

# TRIANGLE NORTH EXECUTIVE AIRPORT COMMISSION

Tuesday, June 13, 2017

## Minutes

The Triangle North Executive Airport Commission was called to order at 5:30 p.m. by Chairman John Allers on June 13, 2017 in the conference room of the Triangle North Executive Airport.

In attendance were Commissioners: John Allers, Phillip Stover, Tom Bregger, David Bunn, Herman Dickens and Taylor Bartholomew. Also, in attendance were Steve Merritt (Airport Manager), Pam Fowler (Pilot), Lin Oakley (Pilot), Mike O'Kelley (Airport Tenant), Jim Farthing (Michael Baker Engineering), and Carey Johnson (Franklin Times). Absent from the meeting: Commissioner Shelley Dickerson

The second agenda item was review and approval of minutes from the April 11, 2017 meeting. Commissioner Bunn motioned that the minutes be approved as read, with Commissioner Bregger seconding. The motion passed unanimously.

The third item on the agenda was public comments. Chairman Allers called for comments from the public. Lin Oakley said he and his wife, Pam Fowler, were at the April 11<sup>th</sup> meeting to let the Commission know that they just sold their hangar in Kenly, and have been talking with Mr. Merritt for a few years about renting a hangar here. Now, they have decided they would like to build a 63x60 hangar here. They have two planes now and are looking to buy another one. They are working with Mr. Merritt on a lease agreement, and are hoping to be able to build a hangar soon. Mr. Oakley said in October, he found no ramp or hangar space available at the airport. Three years ago, he and his wife moved to Zebulon, and he called the airport to ask if there was a hangar available for three planes, but there wasn't. A year and a half later, he got a call and he was told there was room for one airplane. Since there wasn't room for all three of his planes, he didn't pursue this. Then, he was able to secure a t-hangar here, and looked at the possibility of building a hangar. He's been working with Mr. Merritt to get a lease worked out, and at the last meeting, he was told that the proposed lease would be drawn up by Pete Tomlinson. Feeling encouraged by this, Mr. Oakley said he contacted the surveyor that the County typically uses, to set up a date and time to get the properties surveyed. Before he could get this set up, Mr. Tomlinson passed the proposed lease, via Mr. Merritt, back to Mr. Oakley. Mr. Oakley said after reviewing the lease, there was something that he didn't agree with, so he contacted Mr. Merritt about it. Mr. Merritt said he would speak to Mr. Tomlinson about it to get it worked out, but after going back and forth for three weeks and nothing being successfully worked out, Mr. Oakley said he's going to move his airplane to another airport and build a hangar elsewhere. Mr. Oakley said he would be happy to tell the Commission what he is opposed to. There is a clause, which says he would agree to a minimum tax valuation of \$250,000. The hangar would be about \$100,000-\$150,000, and then he'd pay taxes on about \$100,000 on any planes stored in the hangar. However, at some point, he may not have three planes in the hangar, so the tax valuation may not add up to \$100,000. Mr. Oakley said he is asking the Commission to delete that reference about the tax valuation. He doesn't mind paying taxes on what he owns, but not if it's not stored in his hangar already.

Mr. Oakley said another concern he had, and this has been mentioned by the Airport staff and he assumes the Commission, is that site prep would be taken care of on the land he wants to build a hangar on, as well as the platform to build on and a retaining wall. When he spoke with Mr. Merritt about this, he said he would have to check on that, but nothing has happened. Mr. Oakley said he has a hangar door that will be delivered soon, and he's going elsewhere if he has to.

Pam Fowler said she and her husband have gotten copies of leases from other airports, and none of them have a minimum tax value mentioned. Right now, we have a tax value of about \$180,000, so we'd be above the minimum stated in the lease, but if we should not have that minimum tax value, we don't want to be taxed on something we might or might not own.

Commissioner Stover asked what happens if they have renters in their hangar. Does that count towards the tax value? Steve Merritt said yes, it does.

Mr. Merritt said leases have been done at different economic times and with different boards. The most recent lease is for the Fayards', which is the one we are using for Mr. Oakley. Mr. Merritt said we have discussed this with the Commission and he feels this is a good idea to yield what we want for the County. Until we know whether the NCDOT is going to pay for the site prep or not, he can't give you a date as to when it will be done. Mr. Merritt said he talked with Pete Tomlinson and Chairman John Allers, and we want to be consistent as to what we do.

Commissioner Bunn said regardless of whatever Mr. Oakley puts in the hangar, to let this man walk away and go somewhere else, doesn't make good sense to him. He'd like to see that clause removed from the contract. Commissioner Bregger and Commissioner Dickens agreed. Commissioner Bregger also noted that the Fayards' is a commercial operation, but Mr. Oakley's is not.

Commissioner Stover said this is County property and we want to generate economic activity. If you went elsewhere, your lease payment would be much higher. I don't want to lose the business, but on the other hand, as representatives of the County, we have a fiduciary responsibility to make sure we get a good return on the County's money. I do see their side, as well. There was a time when my hangar was sitting empty and only one plane was in it. Commissioner Stover said he is leaning towards taking the clause out. Also, do we want to make this lease for personal use and not commercial use.

The consensus of the Commission was that the hangar lease be negotiated, with no minimum tax value required, and that the hangar be for personal use only.

Steve Merritt said please keep in mind that the site prep may take a while.

The fourth item on the agenda was the airport operations update by Steve Merritt. Mr. Merritt said fuel prices are down a little, but it hasn't affected us.

Mr. Merritt said when the AWOS was installed about 20 years ago, the trees that are across the road from it, were not as tall as they are now. Because of this, the AWOS will be NOTAMed to be unreliable when the wind is from the west. We are working on a new grant to cut the trees and remove most of the obstructions. The AWOS will be relocated in the runway extension project.

Mr. Merritt said we have installed a RampWare Reservation System, so you can request FBO services from your phone or computer, such as a courtesy car, fuel or any other request you'd like to convey. This is very similar to making an online reservation for a restaurant. This is actually an experimental project, but we think it will be a very valuable and useful service.

Mr. Merritt said Wake Electric has put up the posts today for the electric charging stations. These should be completed by the end of next week.

The fifth item on the agenda was the budget update by Steve Merritt. Mr. Merritt said the budget is running smoothly, with a net operating result of about \$61,000. We shouldn't have to buy any fuel this month. The budget for 2017-18 has been approved as requested. One of the major improvement costs we will have for the next fiscal year is putting a new roof on the terminal building.

The sixth item on the agenda was industrial development area update by Steve Merritt. Mr. Merritt said the only thing that hasn't been done is the sewer system. The Economic Development office is in the process of having sewer installed at Triangle North Franklin, and Scott Hammerbacher (Director, Planning & Inspections) has said that the airport will be added on as a change order at the end of the sewer project. Mr. Merritt said he has been contacted by Air Methods (a contractor of UNC Hospitals) about the possibility of placing their helicopter here, which is worth about \$10 million. They want a commercial building for their ops center, as well. Mr. Merritt said they were concerned about the skydivers, not so much with landing, but taking off. After talking with them about it, they now understand that the skydivers would not interfere with their operations. Mr. Merritt said they may want to build a maintenance facility there, too.

Chairman Allers said he wanted to make sure that sewer allocation wouldn't hinder any development in that area. Lori Duke (Franklin County EDC) will confirm with Economic Development Director, Richie Duncan, as to sewer allocation for the industrial area.

The seventh item on the agenda was the runway extension project update by Steve Merritt. Mr. Merritt said the allocation has been done, and we are talking with NCDOT now. It will be a year from now before we can use the money, so we don't need the match from the County, yet. In the interim, Jim Farthing and myself are working on some other items. Mr. Merritt said he is encouraged that the Legislature is about to allocate some more money for airports in the state, which would be 100% and not 90% money.

Chairman Allers said we are going to need to form a project committee to formulate the steps we want to take, once we have the funding. Jim Farthing said we are discussing updating the ALP (Airport Layout Plan). Also, we want to try and do some preliminary environmental work, so when the time comes and we have the money, we will be ready.

The eighth item on the agenda was dedication of terminal building for Billy Lumpkin by Steve Merritt. Mr. Merritt said the funds have been raised for the plaque, and we have set September 9<sup>th</sup> as the date for the dedication of the terminal building in memory of Willie L. Lumpkin, Jr. Mr. Merritt says he doesn't have the time yet, but he will let everyone know once he does. The plaque itself will be mounted on July 1<sup>st</sup>, with the dedication being on September 9<sup>th</sup>.

In other business:

- Steve Merritt said the Walmart blimp will be stationed here sometime during the first part of July. Walmart is opening a string of community type stores, and will be here for three days to promote that.
- The next meeting is August 8, 2017 at 5:30 p.m.

With no further business, the meeting was adjourned at 6:30 p.m.