

December 13, 2016



Tullahoma Municipal Airport Authority

807 William Northern Boulevard
P.O. Box 1581
Tullahoma, TN 37388

**Meeting Attendance
December 13, 2016**

Members Present

- Dr. Don Daniel, Chairman
- Steve Worsham, Vice Chairman
- Chris Pickerell, Treasurer
- Jason Waller, Assistant Treasurer
- Paul Sirks, Secretary
- Jim Apple, Assistant Secretary
- Dr. Jim George

Other Persons Present

- Jon Glass, Airport Manager
- Alderman Ray Knowis
- Tullahoma News

Regular Meeting Minutes

Visitors: Charles Parish (New Business).

Note: Where motions are noted as being approved, they were unanimously approved by all Board members present unless otherwise noted.

- 1. Meeting called to order at 5:02 pm.**
- 2. Minutes for the November 8, 2016 meeting were approved** as written.
- 3. Public comments** – No comments.
- 4. Treasurer’s report** – Jason Waller reviewed the financial statements. Jon Glass will remind Chris Pickerell to send a letter of resignation to Dr. Daniel and Alderman Knowis.

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5. Jon Glass presented the Airport Manager report:

CURRENT PROJECTS

Terminal Building – A vehicle ran into the fence next to the keypad for vehicle gate. B&R Fence will repair it. Terminal building will be closed Christmas Day and New Year's Day with someone on call each day.

NW Area Fencing Project Request – We have obtained estimates to fence the southern border of new access road including 2 vehicle gates for \$43,667.66. The project has been submitted to Blackcat for TAD staff consideration. The application will be reviewed at the November TAD staff meeting. **TAD staff approved the project with Federal NPE funds at \$71,000. The grant will arrive the week of December 12 for Dr. Daniel's signature and will require a \$3,550 local share amount. A motion was made and approved to pay the \$3,550.00 local share amount.**

Tree Clearing Project – The tree clearing grant has a remaining balance of \$5,000.00.

General Assembly HB1147/SB982 – It is pretty clear that the amendment to this bill will pass. A Task Force in the General Assembly is being set up to determine the effects it will have on GA Airports in the State. I recommend that we do not touch our NPE (\$150,000 per year) over the next several years and save it for an emergency. Starting in the next 90 days and over the next 4 years I see drastic cuts in State funding from TAD if other sources of revenue are not found. Elimination of funding for terminals, equipment, hangars, fueling systems and landside improvements will probably start very soon. I believe the 95/5 funding will become 90/10 in the future also. Within a few years I believe funding will only exist from TAD for primary runway and taxiway pavement repair.

Taxiway A – Work is complete on this project. We have \$200,000 left remaining in the ramp concrete repair project that would require a local share. An amendment request has been submitted to Blackcat. The additional concrete repair work could be completed on south end of ramp using the current Curl Construction unit prices. The signed amendment and \$20,000 local share were submitted for execution on 10/1/15. Curl has completed work in the south ramp hangar area. Some additional concrete milling work was included to help with drainage in front of 4 hangars. We have an additional \$23,550 in concrete repair to be completed. We are looking at areas on Taxiway A from RWY 24 to 18 to repair. The grant amendment has been approved by TAD to do the crack and seat on Taxiway A. The milling, crack and seat and the asphalt paving work is all completed on taxiway as of 10/7/16. The asphalt will need to cure for 30 days before centerline and hold line can be painted on the taxiway. **Project will be closed out after Curl completes center and hold lines.**

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Taxiway B – This project consists of taxiway B repair by crack and seat with an asphalt overlay and grade and site work for the maintenance hangar. The Work Authorization has been signed and PDC is working on the design for the project. Four Contractors attended the pre-bid meeting and bids will be opened on 9/10/15 at 12:00 pm. Curl Construction started work on the project 10/31/15. Dirt work for the asphalt ramp and hangar pads is complete along with drainage improvements. The binder of the asphalt ramp was completed on 8/5/16. Our TAD Project Manager Steve Upshaw has approved an asphalt driveway from the new road to this ramp if money is left over in the grant. The final layer of asphalt will be completed when milling and crack and seat work is completed. The Contractor will also complete the asphalt overlay for taxiway A and B at that time. The schedule now is to complete all paving work on Friday (10.14.16). **Project will be closed out after Curl completes center and hold lines.**

Electrical Lighting Projects – This project consists of taxiway lighting for taxiway B and K. It will also include electrical improvements to taxiway F, Airfield signage and ODAL's for runway 6. We are looking at the possibility of using solar powered taxiway lights. We will need to have a special called meeting on Monday August the 1st at 2:00 pm to approve the low bid as recommended by PDC. Another option is to go ahead and make a motion to approve to approve the lowest qualified bid as recommended by PDC that is within the grant amount tonight. The request for bids will be in the Tullahoma News on 7/10/16. Bids were opened on 7/29/16 and Guardian Electric was the low bidder at \$203,595.51. The bid award letter has been sent to them so they can start ordering the towers for the lights. Guardian Electric started work on 8/29/16. Site prep for the towers and all trenching has been completed and work will resume when the towers arrive. The solar powered LED taxiway lights were installed on taxiway B and K the last week of October. **Work on the ODAL's has reached substantial completion. Steve Upshaw will now allow us to control the ODAL's with radio controller on the UNICOM frequency instead of the burning all night and trying to obtain another frequency for the ODAL's. This will allow the system to work longer and have less confusion for pilots that would have had to go to another frequency to turn on the ODAL's.** The Work Authorization with PDC for the Airfield signage and taxiway lighting improvements has been approved. Request for bids for the Airfield signage and taxiway F modification were advertised in the Tullahoma News on 9/4/16. Bids will be opened on 9/28/16 at 2:00 pm in the terminal building. A pre bid meeting will be held on 9/14/16 at 2:00 pm in the terminal building. The lowest bid submitted by Guardian Electric was \$44,248.00 over the 2 grant amounts. I have asked Steve Upshaw to consider letting us use some of the money from the ODAL project that is way under budget to cover these 2 grants bid amount or possibly remove a few signs. The duct work for taxiway F was moved to the ODAL project and 3 signs were removed to get the project under the grant amount. The duct work is complete. **Guardian has also reached substantial completion on the Taxiway F project. It will take about 8 weeks for the signs to be made and arrive here at the Airport. Guardian Electric will prepare the concrete bases for the signs prior to Thanksgiving then install them in January.**

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Maintenance Hangar – This project consists of the ramp expansion and maintenance hangar construction. The Work Authorization for Project #2 includes the ramp expansion design work. The \$225,000.00 amendment request was entered into Blackcat on 4/10/15 and will be on the agenda for the May 21 TAC meeting. Project approval will require a \$11,250.00 local share. The \$225,000 amendment request was approved and has been sent to the TDOT Commissioner for signature. A meeting is being scheduled for July 16 at 2:00 pm with Richard Rinks to discuss the hangar. Jon Glass will attend the September 8 Planning Commission meeting for the hangar. Bids on the maintenance hangar were received on 9/30/15 and the bid tab form is included for Board member review. Sain Construction is the low bidder at \$714,400.00 however this is over the grant amount (\$61,000) with Engineer fees included. A request for an additional \$40,000 UDAG loan will be on the 11/9/15 BOMA agenda and \$21,000 in cuts have been made to the hangar. With FAA approval of the Buy America Type 3 waiver request (5 to 7 days) we will be ready to execute the contract with Sain Construction and schedule the pre-construction meeting. The hangar is being constructed with 99.66% American made steel and parts. Sain Construction has been issued a Notice to Proceed and has ordered the building. It was recommended that we use the Vandy LifeFlight lease as a template for the lease on this hangar with XP Services/Sarasota Avionics. The building arrived 4/5/16 and the concrete slab has been poured. The Contractor will start on the building the week of 5/9/16. The hangar is scheduled to be completed on 8/16/16 or sooner. Liquidated damages are being assessed to the Contractor for loss of rental payments on the Hangar. The hangar was completed on 8/18/16. The final change order is included for Board member review. **Final payments have not been made yet.**

Turf Runway – This project will consist of 9/27 turf runway drainage improvements and extension of the runway. PDC has completed design work for this project. The work should be done at the same time that the runway is extended. The Work Authorization with PDC has been approved for the 354-foot extension to 9/27. The project is scheduled to be completed by the end of 2016. The bids were opened on 10/5/16 with Curl Construction as the apparent low bidder. The drainage improvements is a \$95,000 state grant and the bid price exceeds the grant amount by about \$9,000. The scope of work can be modified to bring down the cost on the project within the grant amount. The extension work is being funded by the City and the bid price was within the budget amount. **Curl Construction is 75% complete with the project. The recent rain fall has slowed them down.**

Airport Pavement Condition Report – TAD contracted with Atkins North America, Inc and Applied Research Associates, Inc to produce a report on the condition of pavements at all TN Airports. This report will guide TAD staff and the TAC in all future decisions on project requests from Airports.

NW Airfield Utility Project – Water, sewer and gas line installation is complete. TUB has completed electrical work for the area. Survey work for the road layout is complete. The contract for the access road has been awarded to Rogers Group. It is scheduled to be

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complete by July 1, 2016. Rogers Group started on the project 5/2/16. The completion date is scheduled for 7/31/16. They are scheduled to pave the road the week of July 11. Work is complete on the new road. There was not enough money left over in taxiway B project to add the driveway from the TDOT road to the new maintenance hangar. Curl Construction submitted an estimate of \$20,000 to complete the driveway. This work can be submitted for 50/50 reimbursement on the maintenance contract. Motion to approve? We have \$54,000 remaining in the project. It will take \$30,000 to pave the shoulders of taxiway B which leaves enough money to complete the driveway. We will not have to fund the driveway above the grant amount. Work on the driveway is complete.

Select TN Site Development Grant – The City is in the process of applying for a grant for the Airpark. Proposed work includes drainage improvements, concrete repair, clearing and grubbing, signage and lighting in the amount of 500k. The application was submitted on the February 1 deadline and we should know by July 1 if we will receive the grant. The application request was not approved but can be resubmitted for the next round of funding that is available. **The 2nd round of funding has been approved by ECD. The application will be submitted by the December deadline.**

Airport Inspection –

FUEL SALES

Fuel sales for the month of November 2016 were 14,137.83 gallons. This is a 1,954.94 gallon increase in the 12,182.89 gallons sold in November of 2015. **Our record for fuel sales was 2015 with 206,683.02 gallons of fuel sold. We passed that mark on 11/29/16.** All outstanding fuel invoices have been reimbursed to the City except for the AVGAS and Jet fuel still in the tank. Jon Glass has decided to wait until Spring before hiring any part-time staff.

Fuel Sales 1/1/16 to 11/30/16 = 207,087

Fuel Sales 1/1/15 to 11/30/15 = 194,701.78

November 2016	AVGAS	AVGAS SS	Total
Gallons	3,151.4	1,415.13	4,566.53
Flow Fee	\$315.14	\$141.51	\$456.65
Pump Fee	\$1,575.70	\$353.78	\$1,929.48

November 2016	Jet Full Price	Jet Discount	Total
Gallons	1,013	8,558.3	9,571.3
Flow Fee	\$101.30	\$855.83	\$957.13
Truck Fee	\$101.30	\$855.83	\$957.13

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Pump Fee	\$1,013.00	\$6,787.84	\$7,800.84
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Total AVGAS & Jet Gallons = 14,137.83
 Total Flow Fee = \$1,413.78
 Total Jet Truck Fee = \$957.13
 Total Pump Fee = \$9,730.32
 Total Part-Time Employment Cost = \$2,661.50
Jet Truck Fee Minus Rental = +\$107.13
Pump Fee Minus Employment Cost = +\$7,068.82

FUEL PRICES

12/5/16	Tulahoma	Shelbyville	Winchester	McMinnville	Maury County	Murfreesboro
AVGAS SS	\$3.55		\$3.53		\$3.76	\$4.02
AVGAS FS	\$3.80	\$3.85	\$3.53	\$3.74	\$3.92	\$4.22
Jet	\$3.50	\$3.50	\$3.69	\$2.98	\$3.24	\$3.28

Average AVGAS price - \$4.33 Average Jet price - \$3.85

AIRPORT FUEL SALES

DATE	FUEL SOLD (gallons)
November 2016	14,137.83
November 2015	12,182.89
November 2014	15,260.36
November 2013	8,036.32
November 2012	12,924.6
November 2011	12,927
November 2010	6,250

MAINTENANCE/NAVAID PROBLEMS

NDB – No problems or outages for November 2016. The approach is scheduled to be decommissioned by FAA in the next 12 to 24 months. Aeronautics Division advised that we could continue to operate the NDB without a maintenance contract and file a NOTAM that is it not monitored. FAA would not allow us to file the NOTAM since the NDB has not been flight checked recently. We are waiting to hear back from them on a flight check.

VOR – FAA has sent out notices regarding the decommissioning of the VOR.

AWOS – TAD will replace and upgrade our AWOS in 2019. TAD is ahead of schedule on the upgrades. It could happen here by the summer of 2017. We have completed all the TAD

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paperwork necessary for the new upgraded system. The lease agreement for the new NDB has been signed. The transmitter has been replaced and is working.

Veeder Root Fuel System – No problems or outages for November 2016.

RUNWAY AND TAXIWAY LIGHTS – No problems or outages for November 2016.

REILS AND PAPI – **The REIL's for runway 18 are out of service. Steve Upshaw will allow Guardian Electric to replace these REIL's under the ODAL project. Guardian will use the REIL's from runway 6 that they replaced on runway 18.**

HANGAR RENT/INSURANCE

OVERDUE RENT – An email from Donna Graham is included for Board member review.

From this list Richard Blazier is now current. He is also in the process of selling his hangar to Ingo Struckmeyer effective January 1, 2017. **A motion was made and approved** to enter into a new lease agreement with Ingo Struckmeyer for hangar #S120.

Paul Jordan (\$50.78) – A tree fell on his aircraft at Tim's Ford lake and destroyed the Aircraft. He did not pay November but did pay December. He has purchased a new aircraft that is here. Waive \$115.00 plus late fees.

NAEC (\$253.00) – The Aircraft was sold at the end of September. Credit October, November and December including late fees. Terminate lease agreement.

Sorrels (\$253.00) – The Aircraft was not here October and November. Waive \$230 plus late fees.

Tucker (\$1012.00) – The Aircraft has been at XP Services for maintenance the past 6 months. Waive 6 months or \$690.00 plus late fees. We will collect the balance.

A motion was made and approved to waive the above fees for Jordan, NAEC, Sorreles and Tucker.

EXPIRED INSURANCE CERTIFICATE – None

OTHER – Nothing

AIRPORT MARKETING/PRESENTATIONS – None

SUGGESTION BOX – No suggestions as of 12/5/16.

6. Old Business:

- A. Maintenance Hangar Lease Agreement (XP Services)** – The XP Lawyer reviewed the Lease and was concerned with clause 16 (a). It could cost XP Services \$300,000 or more if this clause was exercised. The Lease was written for the LifeFlight hangar that was constructed with 100% local money and the Maintenance hangar was constructed with 5% local money. **A motion was made and approved** to cap this

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clause at \$40,000.00. Jon Glass recommended that the October rent be waived due to hangar access issues and the retirement of Chuck Armstrong. **A motion was made and approved** to waive the October rent for the new maintenance hangar.

7. New Business:

- A. Beechcraft Heritage Museum Expansion** – Charles Parish reported that the Museum was ready to start construction on the 18,000 square foot expansion of the Bonanza/Baron hangar. He and Jon Glass worked out a proposal using the dirt stockpile in the NW section of Airport for the expansion project for a fee of \$10.00 per truck load. The Museum contractors could use the existing haul route for the turf runway project. Jon Glass reported that removal of this dirt would help the Airport develop hangar space in the future. Board members discussed the proposal. Mr. Worsham requested that the proposal be in writing and let Jody Baltz review it. Alderman Knowis, Jon Glass and Charles Parish will meet with Jody Baltz to discuss the proposal. Mr. Parish also reported that the Museum was proceeding with plans on an aviation related campground adjacent to the Museum. He advised the Board that the City lease for the Museum property would expire in 2023. All Board members agreed that the Museum was a great asset for the City and Airport and will give a positive recommendation to renew the lease. Mr. Worsham will coordinate the steps that need to be taken to renew the Museum Lease agreement with the City.
- B. CPI Increase for Hangar Leases (+1.5%)** – **A motion was made and approved** to apply a 1.5% increase to all hangar leases with a CPI clause.
- C. Other New Business** – None.

8. Aldermen Knowis Comments – Alderman Knowis wished everyone a Merry Christmas.

9. Meeting was adjourned at 6:12 pm.

Submitted on 12/16/2016

<Original Signed>

Jon Glass
TAA, Airport Manager

Minutes approved during the _____ meeting