

VIRGINIA HIGHLANDS AIRPORT AUTHORITY**REGULAR MEETING**

Members Present: Stephen Lowe
Edward "Earl" Maine
Gary Cutlip
Frank Buchanan, III
David G. Anderson
Arrived Late: David Matlock
Absent: John White
Guest Present: See Attachment

The Virginia Highlands Airport Authority Board of Directors met on Monday, January 14, 2013 at 6:00 P.M. in Conference Room "A" of the Terminal Building. Mr. Lowe, Chairman, determined that a quorum of the Board was present and called the meeting to order. Also present were Mickey Hines, Airport Manager, Jim Elliott, Airport Attorney, Kristy Miller, Airport Secretary.

Mr. Lowe called for approval of the Minutes of the Regular Meeting of December 10, 2012.

Mr. Buchanan moved to accept the Minutes of December 10, 2012. Mr. Maine seconded the motion. The motion carried unanimously.

Mr. Lowe called for the Financial Report.

Mr. Anderson gave the Financial Report.

Mr. Lowe called for the Manager's Report.

Mr. Hines gave the Manager's Report.

Discussion ensued.

Mr. Lowe called for the Operations Committee Report.

Mr. Maine stated that the Operations Committee had not met.

Mr. Lowe called for the Development Committee Report.

Mr. Buchanan stated that the Development Committee had met and discussed the proposal received from Mr. Dorton for a new flight school.

Discussion ensued.

Mr. Buchanan moved to give the lessee of Space F - East a thirty (30) day notice to vacate the premises. Mr. Anderson seconded the motion. The motion carried unanimously.

Mr. Buchanan moved that the Manager be allowed to rent Space F - East as soon as it is available for rent. Mr. Anderson seconded the motion. The motion carried unanimously.

Discussion ensued.

Mr. Buchanan stated that a proposal for Gutter repairs on Group I, Group II, and Maintenance Building had been received.

Mr. Buchanan stated that it is the motion of the Development Committee to add the estimated costs associated with the gutter repairs (6" aluminum) on Group I, Group II, and Maintenance Building to next year's budget. The motion carried unanimously.

Mr. Lowe called for Unfinished Business.

Mr. Lowe stated that the Loan for Group V T-Hangars needed to be discussed and that a proposal for re-amortization has been received from Virginia Resources Authority and a proposal from First Bank & Trust Company.

Discussion ensued.

Mr. Buchanan moved to accept the Virginia Resources Authority's proposal for re-amortization. Mr. Maine seconded the motion. The motion carried unanimously.

Mr. Lowe stated that the Board needed to consider a resolution in regards to settlement matters.

Mr. Buchanan moved to accept the resolution in regards to settlement matters. Mr. Maine seconded the motion. The motion carried unanimously.

Mr. Lowe called for New Business.

Mr. Hines stated that a letter from Rocky Top Aviation had been received, and that as of January 08, 2013 they had ceased operations.

Discussion ensued.

Mr. Buchanan moved to send out a Request for Proposal (RFP) for an Aviation related Business to rent Hangar "B". Mr. Matlock seconded the motion. The motion carried unanimously.

Mr. Lowe called for Public Comments.

**The following people addressed the Board:
Mr. Sonny Wright**

Mr. Lowe called for Closed Session.

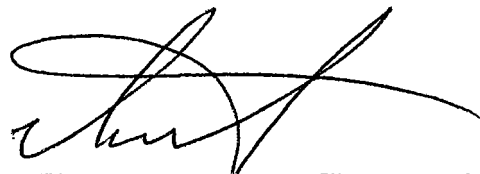
Mr. Lowe moved that Virginia Highlands Airport Authority conduct a Closed Session pursuant to Code of Virginia Section 2.2-3711 for the purpose of consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body; and consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. Mr. Buchanan seconded the motion. The Motion carried unanimously.

Mr. Elliott took a roll call vote stating that no matter was discussed in Closed Session other than that were included in the motion to go into Closed Session and no other votes were taken in Closed Session other than to go out of Closed Session.

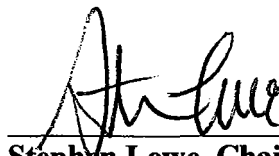
**Stephen Lowe – I so certify.
Edward “Earl” Maine – I so certify.
Gary Cutlip – I so certify.
Frank Buchanan – I so certify.
David Matlock – I so certify.
David Anderson – I so certify.**

Mr. Lowe moved that the Virginia Highlands Airport Authority obtain financing to pay the first installment under the settlement agreement with Affiliated Service Group, Inc. by obtaining interim financing from First Bank & Trust under the terms and conditions dated on the letter from them December 7, 2012. Mr. Maine seconded the motion. The Motion carried unanimously.

Mr. Maine moved to adjourn. Mr. Cutlip seconded the motion and the motion carried unanimously. The meeting adjourned at 7:34 P.M.



David Matlock, Secretary



Stephen Lowe, Chairman