hangar for utility space/storage. The motion was seconded by Tom Jackson and passed.

There being no further business, the meeting was adjourned.

Mount Airy-Surry County Airport Authority
PO Box 6607
Mount Airy, NC 27030

Date: June 8, 2015

Members present: John Springthorpe, Chairman
Don Holder
Greg Perkins
Nolan Kirkman
Tom Jackson
Victor Zamora

Others present: John Spane - RA- Tech Aviation
Dennis Jones - RA-Tech Aviation
Tim Gruebel – Parrish & Partners
Dennis Angel, Wyatt Angel, Dale Puckett, Jerry Gordon, Seth Young

1. The meeting was called to order at 5:30 p.m.
2. The minutes from the May 4, 2015 meeting were presented and approved on a motion by Don Holder with a second by Nolan Kirkman.
3. Greg Perkins presented the finance report for the previous month.
4. Dennis Jones presented the manager's report for the previous month indicating Avgas sales of 2,380.7 gallons and Jet-A sales of 1,817.1 gallons. Maintenance was performed on the crew car; mowing, trimming and spraying for weeds was completed for May; maintenance was performed on a roller in hangar 2. Still waiting on Vaisala to make repairs on the AWOS and the Unicom FCC license renewal has been submitted. Ra-Tech invoiced \$5,225 for hangar rent, \$350 for lot rental, \$1,000 for house rental and \$419.78 for fuel flowage fees. They collected \$2,624.58 from Eagle Carports for the electricity on hangar 14.
5. Tim Gruebel reported that the Holly Springs Road Relocation would open in three weeks. Paving tie-ins and guardrails are still needed. Also, 60% of the design for the runway extension site prep is complete and will be submitted this week. NCDOT-DA failed to identify funds to replace the AWOS, so we will have to use Vision 100 grants. Parrish & Partners is doing the paperwork for the new AWOS.
6. John Springthorpe reported for Jay Williams that the Bannertown Volunteer Fire Department acquisition was closing this week and they were anxious to begin construction. The proposed hangar lease was sent to Renfro for their review.
7. After discussion, the Authority directed Nolan Kirkman to add the Renfro hangar to our insurance; decided to absorb the final electricity bill for hangar 14; and directed Ra-Tech to handle the lease extension for the tenant in the Holly Avenue house.

8. John Springthorpe reported he had been contacted by the owner of 310 Holly Ave and she was anxious to see an offer from the Authority. The appraisals and survey are complete, but the environmental assessment is pending. On a motion by Greg Perkins, seconded by Tom Jackson, the Authority voted to extend an offer at the appraised value of \$83,000 once an acceptable environmental assessment is received.
9. Greg Perkins indicated he is waiting on responses to the RFP he circulated for audit services.
10. There was discussion about proposed letters for the owners of hangars 9, 10 and 11. Those units reverted to Authority ownership this summer. The effective date was corrected to be August 1, 2015 and on a motion by Victor Zamora, seconded by Tom Jackson, the Authority set the rent for those hangars as follows: Hangar 9 is \$290 per month with the tenant paying the utilities; Hangar 10 is \$215 per month without the adjacent storage unit and the airport pays the electricity or \$240 per month with the adjacent storage unit and the Airport pays the electricity; Hangar 11 is \$215 per month and the Airport pays the electricity. It was noted that Tommy Brintle, the owner of Hangar 9, does not own an airplane, but is looking for one to buy. The Authority directed he be allowed a 120 day grace period to purchase an aircraft in order to be in compliance with the terms of the lease.
11. Greg Perkins presented a budget amendment to reduce general fund appropriations and expenses by \$350,854. On a motion by Greg Perkins, seconded by Don Holder, the budget amendment was approved. The amendment is attached to these minutes.
12. Greg Perkins presented a proposed budget ordinance for the fiscal year July 2015 through June 2016. It calls for appropriations and expenditures of \$3,412,525. On a motion by Greg Perkins, seconded by Victor Zamora, the budget ordinance was adopted. The ordinance and the revenue and expense budget are attached to these minutes.
13. Dennis Angel made a request to store either, or both of his aircraft in hangar 5. On a motion by Tom Jackson, seconded by Nolan Kirkman, the Authority approved the request to store N79255 and/or N3417X in hangar 5.
14. Dennis Angel also requested permission to install an AeroLift aircraft lift system in hangar 5. On a motion by Tom Jackson, seconded by Nolan Kirkman, the Authority approved the installation of an AeroLift lift system in hangar 5 as long as its use was in compliance with all engineering specifications and there was no alteration or damage to the hangar.
15. On a motion by Greg Perkins, seconded by Nolan Kirkman, the Authority voted to go into closed session to confer with their attorney.

The Authority returned from Closed Session.

There being no other business, the meeting was adjourned.

Mount Airy-Surry County Airport Authority
PO Box 6607
Mount Airy, NC 27030
Special Meeting

Date: July 27, 2015

Members present: John Springthorpe, Chairman
Don Holder
Greg Perkins
Nolan Kirkman
Tom Jackson
Victor Zamora
Thomas Taylor

Others present: John Spane - RA- Tech Aviation
Dennis Jones - RA-Tech Aviation
Jay Williams - Lowe and Williams
Jeff Kirby
Seth Young
Dale Puckett
Tommy Brintle
Dennis Angel
Wyatt Angel
1 other individual

1. Call to order 5:30 p.m.
2. The minutes from the June 8, 2015 regular meeting were presented and reviewed by the Authority. Nolan Kirkman then made a motion that the minutes be approved. The motion was seconded by Don Holder and passed.
3. Victor Zamora presented the financial report for the previous month, which was approved as presented.
4. Dennis Jones presented the managers report for the previous month and reviewed fuel inventory and pricing status with the Authority. There was a brief discussion regarding the status of the AWOS repairs, mowing and the updated/new UST permit.
5. The Authority was advised that the tie in for the road relocation will be completed this coming weekend. There was additional discussion regarding modifications to the TIP plan for the Airport and potential funding sources for those modifications.

6. The Authority for the Authority is currently preparing/finalizing the Authority's response to the FAA complaint filed by Billy Hicks and his attorney.

7. The updated lease agreement for the Renfro hangar is still outstanding. Jay Williams will follow up with Dave Dinkins regarding the "beginning date" of the agreement.

8. Jay Williams advised the Authority that the Authority has closed and that they were waiting on delivery of keys to the property from the Seller. Jay Williams will follow up with Tonda Phillips Hall regarding the keys. Once the seller has vacated, the manager was instructed by the Authority to prepare the property for rent. Initial rent was to be set at \$500 per month.

9. John Springthorpe presented the proposed Letter of Commitment for Airport Safety/Maintenance Projects (Five Year Term). This agreement is mandatory for Airports participating in the State supervised maintenance program. Tom Jackson made a motion that the Authority accept and approve the letter of commitment as presented to the Authority and that the Chairman of the Authority be authorized to execute the same and return the executed document to the North Carolina Division of Aviation's designated Airport Project Manager as directed in the document. Furthermore, Jackson included in his Motion that the following resolution be adopted:

THAT WHEREAS , the Mount Airy/Surry County Airport Authority (hereinafter referred to as "Sponsor") the North Carolina Department of Transportation (hereinafter referred to as "Department") requires a Commitment and Release of Liability statement to be on file, in order to provide and oversee maintenance and safety improvements on the operational surfaces of the Mount Airy/Surry County Airport; in accordance with the provisions of North Carolina General Statute 63.

NOW THEREFORE, BE IT AND IS HEREBY RESOLVED, that the Chairman of the Sponsor be and is hereby authorized and empowered to enter into a Commitment and Release of Liability with the Department, thereby binding the Sponsor to fulfillment of its obligation as incurred under this resolution and its commitment to the Department.

The motion was seconded by Don Holder and passed.

10. Greg Perkins delivered the response to the RFP for a new Auditor. The initial quote received was in the amount of \$27,000 to conduct a "yellow book audit". There was general discussion regarding the nature of the "yellow book audit" and the expected period for which the Authority would be required to adhere to this higher standard. Don Holder made a motion to authorize the Chairman to explore the availability of more cost effective options and/or negotiate a lower rate. In the event that the Chairman is unable to secure a lower rate , then he is authorized to enter into a contract at an amount up to \$27,000. The motion was seconded by Thomas Taylor and passed.

11. Jeff Kirby has received a quote from another possible vendor regarding the AWOS. DOT has indicated that they may be willing to pick up the replacement cost of the AWOS in September. Jeff suggested that the Authority delay replacement of the AWOS system until the DOT makes a final decision regarding the availability of funds.

12. There was general discussion regarding modifications to the existing lease agreements and an updated monthly rent schedule/chart for the hangars. Greg Perkins made a motion that the updated rent chart/schedule be approved. Nolan seconded the motion which passed.

13. There was discussion regarding the status of hangars 9, 10 & 11 which are scheduled to revert to the Authority on August 1, 2015. It was noted that the Authority had previously agreed to offer a standard one year lease to those tenants legally occupying these hangars as of the reversion date.

The Authority noted that Tommy Brintle has been the legal occupant of hangar 9 since shortly after it's completion and has been offered the appropriate lease. There was additional discussion regarding the occupancy of the remaining two hangars. Dennis Angel had attempted to "purchase" the remaining days on one or both of the hangars. It was discussed that Dale Puckett, the occupant of hangar 10 has a written agreement restricting his ability to transfer or assign his right to possess or use the hangar. Under the terms of the agreement, if Mr. Puckett attempted to assign the interest, the interest reverted to John Springthorpe, the prior owner. John Spane the current tenant of the remaining hangar present copies of cancelled checks showing that he has paid rent on the hangar through September of 2015, in spite of the fact that the hangar reverts prior to that date. Although he had indicated that he disputed the same, the hangar "owner" Freddie Gray did not attend the meeting or provide any evidence that Mr. Spane was not the current tenant.

After discussion, Tom Jackson made a motion that the Authority approve a lease for Hangar 10 for Dennis Angel effective August 1. The motion failed for lack of a second.

Tom Jackson then made a motion the that Authority offer and approve leases for the above referenced hangars to Dale Puckett and Ra-Tech as the current occupants of those spaces. The motion was seconded by Don Holder and passed.

14. It was noted that the Authority will not hold the regular August meeting.

15. Don Holder made a motion to go into closed session to discuss legal issues. The motion was seconded by Thomas Taylor and passed.

The Authority returned from Closed Session. There being no further business, the meeting was adjourned.

Mount Airy-Surry County Airport Authority
PO Box 6607
Mount Airy, NC 27030
Regular Meeting

Date: October 12, 2015

Members present: John Springthorpe, Chairman
Don Holder
Greg Perkins
Nolan Kirkman
Victor Zamora
Thomas Taylor

Others present: John Spane - RA- Tech Aviation
Dennis Jones - RA-Tech Aviation
Jay Williams - Lowe and Williams
Jeff Kirby

1. Call to order 5:30 p.m.
2. The minutes from the July 27, 2015 special meeting were presented and reviewed by the Authority. Don Holder then made a motion that the minutes be approved. The motion was seconded by Nolan Kirkman and passed.
3. Victor Zamora presented the financial report for the previous month, which was approved as presented. During his review, Victor specifically noted changes in the method of accounting for accounts payable in an effort to make the links between project expenditures and reimbursements clear.
4. Dennis Jones presented the managers report for the previous 3 months and reviewed fuel inventory and pricing status with the Authority. Dennis noted that the Authority had received a new computer and transmitter for the AWOS prior to the meeting. He also reviewed several other items related to maintenance and upkeep at the facility.
5. John Spane advised the Authority that during periods that he is traveling, his hangar is periodically left empty. During those periods and/or during periods of severe weather, John requested that the Authority allow him to place transient or visiting aircraft in that space. There would be no charge or payment made for this service, the intent being to help protect aircraft belonging to other individuals. After discussion Nolan Kirkman made the following motion:

That any hangar tenant may voluntarily elect to make his or her space temporarily available for the storage of transient or visiting aircraft during periods where the tenant's aircraft is not

occupying the leased space. During periods of threatened or pending severe weather, such storage may also be extended to ramp based aircraft at the Mount Airy Airport in addition to transient or visiting aircraft. No additional charges or payments shall be made for this courtesy. Any tenant electing to participate in this program shall provide the Airport Manager with written notice of his or her decision. The Airport Manager shall be solely responsible for placing any aircraft temporarily stored and keeping an appropriate record of such placements.

The motion was seconded by Thomas Taylor and after additional discussion, was passed.

6. Jeff Kirby discussed various aspects of the road relocation:

- Jeff briefly discussed the outstanding bill from Baker regarding environmental mitigation and monitoring
- The road is open. The posted speed limit for the new section is 35, even though the road was designed to accommodate a higher speed limit. The limit was set to correspond to the road sections on either end of the new project.
- the project has not closed yet, but is in the process of winding up
- Jeff reviewed Supp. Agreement #4 from Smith Rowe which has been submitted. Jeff noted that he believes that all of the requested changes are reasonable and that because of cost savings in several areas, the project is within budget.

Based upon the recommendation from Jeff Kirby, Thomas Taylor made a motion that Supp. Agreement #4 from Smith Rowe be approved. The motion was seconded by Greg Perkins and passed.

- Jeff also requested permission to reallocate some contract amounts within the existing consulting contract. The overall numbers will not change. There was no objection to those changes.

7. Jeff Kirby noted that the Site Prep portion of the next phase is ready to bid. He is currently waiting on Division of Aviation Concurrence. The project will occur in 2 phases. Funding for Phase 1 is currently in place. Bobby Walston with the Division of Aviation is currently looking for funding for phase 2.

Phase 2 will involve the removal of substantial fill. There was general discussion regarding the prospects for using the fill around the airport vs. hauling it offsite.

Jeff is currently waiting on Rachel to release phase 1 for bid. Advertising could begin as early as this week. He expects to receive multiple bids, with the cost of the total project to come in between 2.2 - 2.3 million dollars.

Jeff also reported that additional funding has been approved for the Duke Energy relocation. Relocation of one other utility is uncertain, while a third has already been relocated. Jeff proposed hourly billing on the relocation component.

8. Rachel has advised the Authority that the State is currently in the process of bidding out the AWOS maintenance program.

9. John Springthorpe reported that the Audit is underway and the Authority will continue to submit information as requested.

10. John Springthorpe advised the members that the response to the FAA Part 16 complaint was filed the previous week. Mr. Hicks and his attorney have 3 weeks to respond. John also briefly reviewed the pending Federal Court action.

11. The Authority has received notice from the NCDOT that they require confirmation of the local match related to 2551 & 3367 before Rachel can move forward with the funding. State has committed funds based upon a local match. It may be appropriate to request additional funds from the county.

12. There was general discussion regarding whether Leonard Aluminum might be willing to convey a small portion of their property to preserve the proposed ROFA line. The Authority would need to acquire a small portion including a section of chain link fence and a retaining wall. Don Holder made a motion that John Springthorpe inquire about the potential for such an acquisition, including the prospect of trading property. The motion was seconded by Thomas Taylor and passed.

13. There was discussion regarding the status of 310 Holly Avenue and the need to perform extensive repairs to make the house habitable. Current estimates for the repairs total approximately \$10,000, which includes a new heat pump. Once repaired, estimated rent would be \$600 per month. The long term plans include demolition in 5-10 years, but it was noted that the Authority could recoup the cost of repairs in 18-20 months. There was additional discussion regarding the need for additional quotes on the heat pump.

Greg Perkins made a motion that Ra-Tech obtain additional quotes for the hvac work and that they be authorized to spend up to \$10,000 for the repair/renovation of the property at 310 Holly Ave. The motion was seconded by Thomas Taylor and passed.

14. A question was raised regarding trees on the approach that need to be trimmed or cleared. Jeff Kirby suggested that the Authority not use grant funds for that work. John and Dennis will explore options for removal and report back to the Authority.

There being no further business, the meeting was adjourned.

Mount Airy-Surry County Airport Authority
PO Box 6607
Mount Airy, NC 27030

Date: November 9, 2015

Members present: John Springthorpe, Chairman
Don Holder
Tom Jackson
Thomas Taylor
Victor Zamora

Others present: John Spane - RA- Tech Aviation
Dennis Jones - RA-Tech Aviation
Tim Gruebel – Parrish & Partners

1. The meeting was called to order at 5:30 p.m.
2. The minutes from the October 12, 2015 meeting were presented and approved on a motion by Thomas Taylor with a second by Don Holder.
3. Victor Zamora presented the finance report for the previous month.
4. Dennis Jones presented the manager's report for the previous month indicating Avgas sales of 1,725.7 gallons and Jet-A sales of 2,214.7 gallons. Mowing for the year will be completed in November. Overhead Door worked on the doors for hangars 2 and 3. The air conditioner in the FBO was repaired. Power was turned on at 310 Holly Avenue. To expedite making the house ready to rent, the power was turned in the name of Ra-Tech. The Authority will reimburse Ra-Tech for the electric bills. At their expense, Ra-Tech replaced the security cameras and recorders with high definition units. Ra-Tech invoiced \$6,075 for hangar rent, \$1,350 for house rent and \$394.04 in flowage fees.
5. Parrish & Partners reported that the close out of the road relocation project was nearly complete, with only the DENR permit and a few minor items remaining, all of which are being worked. The pre-bid meeting for the runway grading project was held with many potential vendors in attendance. The bid opening is this Thursday at 3:00 p.m. Parrish will look at the placement of the temporary driveway for the Insteel hangar that is part of the work being bid this week. Parrish will work with NCDOT-DA on the rehab of the north part of the ramp.
6. John Springthorpe reported that there was nothing new in the Hicks law suits. All of the paperwork has been filed and we are waiting on rulings from the federal court and from the FAA.
7. Victor Zamora reported the audit was preceding.

8. Ra-Tech reported that the work on 310 Holly Ave should be finished by the end of the month.
9. The Authority discussed and rejected the possibility of changing to quarterly meetings.
10. Victor Zamora will send a letter to the tenant at the Sage Lane property to have them send their rent to Ra-Tech so it will be included in the monthly accounting. Ra-Tech will send hangar rent invoices to Insteel and Renfro.

There being no other business, the meeting was adjourned.

Mount Airy-Surry County Airport Authority
PO Box 6607
Mount Airy, NC 27030
Regular Meeting

Date: December 14, 2015

Members present: John Springthorpe, Chairman
Don Holder
Tom Jackson
Nolan Kirkman
Victor Zamora
Thomas Taylor

Others present: John Spane - RA- Tech Aviation
Dennis Jones - RA-Tech Aviation
Jay Williams - Lowe and Williams
Jeff Kirby - Parrish & Partners
Tim Gruebel - Parrish & Partners
Mike Shields

1. Call to order 5:30 p.m.
2. The minutes from the November 9, 2015 special meeting were presented and reviewed by the Authority. The minutes were approved as presented..
3. Victor Zamora presented the financial report for the previous month, which was approved as presented. During his review, Victor specifically noted that there were several needed adjustments to the November report, discussed the proper accounting for a grant receivable reflected on the books dating back to 2011 and several other minor items. Victor is currently working with the Auditor to make the needed adjustments.

In addition, Victor reported on the status of the Audit. He noted that the Auditor has identified that the Authority may be entitled to a substantial refund for North Carolina Sales Tax paid, the value of which could exceed \$20,000. The auditor, DHG, has offered to complete the paperwork to secure the refund at an estimated cost of \$7,000. Nolan mad a motion that the Authority authorize DHG to file for the refund on behalf of the Authority. The motion was seconded by Thomas and passed.

4. Dennis Jones presented the managers report for the previous 3 months and reviewed fuel inventory and pricing status with the Authority. Dennis He also reviewed several other items related to maintenance and upkeep at the facility, which are summarized as follows:

Dennis presented updated quotes for the removal of trees currently in the Airport's approach area. After discussion, it was noted that under the existing contract with Smith Rowe includes a contract rate for tree removal under the existing Holly Springs grant. Jeff Kirby suggested that the work may be done more cost effectively under that contract. Nolan Kirkman made a motion that the tree removal be contracted as recommended by Jeff Kirby. The motion was seconded by Thomas and passed. In addition, during this process, Jeff Kirby will also speak with the Leonard Buildings regarding the removal of trees on their property.

Dennis advised the Authority that the property at 310 Holly Ave .has been repaired and is ready to rent. They currently have an interested renter.

There was brief discussion regarding the invoicing and receipt of rents.

5. Mike Shields was recognized by the Authority and noted that he is continuing to have problems with the door on hangar #2. There have been multiple attempts to repair the door, but there continue to be problems. There was a discussion regarding possible alternatives for the replacement of the door. Thomas Taylor agreed to obtain information on a stackable door as a replacement. Tom Jackson made a motion that the door be replaced with a suitable alternative. The motion was seconded by Don Holder and passed.

6. Jeff Kirby discussed various aspects of the Airport Expansion and other items ongoing:

- On November 12 the bid opening for the site prep occurred. There were 7 bids received, with Sowers Construction being the low bidder.

- Based on the bids received, Bobby and Rachel have agreed to and are currently working to fund the entire site prep project at one time, rather than in phases. Jeff is scheduled to meet with them on Thursday, December 15 to discuss and review the scope of the budget.

- Jeff is currently attempting to work the Fire Department to arrange for taking possession of their property.

- Jeff shared a proposed work authorization for Apron rehabilitation in 4 areas. They will survey and do the geo technical work followed by the solicitation of bids. There is currently grant money available to cover the cost of this work. Nolan Kirkman made a motion that the Authority approve the work authorization. The motion was seconded by Tom Jackson and passed.

- Jeff advised the Authority that the AWOS program has been approved and Mount Airy is currently at the top of the list.

- Jeff noted that the appraisals on the Church property have expired and suggested that new appraisals be prepared. Jeff will also prepare diagrams of the property to be exchanged. There was a motion by Nolan Kirkman to spend not more than \$5,000 for the completion of the required phase 1 and the updated appraisals. The motion was seconded by Victor and passed.

7. John Springthorpe advised the Authority that the Judge had dismissed the Federal lawsuit filed by Billy Hicks.

8. The Authority discussed the 5010 Inspection which is completed every two years. Jeff Kirby reported on the status of the inspection. Tim and John have reviewed all of the items noted on the inspection report and Tim is preparing a response letter for John Spane to sign and forward to the State.

9. Dennis noted that they had received quotes for the replacement of the carpet in the terminal. The low bid received was \$5,800. Tom Jackson made a motion to approve the purchase and installation of the carpet at a cost of \$5,800. The motion was seconded by Nolan Kirkman and passed.

10. John Spane requested permission to host a Christmas Party on Friday, December 16 in the terminal. There were no objections.

There being no further business, the meeting was adjourned.