



Rutherford County Airport Authority

289 N. Main Street
Rutherfordton, NC 28139

Tuesday, July 6, 2021, 4:00 PM

I. Call to Order

Chairman Benfield called the July 6, 2021 meeting of the Rutherford County Airport Authority to order.

Present: 4 Member Bryan King, Member Alan Toney, Chairman Michael Benfield, and Vice Chairman David Hunt

Absent: 1 Member Greg Lovelace

A. Pledge of Allegiance

Chairman Benfield led in the Pledge of Allegiance.

B. Agenda Approval

A motion was made by Member Hunt and seconded by Member King to approve the agenda. The motion carried by the following vote:

Aye: 4 Member King, Member Toney, Chairman Benfield, and Vice Chairman Hunt

Nay: 0

Absent: 1 Member Lovelace

II. Public Comments

There were no Public Comments.

III. Consent Agenda

ID 21-2861

Minutes of May 3, 2021

A motion was made by Member Hunt and seconded by Member King to approve May 3, 2021 Minutes. The motion carried by the following vote:

Aye: 4 Member King, Member Toney, Chairman Benfield,
and Vice Chairman Hunt

Nay: 0

Absent: 1 Member Lovelace

IV. Director's Financial Report

ID 21-2864 July 2020-May 2021 Financial Report

Airport Director Devon Raisch presented the Financial Report for the fiscal year, July 2020 to June 30, 2021. Fuel sales were up for the year, averaging 66,000 gallons of Jet A and 40,000 AVGAS, totaling 106,000 per fiscal year.

Information only.

V. New Business

ID 21-2863 Appointment of Airport Authority Secretary

County Manager Garrison presented a recommendation to the Board to approve the appointment of Kim Aldridge to the position of Airport Authority secretary.

A motion was made by Member Hunt and seconded by Member King to approve the appointment of Kim Aldridge as the Airport Authority Secretary. The motion carried by the following vote:

Aye: 4 – Member King, Member Toney, Chairman Benfield and Vice Chairman Hunt

Nay: 0

Absent: 1 – Member Lovelace

ID 21-2890 Face Coverings (Mask) Policy

Beth Miller, Airport Authority Attorney, informed the Board that for the Airport to receive Coronavirus Response and Relief Supplemental Appropriation (CRRSA) funding, the airport must adopt a face coverings policy. A Resolution was presented for the Board's consideration to approve the proposed Face Coverings (Mask) Policy.

A motion was made by Member Hunt and seconded by Member King to approve the Face Coverings Resolution as presented. The motion carried by the following vote:

Aye: 3 - Member King, Chairman Benfield and Vice Chairman Hunt

Nay: 1 - Member Toney

Absent: 1 - Member Lovelace

Resolution of the Rutherford County
Airport Authority Relating to Face-
Coverings (Mask) Policy

Whereas, pursuant to the Centers for Disease Control (CDC) and the Transportation Security Administration (TSA) wearing face-coverings continues to be required for domestic and international travel and at all airports in the United States of America to combat the spread of pathogens; and

Whereas, the Rutherford County Airport Authority would maintain eligibility to receive current and future federal grants by adopting a Rutherford County Airport Authority Face-Covering (Mask) Policy; and

Whereas, the Rutherford County Airport Authority finds that it is in the best interest of the Rutherford Airport (Airport) for face-coverings to be worn by all individuals while in all public areas of the Airport property in accordance with the face-covering (mask) policy requirements of the CDC and TSA.

Now, therefore, be it resolved that the Rutherford County Airport Authority hereby adopts the following Face-Covering (Mask) Policy:

Face-Coverings (Mask) Policy

It shall be the policy of the Rutherford County Airport Authority that all persons shall be required to wear a face-covering (mask), in accordance with Centers for Disease Control (CDC) guidelines and Transportation Security Administration (TSA) requirements, as applicable, at all times while in all public areas of the Rutherford Airport property, except to the extent exempted under those requirements. This Policy shall remain in full force and effect until Executive Order 12998, Promoting COVID-19 Safety in Domestic and International Travel, is no longer effective and this Policy is rescinded by the Rutherford County Airport Authority.

Adopted this the 6th day of July, 2021.

ID 21-2879

Proposed Ground Lease Agreement and Terms

Beth Miller, Airport Authority Attorney, spoke to the Board on the need to update the terms and conditions of the ground leases for hangars at the Airport.. The assistance of Keith Merritt of Hamilton, Stephens, Steele & Martin, PLLC was enlisted to help draft new ground lease agreement. . Mr. Merritt advised that a similar ground lease agreement will be needed for hangars which house commercial operations. The Commercial Operations Ground Lease Agreement has not yet been drafted.

Devon Raisch, Airport Director, presented the draft of the proposed Ground Lease Agreement highlighting certain terms and conditions of the document.. He

compared the draft to other airport ground leases. The Airport currently has lease agreements with forty year terms. The recommendation is to include in the Ground Lease Agreement the following provisions: 1) 25-year lease term with one 5-year extension; 2)25% rental amount increase at the end of the lease term; and 3) monthly rental in the amount of .20/square ft.

Chairman Benfield inserted that for the record, Member Lovelace is present now.

Board Member Hunt moved that the Ground Lease Agreement include 1) 25-year lease term with one 5-year extension; 2)25% rental amount increase at the end of the lease term; and 3) monthly rental in the amount of .20/square ft. Board Member King seconded this motion.

A motion was made by Board Member Hunt and seconded by Board Member King to approve the motion to adopt the Ground Lease Agreement with the term and rental provisions noted. The motion carried by the following vote:

Aye: 5 - Member Lovelace, Member King, Member Toney, Chairman Benfield and Vice Chairman Hunt

Nay: 0

ID 21-2897

Payment and Performance Bonds

Member King continued with the discussion on the specific terms and conditions of the Ground Lease Agreement, specifically, the importance of requiring corporate surety bonds and payment and performance bonds.

A motion was made by Member King and seconded by Member Hunt to approve adding the requirement of payment and performance bonds to the Ground Lease Agreement. The motion carried by the following vote:

Aye: 5 - Member Lovelace, Member King, Member Toney, Chairman Benfield and Vice Chairman Hunt

Nay: 0

ID 21-2898

Subleasing

Attorney Miller noted that the proposed Ground Lease Agreement does not authorize subleasing. Member Hunt, Member King, and Director Raisch offered comments.

A motion was made by Member Hunt to include provisions in the Ground Lease Agreement to authorize subleasing. Member King seconded motion.

The motion carried by the following vote:

Aye: 5 – Member Lovelace, Member King, Member Toney, Chairman Benfield and Vice Chairman Hunt

Nay: 0

ID 21-2899 **Ground Lease Agreement**

In order to clarify the recommendations of the Board regarding the terms and conditions of the proposed Ground Lease Agreement, Attorney Miller recommended that the Board consider a motion to approve the Ground Lease Agreement with the previously adopted modifications. Attorney Miller reiterated that the terms and conditions of the Ground Lease Agreement would be incorporated into the Commercial Operations Ground Lease Agreement.

A motion was made by Member King and seconded by Member Hunt to approve the proposed Ground Lease Agreement as presented with the following modifications: 1) 25-year lease term with one 5-year extension; 2)25% rental amount increase at the end of the lease term; 3) monthly rental in the amount of .20/square ft; 4) a payment and performance bond requirement; and 5)authorization of subleasing.

The motion carried by the following vote:

Aye: 5 – Member Lovelace, Member King, Member Toney, Chairman Benfield, and Vice Chairman Hunt
Nay: 0

ID 21-2877 **Hangar Request for Leo Knowlden**

Director Raisch spoke about statue of Leo Knowlden’s request to build a hangar at the airport.

Information only.

ID 21-2882 **Hangar Request for Mark Berry**

Director Raisch presented information from Mark Berry who is interested in building a 50' x 60' hangar for aircraft storage and Commercial Operations.

Information only.

ID 21-2881 **Hangar Request for Mark Brelsford**

Director Raisch presented information form Mark Brelsford who is interested in building a 60x80 hangar.

Information only.

ID 21-2894 **Hangar Request for PGS360**

Director Raisch s advised the Board that PGS360 is a logistics business and wants to build a 60x60 hangar to store their aircraft.

Information only.

ID 21-2892 Resolution Approving Hangar Development

County Manager Garrison and Director Raisch requested authorization to complete the application review process and to execute the necessary documentation for the construction of the new hangars including, but not limited to, ground leases and commercial operations agreements.

A motion was made by Member Hunt and seconded by Member King to approve Resolution for hangar development. The motion carried by the following vote:

Aye: 5 - Member Lovelace, Member King, Member Toney, Chairman Benfield and Vice Chairman Hunt

Nay: 0

A RESOLUTION APPROVING HANGAR DEVELOPMENT

WHEREAS, the Rutherford County Airport Authority ("Airport Authority") has received inquiries from three individuals and an entity interested in building new hangars on the premises of the Rutherford Airport; and

WHEREAS, an application process has been formulated to manage new hangar development and construction; and

WHEREAS, the individuals and entity are in various stages of the application process; and

WHEREAS, the Airport Authority deems it appropriate to authorize the County Manager to proceed with completion of the application review process and execution of necessary documents for the construction of new hangars, including but not limited to, ground leases and commercial operations agreements, based upon information provided to the Airport Authority relative to the individuals and entities named herein.

NOW THEREFORE, BE IT RESOLVED by the Rutherford Airport Authority that:

1. The County Manager and Airport Operations Manager are hereby authorized to complete the application review process and the County Manager is hereby authorized to execute the necessary documentation for the construction of the new hangars, including but not limited to, ground leases and commercial operations agreements, if applicable, with the following parties:

- a. *Mark Adam Berry***
- b. *Leo Knowlden and Virginia Knowlden***
- c. *Mark Brelsford***
- d. *PGS360, a California business entity***

Adopted this 6th day of July, 2021.

A motion was made by Member King and seconded by Member Hunt to approve Resolution authorizing County Manager to execute Ground Leases and Operations Agreements for new hangar development. The motion carried by the following vote:

Aye: 5 Chairman Benfield, Vice Chairman Hunt, Member Lovelace, Member Toney, and Member King

Nay: 0

**A RESOLUTION AUTHORIZING COUNTY MANAGER TO EXECUTE GROUND
LEASES AND OPERATIONS AGREEMENTS FOR NEW HANGAR
DEVELOPMENT**

WHEREAS, the Rutherford County Airport Authority (Airport Authority) has received inquiries from parties interested in building new hangars on the premises of the Rutherford Airport; and

WHEREAS, an application process has been formulated to manage new hangar development and construction; and

WHEREAS, general terms and conditions for an aircraft storage hangar ground lease, a commercial operations ground lease and commercial operations agreements have been previously approved by the Airport Authority; and

WHEREAS, the Airport Authority deems it appropriate to authorize the County Manager to execute ground leases and commercial operations agreements on behalf of the Airport Authority to expedite new hangar development.

NOW THEREFORE, BE IT RESOLVED by the Rutherford County Airport Authority that:

The County Manager is hereby authorized to execute aircraft storage ground leases and commercial operations ground leases on behalf of the Airport Authority for new hangars built on Rutherford County Airport property for aircraft storage or commercial operations, respectively, provided that the ground leases contain substantially the same terms and conditions as approved and there are no material changes from the approved ground lease terms.

The County Manager is hereby authorized to execute commercial operations agreements on behalf of the Airport Authority provided that the commercial

operations agreements contain substantially the same terms and conditions as approved and there are no material changes from the approved commercial operations agreement terms.

Adopted this 6th day of July, 2021.

VI. Adjourn

A motion was made by Member King and seconded by Member Hunt to adjourn.

The motion carried by the following vote:

Aye: **5** *Chairman Benfield, Vice Chairman Hunt, Member Lovelace, Member King, and Member Toney*

Nay: **0**

Chairman, Airport Authority

Vice Chairman, Airport Authority

Attest:

Secretary to the Airport Authority