

**MONROE COUNTY BOARD OF
AVIATION COMMISSIONERS
REGULAR SESSION**

DATE: December 20, 2016
TIME: 0800 hours
PLACE: Airport Terminal Building

MEMBERS:

Dr. William Pugh, President
Mr. Ken Ritchie, Vice-President
Mr. Gene DeVane- Secretary
Mr. Patrick Murphy, Treasurer

OTHERS PRESENT:

Mr. Jeff Cockrill, Monroe County Legal Department
Mr. Steve Capps, Cook Aviation
Mrs. Amy Gharst, Airport Administrative Assistant
Mr. Rex Hinkle, Cook Aviation
Mrs. Nancy Johnson, Airport Secretary
Mr. Josh Lankford, ATCT Manager
Mr. Geoff McKim, Monroe County Council
Mr. Bruce Payton, Airport Director
Mr. Malcom Webb, Civil Air Patrol

Dr. Pugh called the meeting to order at 0815 hours. Mr. Payton stated the minutes are complete but were not ready for review. They will be reviewed at the January 2017 meeting.

Cook FBO Lease:

Mr. Payton reminded the Board that Cook FBO Hangar Lease has matured October 2016. He has completed a new lease and it has been reviewed and edited by Mr. Jeff Cockerill, Monroe County Legal Department and by Mr. Jack Hunt, Cook Group Attorney. Mr. Payton noted he has only yesterday received Mr. Hunt's edits and he would like to complete the lease by year's end. The lease as presented to Cook Aviation is for 25 years; 10-year lease with one 10- year and one 5-year option to renew. This will ease any leasehold responsibilities if Cook Aviation decides to build a newer facility in the next few years as has been discussed.

Mr. Payton will provide a copy via email for review and if lease is agreeable to the Board, he would contact members individually for their individual approval then ratify their decision at the January meeting. Mr. Murphy suggested he would not be opposed to a special meeting to handle

this action prior to the end of the year. The Board agreed on a tentative meeting the following Tuesday at Old National Bank conference room to sign this document.

Grubb Property Purchase:

Mr. Payton briefed the Board on recent changes regarding the proposed purchase of the land from Mr. Grubb. He and Mr. Cockerill reported in October 2016, the interest on the Bond Anticipation Note (BAN) would be at or below 2%; that would result in the airport paying roughly \$20K per year in interest payments.

Mr. Payton and Mr. Cockerill appeared before the Monroe County Council on December 13, 2016 for Council approval of this purchase. That same afternoon, we were informed of some sizable changes the Board will have to consider. The Council agreed to hold their decision until the Board has reviewed and discussed the changes.

Since the early discussion of the BAN, Bond interest rates have increased somewhat and because this land will be farmed until it is developed, it will require a taxable bond. These two factors will increase the interest to an anticipated \$47,000 annually. The first interest payment will be due in July 2017, and January and July thereafter for the next five years.

Mr. Payton briefed the Board on the current status and demand of the Airport Construction Fund and the airport revenue that is deposited annually therein. He noted that if these changes are acceptable to the Board, it will go before the Council for final vote on January 10, 2017. He will request an appropriation from this fund to pay the interest.

Mr. Payton briefed the Board on a suggestion from Mr. McKim to seek a professional development and marketing agency to promote this property.

After a discussion, the Board agreed unanimously to continue toward the purchase of this land understanding the increased interest payments.

New Business:

Mr. Payton reported to the Board there has been continued problems with the BMG Aviation construction gate being open day and night; placing the airport in violation of several FAA regulations. He reported action was taken by the airport and the gate has now been secured until their security fencing is complete.

Old Business:

Mr. Payton reminded the Board of the farmland lease extension with Mr. Jeremy Bright. He noted that it appears Mr. Bright has made an agreement with another farmer to plant and harvest the airport land without informing us. The airport learned of this arrangement when Mr. Robert Lee was questioned regarding farm equipment parked in the wrong place on the airport.

During this discussion, Mr. Lee provided a contract document between he and Mr. Bright, and stated he would pay the fall installment to the airport; he added he would be interested in farming

the land but could not honor the contract price. Mr. Payton then met with Mr. Cockerill regarding the airport legal options. Mr. Cockerill determined the lease agreement could not be reassigned and it appears to have been breached. Therefore, the airport accepted payment from Mr. Lee.

Days later, Mr. Bright contacted the airport regarding the fall payment. When informed of these details, Mr. Bright stated the contract did not include Monroe County Airport property. Mr. Bright would like to discuss this with the Board and continue his contract. To ease concerns, Mr. Bright has offered to pay the entire 2017 payment in advance.

After a lengthy discussion, Mr. Payton agreed that he and Mr. Cockerill would meet with Mr. Bright within the next couple of weeks, then have an update at the January meeting.

Public Comment:

Mr. Malcom Webb of the Civil Air Patrol spoke on behalf of the group, noting Mr. Dean Roller has been selected as the Commander. He added that CAP is very grateful that the airport allows them the use of our facilities. CAP just celebrated their 75th anniversary, having been established on December 1, 1941. CAP is planning fund raising events for their scholarship program. There are many activities that are costly and some cadets need help with the cost.

With no further business to discuss, the meeting adjourned at 0929 hours. The next meeting is scheduled for January 17, 2017 at 0800 hours.

Bruce Payton, Airport Director