

**CITY OF CLEVELAND  
MUNICIPAL AIRPORT AUTHORITY  
AGENDA  
September 20, 2019  
9:00 A.M.**

**I. CALL TO ORDER**

**II. ROLL CALL**

- A. \_\_\_\_\_ Lynn DeVault (Chairman)
- B. \_\_\_\_\_ Verrill Norwood (Vice Chairman)
- C. \_\_\_\_\_ Steve Wright (Secretary/Treasurer)
- D. \_\_\_\_\_ Robbie Garrison
- E. \_\_\_\_\_ Ben Chandler

**III. ACCEPTANCE OF MINUTES (July 19, 2019)**

**IV. UPDATES**

- A. Director's Report (Mark Fidler)
  
- B. FBO Report (Contour Aviation)

**V. UNFINISHED BUSINESS**

**VI. NEW BUSINESS**

- A. Retro Motion to Authorizing the Chairman to Sign a re-assignment and operating agreement with the FBO. (pages 1-4)
- B. Election of officers for the 2020 Cleveland Municipal Airport Authority
- C. Resignation of Chairman Lynn DeVault from the Cleveland Municipal Airport Authority (page 5)
- D. Mayor Brooks to Swear in Tom Roland, as a member of the Cleveland Municipal Airport Authority

**VII. BOARD MEMBER REPORTS**

- A. Lynn DeVault**
- B. Verrill Norwood**
- C. Steve Wright**
- D. Robbie Garrison**
- E. Ben Chandler**

**VIII. ADJOURNMENT**

**Next Scheduled Meeting – November 15, 2019**

**Informational Attachments:**

**Authority Attendance Log (page 6)**  
**Payments (page 7)**

**ASSIGNMENT OF FIXED-BASE OPERATOR'S LEASE  
AND OPERATING AGREEMENT**

**THIS ASSIGNMENT OF FIXED-BASE OPERATOR'S LEASE AND OPERATING AGREEMENT** (this "Assignment"), dated as of August 30, 2019 (the "Effective Date"), is entered into by and among the CLEVELAND MUNICIPAL AIRPORT AUTHORITY, a municipal corporation of the State of Tennessee with offices at 251 Dry Valley Road NE, Cleveland, Tennessee (the "Authority"); CORPORATE FLIGHT MANAGEMENT, INC., a Tennessee corporation, with offices at 808 Blue Angel Way, Smyrna, Tennessee 37167 (the "Assignor"); and CONTOUR FLIGHT SUPPORT, LLC, a Tennessee limited liability company, whose principal address is at 276 Doug Warpoole Road, Smyrna, Tennessee 37167 (the "Assignee").

**WHEREAS** the Assignor leases certain property of the Authority located at the Cleveland Regional Jetport located in Cleveland, Bradley County, Tennessee (the "Property") pursuant to that certain Fixed-Base Operator's Lease and Operating Agreement dated July 1, 2016, a true and complete copy of which, including all modifications and amendments thereto, is attached as Exhibit "A" (the "Lease"); and

**WHEREAS** Assignor desires to assign to Assignee the Lease, including all of Assignor's rights and obligations thereunder, effective as of the Effective Date, and the Assignee has agreed to accept the assignment of the Lease from Assignor and to assume the obligations of Assignor under the Lease as of the Effective Date.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the sum of ONE DOLLAR (\$1.00) payable by the Assignee to the Assignor, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged the parties hereto agree as follows:

1. The recitals above are incorporated by reference as if fully reproduced herein, and are true and correct in all respects.

2. The Assignor hereby grants, transfers, conveys, assigns, and sets over to the Assignee the Lease, including all of its rights, title, interest, duties, and obligations in, under, and to the Lease, including all leasehold improvements, fixtures, and furnishings, to have and to hold unto the Assignee as of the Effective Date and for and during the remainder of the term of the Lease. Assignee hereby accepts from Assignor the Lease and all of Assignor's rights, title, interest, duties, and obligations in, under, and to the Lease and agrees to be liable thereunder from and after the Effective Date. As provided by Section 9 of the Lease, the Authority hereby consents to said assignment in all respects and agrees that from and after the Effective Date, the Authority will look solely to the Assignee to fulfill all duties and responsibilities of "the Company" under the Lease.

3. The Assignor and the Authority represent and warrant to Assignee (as applicable to them) that as of the Effective Date:

a.) The Lease is valid and, except as may be provided for herein, unmodified and remains in full force and effect;

b.) Assignor has good leasehold title to the Lease, has all requisite right, power and authority to assign the Lease, and hereby assigns the Lease to Assignee free and clear of any and all liens, claims, or encumbrances whatsoever;

c.) Assignor has duly and punctually performed, all and singular, the terms, covenants, conditions and warranties of the Lease on Assignor's part to be kept, observed and performed; and, to the best of Assignor and the Authority's knowledge, Assignor is not in material default of any of the terms or provisions of the Lease; and

d.) Neither Assignor nor the Authority has previously sold, assigned, transferred, or pledged the Lease, or any part thereof, whether now due or hereafter to become due.

4. Assignor shall defend, protect, indemnify, and hold Assignee and the Authority harmless from and against any and all liabilities, obligations, claims, losses, costs, damages, or expenses (including court costs and reasonable attorneys' fees) arising from or relating to the failure of Assignor to have fully performed all of its obligations under the Lease prior to the Effective Date, including, without limitation, all charges which may have become due pursuant to the provisions of the Lease, as rental or otherwise, prior to the Effective Date.

5. Assignee shall defend, protect, indemnify, and hold Assignor and the Authority harmless from and against any and all liabilities, obligations, claims, losses, costs, damages, or expenses (including court costs and reasonable attorneys' fees) arising from or relating to the failure of Assignee to fully perform all of its obligations under the Lease from and after the Effective Date, including, without limitation, and all charges which may become due pursuant to the provisions of the Lease, as rental or otherwise.

6. The covenants and agreements herein contained shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of each of the parties hereto.

7. Assignor and Assignee hereby covenant that they shall, at any time and from time to time, make, execute, acknowledge, and deliver to the other parties hereto as necessary, such further acts, conveyances, assignments, notices, transfers, or assurances as may be reasonably necessary in order to effectuate and confirm the transactions set forth above, or for facilitating the performance of the terms of this Assignment, or for recording this Assignment or any transaction described herein, provided that doing so shall not result in any additional cost or liability to Assignor or the Authority.

8. This Assignment may be executed in any number of counterparts, each of which shall be an original, and all of which together shall constitute but one and the same instrument. Each party represents and warrants to the other parties that it has full power and authority to execute and fully perform its obligations under this Assignment (and Assignee further represents and warrants that it has full power and authority to fully perform its obligations under the Lease) pursuant to its governing instruments, without the need for any further action, and that the

person(s) executing this Assignment on behalf of such party are duly designated agents and are authorized to do so. This Assignment constitutes the entire agreement among the parties regarding the subject matter hereof. No modification, waiver, amendment, discharge, or change of this Assignment shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought. This Assignment shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its conflict of law rules.

[Signature page to follow]

IN WITNESS WHEREOF the parties hereto have executed this Assignment as of the date referred to above.

**ASSIGNOR:**

CORPORATE FLIGHT MANAGEMENT, INC.

By: [Signature]

Name: MATTHEW CHAIKIN

Title: CEO

**ASSIGNEE:**

CONTOUR FLIGHT SUPPORT, LLC

By: [Signature]

Name: MATTHEW CHAIKIN

Title: SOLE GOVERNOR

**AUTHORITY:**

CLEVELAND MUNICIPAL AIRPORT  
AUTHORITY

By: [Signature]

Name: D. LYNN DeVAULT

Title: CHAIRMAN

**D. Lynn DeVault  
Post Office Box 1516  
Cleveland, TN 37364**

**August 1, 2019**

**Mayor Kevin Brooks  
190 Church Street NE  
Cleveland TN 37311**

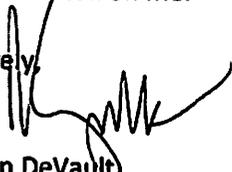
**Dear Mayor:**

**Please accept this letter of resignation from the Cleveland Municipal Airport Authority, effective at its next meeting, September 20, 2019.**

**The City Council has passed a resolution indicating that Tom Rowland would be named to the authority when there was an opening. It is my desire that Tom replace me for my remaining term, expiring in September, 2020, thereafter to be reappointed at your discretion.**

**As you know, I am personally dedicated to the success of our airport and am happy to consult with the Authority or the City Council at any time. If need arises for my service in future years, please do not hesitate to call on me.**

**Sincerely,**



**D. Lynn DeVault**

**cc: Mark Fidler  
Verrill Norwood  
Steve Wright  
Robbie Garrison  
Ben Chandler**



Date: 9/16/2019  
Time: 09:02  
User: LDUNCAN

City of Cleveland  
Account Analysis  
September 2019

Page: 1  
Id: GL6640

Fund: 322-CAPITAL IMPROVEMENTS PROGRAM FUND

---Date--- Reference Check# Type -----Description----- Debit-----Credit-----Balance----- --Packet--

52500-931 TAXIWAY & RUNWAY REPAIR

Beginning Balance

0.00

09/10/2019 R 069634

70664

CD

VULCAN MATERIALS COMPANY

502.13

502.13

CD5071

Ending Balance

502.13

502.13

52500-933 CLEVELAND REGIONAL JETPORT

ENVIRONMENTAL MONITORING

Beginning Balance

0.00

07/01/2019 40100-0042

69983

CD

TN DEPT OF TRANSPORTATION

375.00

375.00

CD5029

Ending Balance

375.00

375.00

**MINUTES  
CITY OF CLEVELAND  
MUNICIPAL AIRPORT AUTHORITY  
JULY 19, 2019  
9:00 A.M.**



**Be it recorded that the Cleveland Municipal Airport Authority met in a regular session on Friday, JULY 19, 2019, at 9:00 a.m. in the Cleveland Municipal Council Room**

**MEMBERS PRESENT:** Lynn DeVault, Verrill Norwood, Steve Wright, Robbie Garrison, and Ben Chandler

**MEMBERS ABSENT:**

**CITY STAFF:** Mark Fidler (Airport Manager), Beverly Lindsey (Assistant to the City Manager), Melinda Carroll (Assistant City Manager, Operations) Laura Duncan (Recording Secretary)

**FBO STAFF:** Cheryl Balazi

**CONSULTANTS:**

**GUESTS:**

**MEDIA:**

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**CALL TO ORDER**

The meeting was called to order by the Chairman, Lynn DeVault, at 9:02 a.m.

**ROLL CALL**

Chairman DeVault called the roll and is recorded above as Members Present.

**ACCEPTANCE OF MINUTES**

**Chairman DeVault called for a motion to accept the minutes from the March 15, 2019 meeting. Steve Wright so moved, seconded by Ben Chandler and was unanimously passed.**

**UPDATES**

Director's Report

Runway Subsidence Repair Project:

Mark reported work began on 4/23/19 and continued through 4/27/19. The cumulative injected quantity of URETEK 486 compound was 11,844 pounds. Mark showed an example of the product material and stated that it's amazing to think that they pumped over 11,000 pounds under the runway. Chairman

DeVault said it's amazing to think that the material is as strong as it is, considering how light weight it is.

The runway and taxiway both were successfully raised following the procedures and have remained in their proper position since conclusion of the injection. No further evidence of subsidence has been found to date. Mark showed pictures and explained the repair process. The grant will remain open with the state for several months.

Board Member, Ben Chandler, asked if it was an FAA approved material and what the expected lifespan of the material is. Mark replied that yes, it is approved, it's been used in other airports, and that Board Member Wright was familiar with the material, as it has also been used in infrastructure repair. Mr. Wright did say that he has seen it used in some slabs, and that it has held up. Mark reported that engineers say it should last about 25 years, but the material hasn't been around long enough to know for sure.

The slides also showed pictures of a field drain repair that took place at the same time as the runway repair. They placed a concrete path into the drain and some stone around the drain to help with standing water. The question arose if the issue was poor planning/construction of the original drain, or if there has just been more rain/water than intended. Mark replied that we have gotten more rain than anticipated.

#### Director's Report

##### Hanger S-5 Construction Progress:

Mark had a handout of the architect's revised plan. He reported that construction was curtailed earlier this year following a reorganization of the Partnership. Mr. Preston is now solely responsible for the project.

Mr. Preston wanted covered exterior parking, located on the western side of the structure. This modification increased the building footprint and resulted in blockage of the line of sight from the terminal building to the runway threshold and hold line, as required by new FAA Airport Design Standards. In order to comply with the standards and have the owner's covered parking, a redesign was set underway. Chairman DeVault wanted to know how far along they are on the construction now. Mark said that the construction is still where it's been for the last 3 weeks. The Hanger portion is complete. It's the office space they are working on now. The redesign is about complete, and Mr. Preston has agreed to the plan, and work should resume soon. In the interim, the construction site has been cleaned up and all building materials relocated inside the hangar portion of the structure. The site has been graded and grass planted. We look forward to resumption of construction in the earnest and completion as soon as possible of this addition to the Jetport.

#### Director's Report

##### Line of Sight Issues:

Mark reported while dealing with the line of sight issues associated with the new hangar, it became apparent that there were issues that needed addressed on the south end of the Jetport. Trees had grown and were blocking our unobstructed view of the runway end. Mark arranged to have the trees cut down, restoring the ability to see the distant end of the airport.

Board Member Wright asked if we had camera coverage of the runway? Mark replied, that there are not

cameras. Mr. Wright mentioned it is something to be considered in the future, that some airports have cameras that have been used to answer questions about accidents and other incidents that have happened on the runways.

Director's Report

Runway Protection Zone Update:

Mark reported that the FAA has approved the suggested language of the City Ordinance and County Resolution. The next step will be presenting our case to the City Planning/Zoning Review Board at the August 20, 2019 Meeting. Assuming successful revision to the City Ordinance, Mark will then go to the County Planning Commission meeting and present our case. Chairman DeVault asked Mark if he would go all the way through the Zoning and the City Council before presenting it to the County, and when the county meeting is? Mark said yes it would go all the way through City Council before going to the County and at this time he is not sure when that meeting would be. Assistant City Manager, Melinda Carroll, said that voting sessions are held every other week. It would be a September meeting before it could get on the agenda. The City Council will meet September 9<sup>th</sup> and 23<sup>rd</sup>. This is the important meeting which has actual bearing on affected property. We are hopeful the County will follow the City's lead and adopt revised language. Chairman DeVault feels that after it passes the City, they might should do some socializing with the County Commissioners about the concept. The good news is there has not been any issues with the community since the Jetport has been there. Originally there were some concerns about the placement of the Jetport.

Mark also reported that the owners of the farm in question, Jim and Jack Moore's mother has passed away at 102 years of age. Mark visited the family and paid condolences, he has a good relationship with them. Mark feels that the 2 brothers are starting to show their age and there is a good possibility that they will come around. Neither of them has children to inherit the farm. Board Member Robbie Garrison brought up the fact that the dairy industry is really struggling, and the Cleveland area has lost many dairy farmers recently due to lack of demand. The Dairy business is bad, and the timing could be beneficial for several reasons. Chairman DeVault, asked if Mark had made them aware of the fact that they are in the process of having the zoning changed and mentioned maybe they should revisit the family letting them know the offer still stands to purchase the Easement, to give them another chance before the meetings with the City and County. If business is lacking it may be good timing. Mark said he would contact them again.

Director's Report

TDOT Desk Audit:

Mark reported that correspondence was recently received from TDOT following an internal TDOT audit which found all our grant requests and allocations to be in order. A copy of the correspondence was included in the handouts.

Chairman DeVault mentioned looking at the revenues from June and how good it looked. It has always been the plan for the Airport to be self-sustaining and it is well on its way. She also commented that they had thought that the room rental would make more money, that they felt more businesses and organizations would want to use it. Mark replied that the room is used more than revenues show, but that there is no charge for non-profits. He does get inquiries about room rentals; however, the size of the room limits the groups that are interested in hosting meetings and events there. It only fits about 49 standing and with tables and chairs only about 25-28.

Mark is currently working on plans for the completion of the room upstairs and getting estimates for

PDC to possible lease that work area for their offices. Chairman DeVault suggested looking at lease rates. She also wanted to know about the use of the pilot lounge. Mark said that it is used regularly.

### Director's Report

#### Airport Day:

Mark reported that a date has been scheduled for Sept 20-22, 2019 and the vintage DC-3 "Flagship Detroit" has been reserved for the featured event. Flights are \$100 and that is a onetime membership fee that you can go to other airports and events with Flagship Detroit and fly for no additional fees. Additional participants will be the local CAP, Cleveland's Air Force ROTC unit, MTSU Aviation Program representatives, ATP Flight Training and Wings of Eagles Flight School. There will also be food vendors on the grounds serving assorted treats.

### Director's Report

#### TDOT-AERO Airport Capitol Improvements Planning Meeting (ACIP):

Mark reported that once again, Cleveland Jetport was requested to host the annual ACIP meeting for the southeastern TN's airports. Approximately 10 airports from our region will join us for a day of briefing and discussion by TDOT-Aero's Director and her staff. KRZR is one of the TDOT's favorite locations to hold the important meeting and we are happy to participate in the event.

### FBO Report

Cheryl reported: The transit traffic is up on the jet side. In past you might see 1-2 a week and now we have 1-3 a day. Historically, July is a slower month in aviation, so we do anticipate a little slow down this month. The flight school has booked its highest hours last month with 125 training hours logged.

Cheryl also said that they are extremely excited about participating and helping with the Aviation Day in September, getting the word out and bringing in the community. Chairman DeVault, asked what the Marketing plan is? Mark answered, that Sandra Rolland has approached him and offered to help with Marketing. There will be posters made, social media outlets, as well as radio promotions. Cheryl said that Aviation Day also correlates with TN Aviation Fly in Month, so that is the day they have chosen. They will be working with Morristown Airport, as it's their day as well. The two airports are working together and have some incentives to get pilots to visit both airports in the same day. Board Member Steve Wright asked if she had any plans to connect with AOAP fly in in October. Cheryl has not heard of anything but will check into it to see if there is anything, we can correlate with them as well. Mark believes that fly in is actually in August and not October.

Chairman DeVault asked for an update on the accident that Mark had sent an email on. Mark said the guy had a broken arm, and that he has heard that the pilot said he lost engine power, but he hasn't heard a definite cause of the accident and the FAA has taken over the investigation.

Board Member Garrison, ask Cheryl what the cost of a gallon of 100 Octane is now? She said that full service is \$4.99 a gallon. Garrison said he was looking at old receipts from 1972 and it was .46 a gallon. He asked her if they speculate to sell more of less of the 100 Octane. She responded hopefully more. The increase in fuel sells is on the jet fuel side. Board Member Wright asked if the increase in transit traffic is due to destination stops or stopping for fuel. She answered that it is both.

Cheryl said she has had Jets inquiring about hanger space, however it's just not available. Chairman

DeVault asked if it is time to consider building the second City Hanger. Cheryl said she believes so. Chairman DeVault said that the land has been reserved, and she believes that the state needs to see demand. She asked if we needed to start a log of who wants a space. Mark said that it is the next project on the list with TDOT. Chairman DeVault, wonders if we have a better chance of getting money for a Community Hanger. Board Member Wright asked how we would justify the project. Mark said he has a list of people wanting T-Hangers. Chairman DeVault suggested to get a list of who is interested in community hanger. Wright asked if there is a way to distinguished between the 2? Mark said that it will take over 3 years to complete the project and do it in parcels rather than getting all the money and completing the project all at once. Chairman DeVault, said not to forget we can lease the land to an individual to build a community hanger. Board Member Chandler said that he believes we are in a unique position to capitalize on the market. He has listened to Terry Hart, from Chattanooga and T Hangers are not in their long-term plan. There are no plans to build out, renovate, or upgrade the existing T Hanger facilities. With West Star's expansion it is unknown if they plan to build any additional community hangers. Collegedale is pretty much built out. Chandler thinks we could have a unique opportunity to capitalize on the growth over the next 5-10 years. Companies with King Airs and Citations that might not need a full-service facility but just simply need the hanger space. Mark commented that anything from GA aircraft and up, that Chattanooga has no real interest in serving. Chattanooga's focus and business model are looking for people that have their aircraft serviced by West Star and the airlines. Chairman DeVault suggested that Mark and Cheryl get together and think things through. If they are beginning to have the demand, it may be time to look into things. Mark can talk to the people on his wait list and see if they would be interested in space in a community hanger since we are looking at least 3 years to develop the property for private hangers. Chairman DeVault said that the situation needs to be thought through. In airport planning it was discussed about a public/private partnership. Where we own the land- you build the hanger and lease out space. This is exactly the time we said we would need to consider this - when the state runs out of money, but we still have the demand.

Board Member Wright asked Mark if he remembers the size of the building, we had intended to be able to build. Mark said it is 100x100 just like the current city hanger. Chairman DeVault said to think about it and if the state doesn't up front the money maybe we can upfront for a plan or even pull out the plans we already have. Cheryl was asked how many people has approached her and the type of aircraft? She answered at least 8-10 with a variety of aircraft, citations, leer jets, single engine, and twin engine. Some are inquiries are from those looking to leave Chattanooga but have nowhere to go. Mark says he has 15 people on his waiting list for a hanger as well. Chairman DeVault suggests having a short questioner when people express interest. She says we don't want to turn people away because we haven't been thoughtful in the process.

## **UNFINISHED BUSINESS**

### **NEW BUSINESS**

- A. Retro Motion Authorizing the Chairman to Sign a Grant Amendment in the Amount of \$63,942.00 to Repair the Runway and Taxiway.
- B. Retro Motion Authorizing the Chairman to Sign a Request for Funding in the Amount of \$10,000 for additional material needed to complete the Runway and Taxiway Subsidence Repairs.

- C. Retro Motion Authorizing the Chairman to Sign a Grant Amendment in the Amount of \$10,000 for additional material needed to complete the Runway and Taxiway Subsidence Repairs.
- D. Retro Motion Authorizing the Chairman to Sign a Request for Funding in the Amount of \$7,500 for the TDEC Required 7<sup>th</sup> Year Airport Environmental at Rolling Hills Mitigation Site.
- E. Retro Motion Authorizing the Chairman to Sign a Grant Contract in the Amount of \$7,500 for the TDEC Required 7<sup>th</sup> Year Airport Environmental at Rolling Hills Mitigation Site.
- F. Retro Motion Authorizing the Chairman to Sign a Request for Funding in the Amount of \$80,000 for Grounds Maintenance Equipment.
- G. Retro Motion Authorizing the Chairman to Sign a Grant Contract in the Amount of \$80,000 for Grounds Maintenance Equipment.

**Chairman DeVault called for motion to approve all items. Ben Chandler so moved and seconded by Robbie Garrison and was unanimously passed.**

#### **BOARD MEMBER REPORTS**

**Lynn DeVault** – Announced that she will resign her position for her remaining term in September. Chairman DeVault will still be close by, however is stepping aside to give Tom Rowland the opportunity to take her place after his retirement from Mayor of Cleveland. Chairman DeVault also announced she will be recommending Board Member Steve Wright to take her place as Chairman of the Board for the September elections.

Assistant City Manager, Melinda Carroll said that she already has Tom’s application and he is very excited about this appointment.

**Verrill Norwood** – None

**Steve Wright** – None

**Robbie Garrison** – None

**Ben Chandler** – None

#### **Adjournment**

The next monthly meeting is September 20, 2019 at 9:00 a.m. Since there was no further discussion, Chairman DeVault adjourned the meeting at 10:03 a.m.

Respectfully submitted,

Municipal Airport Authority  
July 19, 2019

Laura Duncan,  
Recording Secretary

**Handouts:**

Monthly Revenue & Expense Reports

Hangar S-5 architect's drawing of revised plan

Letters to and from Mr. Phillip Braden concerning the revision to Bradley County's Zoning Resolution.

Zoning Resolution to Limit Height of Objects around Cleveland Regional Airport

Copy of the desk review audit by TDOT

**Information Attachments:**

Authority Attendance Log

Payments