

TRIANGLE NORTH EXECUTIVE AIRPORT COMMISSION

Tuesday, August 9, 2016

Minutes

The Triangle North Executive Airport Commission was called to order at 5:30 p.m. by Chairman John Allers on August 9, 2016 in the conference room of the Triangle North Executive Airport.

In attendance were Commissioners: John Allers, Phillip Stover, Herman Dickens, and Don Lancaster. Also, in attendance were Steve Merritt (Airport Manager), Pete Tomlinson (Davis, Sturges & Tomlinson), Matt Wright (Michael Baker Engineering), Jim Farthing (Michael Baker Engineering) and Carey Johnson (Franklin Times). Absent from the meeting: Commissioners David Bunn, Taylor Bartholomew and Guy Martin.

The second agenda item was review and approval of minutes from the June 14, 2016 meeting. Commissioner Stover motioned that the minutes be approved as read, with Commissioner Lancaster seconding. The motion passed unanimously.

The third item on the agenda was public comments. Chairman Allers called for comments from the public. There were no public comments at this time.

The fourth item on the agenda was the airport operations update by Steve Merritt. Mr. Merritt said fuel prices are steady, even though auto fuel prices have come down, aviation fuel has not. There are people buying fuel here who used to buy somewhere else. All the tie downs and hangars are full.

The abandonment of Bryant Road is complete by the county and the state has abandoned maintenance on the road, as well.

The skydivers are doing well, and are working with the architects and engineers on the plans for an 8,000 square foot skydiving center.

Total Flight Solutions has partnered with the Kitty Hawk Chapter of the 99's to provide a free ground school for potential pilots. They have 25 new students.

Commissioner Lancaster said he noticed on Mr. Merritt's quarterly report that there had been discussion about putting a solar farm on the Cascine buffer area, and was wondering if anyone has talked to the NC State Historic Preservation Office about whether this is allowed there. Mr. Merritt said he has spoken with Richie Duncan and Bo Carson in the county's economic development office, and they are going to talk with Renee Gledhill-Earley, who is the Environmental Review Coordinator at the historic preservation office.

The fifth item on the agenda was the budget update by Steve Merritt. Mr. Merritt said the finance office is still in the process of closing out the 2015-16 budget, but he estimates the net operating results to be about \$65,000 for the month of June. The 2016-17 budget will be around \$745,000.

The sixth item on the agenda was application for discretionary funds to support industrial area development by Steve Merritt. Mr. Merritt said the grading phase has been finished and construction will be completed about two weeks early. We have received authorization for additional funding and we are waiting for the Board of County Commissioners to approve the change order. Once the order is approved, we will finish the paving and utilities. At the August 1st County Commissioners meeting, the request was tabled because Commissioner Foy had a question about what exactly was included in the mobilizations costs, which is \$100,000. Mr. Merritt said he couldn't explain it well enough, so the item will be back on the agenda for next Monday night's meeting.

Jim Farthing said mobilization costs for a construction project can include getting equipment to the site, and many ancillary items, such as the cost of bonds, office trailer, and in the airport's case, barricades for the runway. All of these costs are not included in the individual bid items and it covers a lot more than just moving equipment to a site.

Mr. Merritt said Jim Wilcox from Rifenburg Construction and Jim Farthing will be at the meeting Monday night to explain this and to answer any questions.

Mr. Merritt said once construction is completed, the flight school is the first one who wants to move in, and Captive-Aire wants to build a bigger hangar than the one they already have here.

Mr. Merritt said we have an economic development project looking at some of the former Anne Gordon property, but they want some type of access to Triangle North Franklin, and the FAA has issues with someone owning property off the airport and wanting access to the runway. This is a manufacturing plant, and they need to be able to get to the runway.

Mr. Merritt said the NCDOT has approximately \$35 million that the FAA wants them to use, and he wants to talk with someone there to see if we can get a block of money and come up with a TIP that is meaningful.

The seventh item on the agenda was update on taxiway construction for former Anne Gordon property by Steve Merritt. This item was previously discussed in agenda item six.

Mr. Merritt said at the last meeting, he told the Commission that Brett James (James Aeronautics) has claimed that a former employee ran off a customer of his in May of 2013, and he feels this cost him approximately \$13,000 in potential revenue. Because of this, Mr. James hasn't been paying his rent. Mr. Merritt said he has spoken with Mr. James and he has agreed to begin making double rent payments starting September 1st. If he doesn't do this, he would have to vacate his hangar by September 30th. He would continue making double payments for the next seven months and the County would forgive the other half of the rent that he owes. Mr. Merritt would have him sign an agreement and if he breaks the rules and misses one payment, he vacates his hangar. Mr. Merritt said Mr. James just got approved to work on airplanes that cost five times more than what he already works on, and his customers also buy a lot of fuel.

Commissioner Lancaster said if he had kept making his payments, I wouldn't have a problem with this. Commissioner Lancaster asked if Mr. James has had problems paying his rent in the past and Mr. Merritt said yes, he has.

Pete Tomlinson said the Commission has to decide whether the former employee did something

wrong, that would cause Mr. James to lose business and that you are forgiving his debt because of that.

Commissioner Stover says he has no doubt that this happened the way Mr. James said it did, and we all know what Bruce (Allen) was like.

Commissioner Lancaster said I will agree to these conditions, but only if this is in writing and Mr. James adheres to these conditions, and if he breaks it, he's gone from the airport.

Commissioner Stover motioned to accept Mr. Merritt's proposal, which says that Brett James will pay \$2,500 for seven months, beginning on September 1st, until the amount of \$6,750 is paid. Commissioner Dickens seconded the motion. The motion passed unanimously.

Commissioner Dickens made an amendment to Commissioner Stover's motion, which said that the remaining balance would be written off and if Mr. James misses a payment, he has 30 days to vacate his hangar. Commissioner Stover seconded the amendment. The amended motion passed unanimously.

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