

MEETING MINUTES**PANAMA CITY – BAY COUNTY AIRPORT AND INDUSTRIAL DISTRICT**

Opening:

The Board Meeting of the Panama City-Bay County Airport and Industrial District was called to order at 9:00 a.m., September 26, 2018 by Chairman Lee.

The Invocation was given by Ms. Rhonda Marchman.

The Pledge of Allegiance was led by Chairman Lee.

The Executive Secretary called the roll and indicated that all Board Members except Mr. Ken Nelson were present.

Ms. Sims made a motion to approve the Agenda. Mr. Tusa seconded the motion. The vote was taken and the motion passed unanimously.

Recognition:

Chairman Lee announced that Ms. Sandy Sims received the honor from the Girls Scouts of America as a “Women of Distinction Diamond Award recipient” last month for her contributions to the community that embody the vision of the founder; and Ms. Becca Harden was also a “Women of Distinction” honoree, in the “Community Impact” division.

Reports:

Mr. Parker McClellan presented and reviewed the Activity Report.

Ms. Darlene Nelson presented and reviewed the Financial Report.

Consent Agenda:**a. Board Meeting Minutes – August 22, 2018**

This item provides for Board approval of the August 22, 2018 Board Meeting Minutes.

b. Special Board Meeting Minutes – September 5, 2018

This item provides for Board approval of the September 5, 2018 Special Board Meeting Minutes.

c. Approve FY 2019 Budget Workshop Minutes – September 5, 2018

This item provides for Board approval of the September 5, 2018 FY 2019 Budget Workshop Minutes.

d. Adopt Resolution to Change Project Description and Scope for FDOT Joint Participation Agreement 42563119401

This item provides for Board approval to authorize the Board Chairman or designee to execute the Resolution to revise the title and project description of JPA 42563119401.

e. Approve Renewal of Scheduled Service Agreement for Airport HVAC System and Components

This item provides for the renewal of an Agreement with Trane to provide scheduled maintenance services for the Airport's three commercial air and water cooled chillers and associated system components.

f. Approve T-Hangar Lease Amendment

This item provides for Board approval of an Amendment to the current T-Hangar Lease.

g. Accept Bid – Fire Alarm/Sprinkler System Inspection and Monitoring Service

This item provides information to the Board for awarding a contract to Advanced Fire Protection Services, Inc. for the fire alarm and sprinkler system inspection and monitoring service, and authorization for Executive Director to execute any necessary documents.

h. Approve Policy Change – Eligibility for Benefits

This item provides for Board approval of a policy change regarding the eligibility of benefits in Policy 8.1, and authorization for Executive Director to execute any necessary documents.

i. Accept Agreement with Florida Certified Sign Erectors for the Entrance Road Signage

This item provides for the removal, repair and reinstallation of the Airport Entrance road signage impacted by the SR 388 Construction Project, and authorization for Executive Director to execute any necessary documents.

Ms. Sims made a motion to approve the Consent Agenda and Mr. Johnson seconded the motion. The vote was taken and the motion passed unanimously.

Business Items:

a. Approve FY 2019 Operating and Capital Budget

This item presents the Fiscal Year 2019 Operating and Capital Budget to the Board for adoption and authorization for the Board Chairman to execute the Resolution adopting the budget.

Mr. McClellan and Ms. Nelson reviewed the projected operating revenues and operating expenses for the upcoming fiscal year. Mr. McClellan informed the Board that the really important aspect of the August Activity Report was the passenger count which the Airport uses as a performance measure. The total passenger count is forecasted to exceed 1 million passengers this year, and over 1.1 million according to the Airlines' forecasted passenger counts. Ms. Sims asked to clear up her confusion regarding passenger counts vs. plane landing weights, and Mr. McClellan clarified that the revenues in our budget are based on the landed weights of the planes, as is spelled out in the Airline Agreements with the Airport. Ms. Nelson added that the projected parking revenue is not an exact correlation based on passenger counts because more than one passenger can be in a car parked in the lot.

The FY 2019 Operating and Capital Budget includes operating revenues of \$14,042,645 and operating expenses of \$8,279,847. The budget incorporates the debt service requirements for principal and interest payments of \$3,089,574 for the two SIB loans along with passenger facility charges of \$1,606,578, resulting in a net requirement from Airport revenues of \$1,482,996. After airline revenue sharing, the net remaining revenues for the capital improvement program is \$1,672,387.

The FY 2019 Operating and Capital Budget was presented to the signatory air carriers and discussed at the Airline-Airport Affairs Committee Meeting on August 9, 2018. The air carriers reviewed the Rates and Charges calculations for FY 2019 along with the proposed Operating and Capital Budget. The airlines were pleased with the budget presentation and did not request any changes.

A Board Budget Workshop was held on September 5, 2018, where the budget was reviewed in detail with members of the Board. The highlights of the budget include:

- Overall revenues increased by \$1,057,125 due to primarily to increased passenger and airline traffic over FY 2018 Budget;
- Personnel costs increased by 9.7% over FY 2018 Budget, which includes 3 new positions, an increase to base pay of 2.9% (based on the Consumer Price Index for June 2018) along with a 2% merit pool, and an increase in health insurance of 8%;
- Total operating expenses budgeted reflect a \$363,032 increase from the prior year; and
- Rates and Charges are as follows:
 - ♦ Terminal Rental Rate increased from \$61.24 to \$63.74 per square foot
 - ♦ Landing Fee decreased from \$5.90 to \$4.78 per 1,000 pounds
 - ♦ Signatory Cost per Enplanement decreased from \$7.42 to \$6.34, though now all of our airlines are Non-Signatory

Approval of the proposed budget will also include authorization for:

- Capital Equipment Schedule using FDOT grant money to include replacing the very large tires on vehicles, replacing old Airport equipment, improving the SR388/Airport Entrance with a roundabout and sprinkler system installation, cleaning the Terminal floors and replacing tiles, replacing battery packs that back up our security systems, replacing two shuttle vehicles with hard doors, and replacing the Exit door
- Capital Expenditures (Projects) Schedule using supplemental funding from Triumph, FAA, and state grants to include the Terminal Apron repair and expansion, the Crosswind Runway, replacing leaking skylights, converting to LED lights for cost savings, expansion of the Maintenance building, environmental mitigation, economic development projects i.e. Project Blue Star (next to the Fuel Farm), and Project Goodwrench (by partnering with Gulf Coast State College and Haney to create an approved campus for the A&P program), and Terminal expansion
- Maintaining the fuel flowage fee at \$.04 per gallon
- T-Hangar rental rate with a standardized CPI adjustment:
 - ♦ Small – \$413.33
 - ♦ Medium – \$558.53
 - ♦ Large – \$772.77
- Land Rent at the rate of \$0.35 per square foot

Mr. Johnson commented that he thought the budget was conservative, but realistic. Mr. Mathis made a motion to approve the FY 2019 Operating and Capital Budget. Mr. Johnson seconded the motion. The vote was taken and the motion passed unanimously. Mr. Tusa made a motion authorizing the Board Chairman to execute the Resolution adopting the budget. Mr. Mathis seconded the motion. The vote was taken and the motion passed unanimously.

b. Accept Bid – C.W. Roberts Contracting, Inc. for Terminal Apron Repair Project

This item provides for Board acceptance of a bid from C.W. Roberts Contracting, Inc. for Airport Terminal Apron Repair, and for Board authorization for Board Chairman or his designee to execute the necessary documentation following satisfactory legal review.

This project is to repair a section of pavement along the concrete/asphalt transition edge of the Airport Terminal Apron. The project will repair a portion where the pavement transitions from concrete to asphalt. The Project will remove a 20-foot wide, 1,580-foot long, section of the asphalt pavement that has failed due to heavy use and will replace the section with a more resilient, polymer, asphalt that will better accommodate the load transfer between the two pavement types.

After Board discussion and clarification by Avcon's Ms. Tonia Nation, Mr. Tusa made a motion to accept the bid from C.W. Roberts Contracting, Inc. Ms. Sims seconded the motion. The vote was taken and the motion passed unanimously.

c. Accept Bid – C.W. Roberts Contracting, Inc. for Terminal Apron Expansion Project

This item provides for Board acceptance of a bid from C.W. Roberts Contracting, Inc. for Airport Terminal Apron Expansion, and for Board authorization for Board Chairman or his designee to execute the necessary documentation following satisfactory legal review.

This project is to expand the Terminal Apron at the Airport by approximately 154,800 square feet in order to accommodate increased air carrier aircraft size and frequency.

After Board discussion, Ms. Sims made a motion to accept the bid from C.W. Roberts Contracting, Inc. Mr. Mathis seconded the motion. The vote was taken and the motion passed unanimously.

d. Approve Master Planning Services Agreement – CHA Consulting, Inc.

This item presents for Board approval an Agreement for Professional Master Planning Services between the Airport and CHA Consulting, Inc., and authorization for Board Chairman or his designee to execute the necessary documents, pending approval by the Airport Attorney.

At a Special Board Meeting held May 29, 2018, the Board heard presentations from three firms that had responded to the Airport's Statement of Qualifications for an Airport Master Plan Update Planning Services Consultant and were recommended by the Airport Master Plan Update Consultant Selection Committee.

After hearing the presentations, the Board ranked the three firms, with CHA Consulting Inc. being selected to perform the master planning services. At that time, Staff was authorized to negotiate a contract with CHA.

The Scope of Services reviewed and approved by the Federal Aviation Administration outlining the work tasks to be performed was presented to the Board.

Mr. Paul Puckli of CHA Consulting Inc. presented to the Board a brief summary of the Master Planning Study tasks, processes and schedule, for a better understanding of the workflow and the opportunity for Board and public involvement. After Board discussion, Mr. Johnson made a motion to approve the Master Planning Services Agreement between the Airport and CHA Consulting, Inc. Ms. Sims seconded the motion. The vote was taken and the motion passed unanimously.

Bay EDA Update:

Ms. Becca Hardin reported that the Bay EDA followed up on a lead generated from the summer international airshow, and that she, Vice Chairman McDonald and Gulf Coast State College President Holdnack met with a major engine manufacturer who is interested in our partnership with the College in the area of advanced and additive manufacturing, and will be meeting with them again next month. She informed the Board that in mid-October, Bay EDA will be starting a major marketing effort with a trip to the UK to partner with some Chambers of Commerce to get in front of 50-60 companies needing to be in the U.S. to do business, and pitching the properties available here at the Airport. Also during that visit, Ms. Hardin will be attending Aviation Week at the MRO (Maintenance, Repair and Overhaul) Europe Conference in Amsterdam (which was very productive for project leads last year) and already has many meetings scheduled, as well as her having accepted an invitation to tour Fokker, a division of GKN Aerospace to talk about how we can help GKN expand here in Bay County. She ended her report by saying that the aviation industry is on a growth upswing.

The Moore Agency Update:

Ms. Katie Spillman of The Moore Agency reported that in August, the Airport sponsored the 3-day music festival “Pepsi Gulf Coast Jam” over the Labor Day weekend at Frank Brown Park with approximately 73,000 in attendance, and over 50 states represented. The ECP “Escape” video was played on the main stage several times throughout the weekend; the Airport was announced by the Host of the event when thanking the sponsors (as the next group was introduced); the Airport logo was featured on the mobile app in the sponsorship section, and in the Jam’s social media program; and, leading up to the Show, the ECP social media team gave away two pairs of 3-Day General Admission passes to ECP social media fans and followers. Compared to July’s 801 Twitter impressions, August saw more than 12,000 impressions and 500 engagements as a result of the Jam push. There were only 1,200 Facebook impressions in July, but in August there were over 9,000. And, we already more than tripled our Instagram goal for the year, due to the campaign and our other initiatives throughout the year. The Moore Agency will be reviewing our three major advertising campaign bursts for 2018 and what changes will help our strategy in 2019.

Executive Director Report:

Mr. McClellan informed the Board that Staff worked with the ECP rental car agencies three months ago to exercise the option for extending their agreement, and last week, they said they would rather renegotiate with the allocation of the spaces being addressed, and covering the spaces and walkway (which can be funded by the Customer Facility Charge Program). They will continue to operate under their existing agreement until a new one is brought before the Board in November. Vice Chairman McDonald suggested the rental cars make changes to their signage to include a location sign.

Mr. McClellan reported that companies bidding on the 3- to 4-year project of the SR388 realignment/ECP Entrance have expressed interest in buying our sand. Regarding the current water pipe relocation work being done at the entrance, he said Staff has continued to work with the contractor and the county on trying to minimize traffic issues with appropriate signage as lanes are reduced during the construction.

He reported that Michelle Greer is the new Traffic Control Tower manager, replacing Mr. Mike Parker who retired.

He said the Staff “Thank You Luncheon” would be held Friday, September 28 in the Old Welcome Center on the 2nd floor with Sonny’s BBQ catering it.

Mr. McClellan reported that American Airlines announced last week that they’ll be adding a 5:00 p.m. flight during November and December to Dallas, and in the summer, a non-stop to Chicago on Saturdays, as they are very happy with their success here at ECP.

Mr. McClellan further reported that round one of the supplemental grant application for the Terminal Expansion was not successful, so Mr. Rick Mellin and he will meet with the FAA to find out what other options are available to strategize for another round in January, and other FAA funding opportunities.

Announcements:

Keith from Sheltair informed the Board that they just finished construction on a new hangar, Hangar 2, and would be having a Grand Opening there after the October Board Meeting on Wednesday, October 24, at 11:00 a.m. Mr. McClellan added that Sheltair would be a sponsor for the Moonie Weekend, September 29-30, and is expecting to see 50-75 Moonie Aircraft on their ramp and flying in formation down the beach.

Public Comments:

There were no public comments.

Adjournment:

The meeting was adjourned at approximately 10:14 a.m.

Kathy Gilmore, Executive Secretary

Glen McDonald, Vice Chairman