

Habersham County Airport Commission –

Work Session Minutes

April 16, 2024 11:00 a.m.

Habersham County Administration Building, Executive Conference Room

130 Jacob's Way, Clarkesville, Georgia 30523

The Habersham County Airport Commission held a work session on April 16, 2024 at 11:00 a.m. in the Executive Conference Room of the Habersham County Administrative Building located at 130 Jacob's Way, Clarkesville, GA 30523.

Members present: Chairman D. Higgins, Christopher Limbach, Lawrence Bridges, Andy Anderson

Members not present: Justin Schapansky

Others present: Attorney Ralph Taylor, County Manager Alicia Vaughn, Deputy Clerk Patti McLarty, County Clerk Brandalin Carnes, Airport Manager Bill Harden, CFO Tim Sims, Finance Administrator Kiani Holden, Commissioner Bruce Palmer, and Facilities Director Mike Bramlett.

Chairman D. Higgins called the meeting to order at 11:00 a.m.

D. Higgins gave the invocation and led the pledge of allegiance.

Adoption of Agenda

Motion by Andy Anderson, seconded by Christopher Limbach and voted unanimously to adopt the agenda as presented.

Review/Discuss Current Hangar Wait List and Wait List Procedures

Bill Harden has been going through our hangar wait list to find a tenant for D-3. This hangar keeps being declined because of the "hill". Bill wants to know if he should continue going down the list to find someone who wants it? Another question regarding people declining this hangar – since this hangar has "issues" that won't suit everyone, should their declining the hangar count against them? According to the current procedures, if someone on the wait list declines a hangar, they remain at the same spot on the list. If that person declines a hangar a second time, they are returned to the bottom of the list. Andy Anderson said that he doesn't think that rule should apply to folks to decline D-3 because of its issues, or in other situations such as if the person's plane won't fit in the hangar offered. Andy stressed that the airport is there to serve the pilots and patrons who use it. Currently, the hangar categories on the wait list application are: New, closed, T-hangar, Box hangar, open, and first available. There is currently not an option to list the size or wingspan of a plane, and it does not specify door height/width requirements. Lawrence Bridges suggested noting the reason someone declines a hangar. If it is an acceptable reason, such as hangar size needed, a person should remain where they are on the wait list. If someone declines for other reasons such as not currently owning a plane, no plans to buy a plane, or just doesn't want or need one right now, they should be moved down the list or removed from the list. Lawrence also suggested that if someone declines a hangar or asks to be removed from the list, we get something in writing. Andy added that if someone is offered a hangar that is sufficient to hold their plane, they must take the hangar or be removed from the list.

Bill proposed several changes on the current procedures list. He questioned the ten-business day allowance to accept or decline a hangar and suggested 72 hours. The board members said they think it should remain ten days.

He also feels that we should not give two or more chances for someone to decline a hangar before moving them down the list or removing them altogether.

We need to do a hangar inventory listing the dimensions and door dimensions of every hangar. Bill also suggested that we verify the wait list every year to keep it more accurate.

The current lease agreement allows the lessee six months to acquire a plane after signing the lease. Bill Harden expressed concern that if we allow six months, the airport is missing out on six months of fuel sales. Chris Limbach and Andy Anderson said that many people are waiting to get a hangar before purchasing a plane. They also said that finding and purchasing a plane can be a complicated process; therefore, we should continue to allow six months for a new hangar tenant to purchase a plane.

Brandy asked about hangar transfers for people not on the wait list. D. Higgins said he didn't like the way the recent hangar transfer was handled, and he feels like we should use the wait list only to fill the hangars.

Patti asked if we are allowing people to lease more than one hangar at a time, or to lease a hangar while also on the wait list. D. Higgins said he currently rents a pole barn hangar and is on the wait list for a better hangar. Many people are in the same situation and are on the wait list for a larger or newer or better hangar and would give up their current hangar if they were offered a better one. The board members all agreed that there should not be a limit to the number of hangars someone leases, as long as the lease requirements are met.

Review/Discuss Hangars Reverting to County Ownership in 2025

Insurance and airworthy requirements – The question is - do we enforce the current lease requirement of a certificate of insurance? Previous discussions have shown that many or most pilots do not carry insurance on their aircraft. The current lease requires a certificate of insurance to be submitted to the county every year. The lease also states that an airworthy certificate is required annually. Brandalin Carnes said she has only received a couple of insurance certificates in the three years she has been Clerk. Andy Anderson said the FAA does not require that airplanes are insured. The insurance required by our lease should be for liability coverage. Andy asked what benefit the county gets for being named as additional insured on an insurance policy? Ralph said there is no reason for the county to be listed as a loss payee on an aircraft policy. The liability would cover the hangar building itself in case of negligence. Chris Limbach said the problem is, if someone's plane caught fire and burned an entire hangar full of airplanes, that person should be liable for all the loss. D. Higgins has called a few companies who provide aircraft and hangar policies. There are many types of insurance available. More research needs to be done on the various policies. Ralph feels that the tenants' aircraft should be covered as well. He also said we may be liable for damages if we don't enforce the insurance policy. We cannot control the coverage held by pilots flying into our airport, but we can enforce the insurance requirements for our hangars. Andy Anderson said that he has four airport hangar leases and the leases all state that insurance certificates are required, but none of those airports enforce the policy. D. Higgins said we need to enforce our policy.

Hand-outs for the meeting included a spreadsheet of all hangar blocks. The county will be taking ownership of the A, F, and G hangars on January 1, 2025. There will be a total of 18 hangars reverting to the county. Also included in the documents were a copy of the current wait list and a list of hangars the county currently collects rent for, and what the rental rates are. D. Higgins asked Alicia and staff what the concerns or issues are regarding these hangars. We need to determine what rental rates to charge for each hangar block, have the hangars inspected and measured, and the board agrees that we should charge by square footage. The current owners of these hangars have a 5-year renewal clause in their contract. County staff want the Airport Commission's input on the letter being sent. The current owners need to be sent the new hangar lease plus a deadline to commit to keeping their hangar for an

additional 5 years. If someone decides to not keep their hangar, we will fill their hangar from the wait list. Alicia summarized by saying the letters to the current owners need to include 1) Whether they plan to keep their hangar an additional five years; 2) A copy of the new lease agreement; and 3) The proposed monthly rental rate. Ralph suggested we also include notice or timeline of upcoming inspections. They should also be reminded to join the hangar wait list for when their additional five-year term is up. Chris Limbach said that we should keep a list of all the hangars which includes square footage and door size. Bill pointed to the wait list application from Hilton Head airport which lists the available hangars' dimensions and door sizes. Alicia asked if all of our hangars will be under the new square foot rental rate? The current renters have a lease agreement already. Alicia suggested we offer the reverting hangars for what our current tenants are paying, for one year, and that rates may increase after one year due to market rate analysis, to ease the transition.

Mike Bramlett said he knows there have been some modifications in the hangars, such as electrical. He suggested we hire electricians to inspect the electrical in the hangars and have them replace all the light fixtures or bulbs with LED. LED lighting will save the county money, as well as cut down on maintenance time to regularly replace bulbs. Mike also recommended adding one 110 and one 220 outlet per hangar, so they are standardized going forward. Mike also suggested that any owner/tenant who wants to add anything electrical to their hangar must go through the county for a permit and inspection.

D. Higgins said that there are currently separate electric meters for these hangars. The cost is shared between the owners. Will the county begin paying all the electric bills for these hangars? Alicia said not necessarily, based on which lease they are under.

Andy Anderson asked if the 5-year renewal will be based on the owner's original lease or the new lease. If the owner is not in default on the original lease, the contract extends based on the original lease. However, there are terms in the old lease that have not been followed by any of the tenants, such as paying a \$60 annual maintenance fee to the county or providing certificates of insurance. Therefore, most if not all are in default and would be required to sign the new lease agreement. The original lease states that rent should be based on the going market rate for hangars at the time of renewal. The old lease also allows sub-leasing, which the new lease does not. Brandy Carnes added that there are a few of those hangars where the county does not know who is occupying them. D said the airport knows who is occupying them, although the county may not have the paperwork. Brandy stressed that we need a current lease for every hangar.

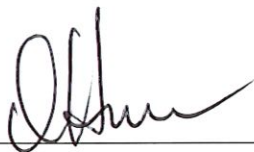
Ralph and Alicia suggested we include the new lease in the letter we send to the current owners and ask them to sign it. The letter should say that they are grandfathered in, and they have the option to sign the new lease agreement at the determined rate. If anyone refuses to sign the new lease, they will be advised that they are in default on their original lease agreement. Andy Anderson thinks most of the owners will want to keep their original lease. However, their original lease agreement only gives them a five-year extension. If they sign a new lease, they will not be limited to only five years. The biggest difference between the two leases is the ability to sub-lease. The new lease does not allow sub-leasing. Ralph suggested that we explain in the letter that the county is trying to standardize our airport leases, so everyone is on the same lease. The owners who wish to remain on their old lease need to be reminded that they only have five years remaining in the hangar. Therefore, if they wish to have a hangar when the five years is up, they would need to join the hangar wait list.

Next Steps –

- Measure and inspect condition of hangars (Mike wants a detailed checklist)
- Set rental rates for first year (2025) based on square footage
- Establish deadline to respond (the BOC will need to approve by the December 2024 meeting)
- Send letters to current owners
- Perform market evaluation of hangar rental rates during 2025

Adjournment

Motion by Lawrence Bridges, seconded by Chris Limbach, and voted unanimously to adjourn the work session at 1:18 p.m.



D. Higgins, Chairman



Vice Chair Andy Anderson
~~Lawrence Bridges, Secretary~~