

VIRGINIA HIGHLANDS AIRPORT AUTHORITY

REGULAR MEETING

Members Present: Stephen Lowe
Edward "Earl" Maine
David Neal
Frank Buchanan, III
David G. Anderson
David Matlock

Guest Present: See Attachment

The Virginia Highlands Airport Authority Board of Directors met on Monday, March 12, 2012 at 6:00 P.M. in conference room A of the Terminal Building. Mr. Lowe, Vice 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, Ruth Denton Canter, Airport Secretary and Kristy Miller, Airport Assistant Secretary.

Mr. Lowe called for approval of the Minutes of the Regular Meeting of February 13, 2012.

Mr. Maine moved to accept the Minutes of February 13, 2012 as Amended. Mr. Matlock seconded the motion. The motion carried unanimously.

Mr. Lowe stated that an election of Chairman and Vice Chairman was needed.

Mr. Lowe called for nominations for Chairman.

Mr. Buchanan nominated Mr. Lowe for Chairman. Mr. Matlock seconded the nomination. Mr. Buchanan moved that nominations cease. The motion carried unanimously.

Mr. Lowe called for nominations for Vice Chairman.

Mr. Lowe nominated Mr. Buchanan for Vice Chairman. Mr. Maine seconded the nomination. The motion carried unanimously.

Mr. Lowe appointed Mr. Matlock as Chairman of the Audit Committee.

Mr. Lowe called for the Financial Report.

Mr. Buchanan gave the Financial Report.

Mr. Lowe called for the Manager's Report.

Mr. Hines stated that two (2) quotes had been received for the roofing and siding of T-Hangar Group 1 and that the quotes have been given to the Development Committee Chairman.

Mr. Buchanan stated that the Development Committee is going to meet and go out and review T-Hangar Group 1, to see if the T-hangars have any other issues that need addressing.

Discussion ensued.

Mr. Hines stated that the County Board of Supervisors would like to have a joint meeting with the Airport Authority on Thursday, April 26, 2012 at 5:00 p.m.

Mr. Lowe asked Mr. Hines to notify the County Board of Supervisors that the date of April 26, 2012 will work for the joint meeting.

Mr. Lowe moved that the Development Committee review the RFP for Insurance before it is issued. Mr. Maine seconded the motion. The motion carried unanimously.

Mr. Lowe moved that the Development Committee discuss potential uses for Hangar "A". Mr. Buchanan seconded the motion. The motion carried unanimously.

Mr. Lowe called for the Operations Committee Report.

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

Mr. Lowe called for the Development Committee Report.

Mr. Buchanan stated that the Development Committee had not met.

Mr. Lowe called for Unfinished Business.

Unfinished Business will be discussed in Closed Session.

Mr. Lowe called for New Business.

Mr. Lowe stated that a letter was received from Mr. Jones and referred it to the Operations Committee for review and to generate a response.

Mr. Elliott discussed the Conflict of Interest Act.

Mr. Maine moved that the Board consider moving the regular meeting to the New County Administration Building when that facility is occupied.

Discussion ensued.

Mr. Maine withdrew his motion after discussion.

Mr. Lowe called for Public Comments.

Mr. Lowe welcomed Mr. White to the Board effective April 1, 2012.

Mr. Jones addressed the Board about the letter received from Mr. Hines.

Mr. Lowe moved that the Operations Committee look at a response letter for Mr. Jones. Mr. Maine seconded the motion. The motion carried unanimously.

Mr. Lowe called for Closed Session.

Mr. Lowe asked Mr. White to join the Board in Closed Session.

Mr. Elliott read the motion that the Virginia Highlands Airport Authority conduct a Closed Session pursuant to Code of Virginia Section 2.1-344 for the purpose of discussion or consideration of the acquisition of real property for a public purpose, or the disposition of publicly held property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body. Consultation with legal counsel and briefings by staff members, consultants or attorneys, pertaining to actual or probable litigation, where consideration 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. Maine moved to conduct a Closed Session in accordance with the items that was stated by Mr. Elliott. Mr. Neal 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 are 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.

David Neal - I so certify.

Frank Buchanan - I so certify.

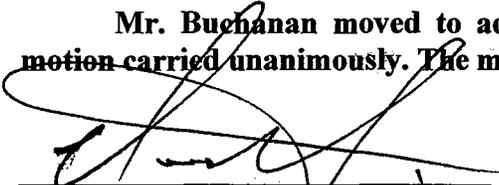
David Matlock - I so certify.

David G. Anderson - I so certify.

Mr. Neal moved to proceed with the Condemnation with Negotiation in the terms of the Resolution so drafted. Mr. Buchanan seconded the motion. The motion carried unanimously.

Mr. Lowe thanked Mr. Neal for his service on the Board and presented him with a plaque.

Mr. Buchanan moved to adjourn. Mr. Maine seconded the motion and the motion carried unanimously. The meeting adjourned at 7:36 P.M.



David Matlock, Secretary

Stephen Lowe, Vice Chairman

**RESOLUTION OF THE VIRGINIA HIGHLANDS AIRPORT AUTHORITY
REGARDING
CONTINUED NEGOTIATIONS FOR TREE REMOVAL WITH
AFFILIATED SERVICE GROUP, INC.**

WHEREAS, the Authority has been attempting to purchase an easement right from Affiliated Service Group, Inc., for a number of years, which attempt has involved face to face negotiations with the owners or officers of Affiliated Service Group, Inc. on more than one occasion, and

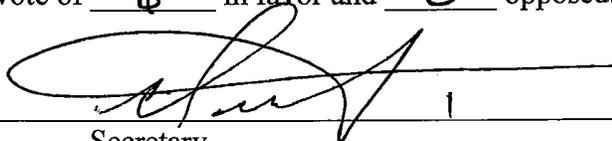
WHEREAS, with the exception of one other property, all the County's and the Town of Abingdon's citizens who have property on which flight obstructions need to be removed, have negotiated with the Authority and have granted easements to it for the removal of obstructing trees, and

WHEREAS, the Authority has made an offer in writing to Affiliated Service Group, Inc., which was rejected and the attorney for Affiliated Service Group, Inc. criticized the offer on the basis of his opinion that the Authority was without power to condemn the property of Affiliated Service Group, Inc., without addressing the need or reasonableness of the offer, and

WHEREAS, it is obvious that Affiliated Service Group, Inc., does not wish to remove those trees on its property which pose a danger to flight in and out of Virginia Highlands Airport, whether voluntarily or at the expense of the Authority, nor does it seem interested in negotiating with the Airport Authority the latter's purchase of an easement for the Authority to remove the trees, it is

RESOLVED, that the Authority through its counsel proceed to file a petition against the property of Affiliated Service Group, Inc. to obtain an easement to remove from the subject property all trees obstructing the Approach Surface to Virginia Highlands Airport with the proviso that the Authority attempt, following the filing of the petition, to negotiate with the corporation further to purchase such an easement.

Adopted at a regular meeting of the Board of Directors of the Virginia Highlands Airport Authority this 12th day of March, 2012, by a vote of 6 in favor and 0 opposed.



Secretary