

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., November 15, 2023 by Chair Holly Melzer.

The Invocation was given by Mr. Les McFatter.

The Pledge of Allegiance was led by Chair Holly Melzer.

Roll was called. In attendance were: Ms. Victoria Williams, Mr. Matt Algarin, Mr. Will Cramer, Mr. Les McFatter, and Chair Holly Melzer.

Chair Melzer asked if there were any Public Comments. There were no Public Comments.

Chair Melzer asked if there were any items on the Agenda, including the Consent Agenda, that any Board Member would like to move to a Business Item for further discussion, and if not, to make a motion to accept the Agenda.

Mr. McFatter made a motion to Accept the Agenda, and Mr. Cramer seconded the motion. The vote was taken and the motion passed unanimously.

Reports:

Mr. McClellan presented the Activity Reports. There was 13% growth in the month of October over the same month last year. Annual growth is at 9% and the Airport had a record fiscal year with 1.63 million total passengers. There has been an increase in military jets and general aviation activity. Load factors have gone down slightly due to the change in seasons. Due to the November meeting being held so early in the month, market share numbers are not available.

Consent Agenda:

a. Approve Board Meeting Minutes – October 25, 2023

This Item provides for Board approval of the October 25, 2023 Board Meeting Minutes.

b. Approve 2024 Board Meeting Schedule

This item provides for Board approval of the 2024 Board Schedule.

According to the Florida Special District Handbook, all Special Districts must publish their

meeting schedule. After approval from the Board, this schedule will be published on the Bay County Column website and on the Airport website. Any changes to the meeting dates must be published at least seven (7) days prior to the rescheduled meeting. Staff is requesting that the Board Meetings begin at 9:00 a.m.

The PANAMA CITY-BAY COUNTY AIRPORT AND INDUSTRIAL DISTRICT has set the schedule for Board Meetings/Workshops for the year 2024. The meeting dates are as follows:

January 24	Wednesday
February 28	Wednesday
March 27	Wednesday
April 24	Wednesday
May 29	Wednesday
June 26	Wednesday
July 24	Wednesday
August 28	Wednesday
September 6	Friday (Budget Workshop)
September 25	Wednesday
October 30	Wednesday
November 20	Wednesday
December 18	Wednesday

Ethics Training (Req. FS 915)
July 24 (10:00 a.m. – 2:00 p.m.)

Staff recommends the Board approve the Board Schedule for 2024.

c. Approve Purchase of Utility Tractor – Deere & Company

This item provides for Board approval for the purchase of a Utility Tractor to be used in support of the Airport's airfield maintenance program.

Ongoing and expanding maintenance operations at the Airport require the acquisition and maintenance of additional equipment. This purchase is for a John Deere Model 5120M Utility Tractor to be utilized by Airport maintenance personnel in support of overall airport maintenance operations.

This purchase is provided for in the Airport's FY24 Operating and Capital Budget. The purchase is part of Florida Department of Transportation Public Transportation Grant Agreement #428363-9-94-01 in which fifty (50) percent of the purchase amount will be reimbursed to the Airport. The tractor is being procured by piggybacking on the State of Florida Ag & Lawn Equipment contract #25101900-21-STC (Florida Department of Management Services)

Staff recommends Board approval for purchase of a Model 5120M Utility Tractor from Deere and Company in amount of \$90,917.86. Board approval is recommended, and authorization for Executive Director or his designee to execute the necessary documents, following satisfactory legal review.

Ms. Williams made a motion to Accept the Consent Agenda, and Mr. Algarin seconded the motion. The vote was taken and the motion passed unanimously.

Business Items:

a. Approve Contract Termination – Hensel Phelps

This agenda item provides for the termination of the Construction Manager at Risk Contract with Hensel Phelps, Inc. for the North Terminal Expansion at the Northwest Florida Beaches International Airport.

Mr. McClellan explained that this Item is not a reflection on the work that Hensel Phelps performed, but strictly to allow funding to be secured, followed by a new Construction Manager at Risk (CMAR) for the final design drawings.

At the May 2023 Board Meeting, a Contract for Construction Manager at Risk (CMAR) for the Pre-Construction Services was awarded to Hensel Phelps, Inc. Hensel Phelps then began working with the Design Team on different elements of the North Terminal Design effort.

Over the last several months, as Staff was working with the FAA, it was determined that the methodology used for the procurement of the CMAR Contract was not in accordance to FAA Policy. The FAA Policy requires the inclusion of price as a criterion in the evaluation process and pre-approval of the CMAR contract.

Staff and Legal Counsel have reviewed the options and the best means of moving forward and limiting the Airport's financial exposure. The recommendation is to terminate the contract with Hensel Phelps and pay them through October 31, 2023 for their services. On October 30, 2023, the Airport issued a "Stop Work Order" to Hensel Phelps.

The CMAR work effort completed to date was to approximately the 90-95% of the design drawings. The next steps were a final review and a price estimate for the 95% design drawings. The work of Hensel Phelps to date has provided great insight and assistance to our design Team.

Following the contract termination, the next step will be to develop a new scope for a CMAR for the construction phase of the Expansion project, utilizing the information received from the CMAR Pre-Construction efforts and the final design drawings for the North Terminal Expansion. The CMAR services will be procured according the Airport's purchasing policy and will comply with FAA policy and regulations.

The original contract amount for the CMAR services was \$610,225.39 and we have expended \$325,238.18. The funds for the contract were included in the FY23 Operating and Capital Budget. This termination will have no impact on the FY24 Budget. Future costs for CMAR services will be addressed when the procurement is complete. Staff recommends termination of the CMAR Contract with Hensel Phelps, Inc.

Approval of staff's recommendations and authorization for the Board Chair or designee to execute the appropriate documentation, following satisfactory legal review.

Ms. Williams made a motion to approve the Contract Termination for Hensel Phelps Mr. Algarin seconded the motion. The vote was taken and the motion passed unanimously.

b. Review General Consultant Selection Process and Designation of Board Member to Serve on GC Review Committee

Mr. McClellan and Legal Counsel outlined the new procedure that would be used to select the new General Consultant and explained that a Board Member would need to be designated to serve on the Review Committee.

This item provides for the Board to establish a General Consultant Review Committee. The purpose of the Committee is to perform the initial review of the submissions for the General Consultant and shortlist the responses based on the criteria established in the Request for Statement of Qualifications. The top ranked firms (3-5 firms based on scoring and the recommendation of the Review Committee) will be asked to make a brief presentation at the December 20, 2023 Board Meeting, at which time the Board will accept the ranking or determine the appropriate ranking based on the interviews for final selection of the General Consultant.

The make-up of the Review Committee will include 4 staff members and one Board Member.

Establishment of a General Consultant Review Committee will have no impact on the budget.

Staff recommends that the Board establish a General Consultant Review Committee, to include the Executive Director, Deputy Executive Director, Director of Finance and Administration, Manager of Finance and Administration and one Board Member. Additionally, the Purchasing Manager and Legal Counsel will provide support and guidance to the Committee.

Board establishment of a General Consultant Review Committee as recommended.

Mr. McFatter made a motion to nominate Ms. Williams to serve on GC Review Committee. Ms. Williams accepted the nomination and Mr. Cramer seconded the motion. The vote was taken and the motion passed unanimously.

c. Accept Florida Department of Transportation (“FDOT”) Public Transportation Grant Agreement (“PTGA”) and Adopt Resolution for Taxilane Tie-Ins and Paving

Mr. McClellan explained the Resolution requirement from the Florida Department of Transportation prior to acceptance of the Public Transportation Grant Agreement.

This item requests pre-approval for the acceptance of a Florida Department of Transportation Public Transportation Grant Agreement that will provide participation funding for the construction of operational pavement surfaces on the Airport.

In support of the new fixed base operator, Southern Sky Aviation, as well as airport landside operations, Airport staff has requested state funding participation for the construction of taxilane tie-in connections to the Southern Sky Aviation aircraft ramp, improvement of a West Bay

Parkway crossover accessing Southern Sky Aviation, and replacement of the Airport's management parking lot which was demolished in support of the Terminal Outbound Baggage expansion project.

The Florida Department of Transportation has tentatively agreed to provide a Public Transportation Grant Agreement (PTGA) grant with a state-funded portion of \$200,000 to assist in the referenced pavement projects.

The total project amount for the pavement projects is currently estimated at \$600,000. Funding is anticipated to include participation in the amount of \$400,000 by the Panama City-Bay County Airport and Industrial District, and the participation amount of \$200,000 by the Florida Department of Transportation through the PTGA.

FDOT requires Board Resolution to accept a PTGA. As such, and in the essence of time, Staff requests pre-approval to accept the Florida Department of Transportation – Public Transportation Grant Agreement and authorize the Board Chair or designee to execute the required documents.

Staff recommends Board pre-approval of Florida Department of Transportation – Public Transportation Grant Agreement and adoption of a Resolution that allows for the Board Chair or designee to execute the required documents, following satisfactory legal review.

Mr. Cramer made a motion to accept the Florida Department of Transportation (“FDOT”) Public Transportation Grant Agreement (“PTGA”) and to adopt the Resolution for taxilane tie-ins and paving and Mr. Algarin seconded the motion. The vote was taken and the motion passed unanimously.

Construction Update (information only):

a. Parking Lot Expansion

Mr. Richard McConnell reported, this Project is for the Employee Lot and the Long-term Lot expansion is moving along. Soil is being compacted and next week curb and gutter will begin, followed by the final asphalt layer. This will complete the parking upgrades for the Airport.

b. Terminal Buildout

Mr. McConnell reported the peak of the ceiling is being installed. The exit lane has been closed and passengers have been rerouted for construction over the exit lane. Pier upgrades have begun in preparation for adding the second floor. The steel is onsite and renovations to that area have begun.

c. Bag Makeup Expansion

Mr. McConnell reported the foundational piers have been poured and completed. Vertical steel has begun to be erected.

d. Sheltair

Mr. McConnell reported Sheltair has begun the completion phase of their hangar. They are now moving into Stage

4 of the Project which will include additional parking and ramp space.

e. **Southern Sky Aviation**

Mr. McConnell reported, Southern Sky is pouring the ramp concrete and the Executive Terminal Building is nearing completion.

Planning Update (information only):

a. **North Terminal Expansion:**

North Terminal Design – Mr. Rick Mellin provided a written update of the North Terminal Project. Mr. McClellan said that at this time they are in the process of finishing the design drawings.

Mr. McClellan gave an update on funding. An application has been submitted for the Bipartisan Infrastructure Law for \$25 million and a SIB Loan for \$26 million. He met with Senator Trumbull and Representative Griffiths last week regarding a \$20 million grant from the state that will be submitted this week. There is also another infrastructure grant that he will be looking into that is classified for “other than roadways” and could benefit the Airport.

Bay EDA Update (Information Only):

Ms. Becca Hardin gave the Bay EDA update. She met with Richard McCullough, President of Florida State University and Randy Hanna, Dean of the FSU Panama City campus to present the Inspire Initiative to the Triumph Gulf Coast Board. Project Inspire will bring the engineering school from Tallahassee to Panama City to build an Aviation Center of Excellence at the Airport. They received initial approval for a \$98 million grant, which is the largest in Triumph’s history and hope to have the Center open by 2025. Airbus in Mobile, Alabama has shown interest in partnering with the Center. Bay EDA has been working with Space Florida Airport Authority and Triumph Gulf Coast to secure the \$11.25 million grant to build the narrow-body hangar for Premier Aviation. Ms. Hardin and Mr. Ben Moorman attended MRO Europe in Amsterdam and met with 10 companies and has a substantial lead from that trip. She will be travelling with Florida’s Great Northwest in December to Hamburg, Germany to meet with Airbus officials.

The Moore Agency Update (Information Only):

Ms. Katie Spillman reported on the marketing. She gave a presentation on the passenger travel trends, and the process and planning for 2024 marketing strategies. She said that industry leaders with the Airports Council International say that 2024 is believed to be the milestone for global passenger traffic recovery. She said that 2024 travel predictions reflect the idea that travel can help us live our best lives. To embrace this mindset, she said that they will explore evolving the escape message and lean into developing content that speaks to becoming the best version of ourselves through travel. Mr. McClellan announced that the Airport will be handing out cookies next Wednesday to the holiday travelers as part of the ECP Perks initiative.

Executive Director Report:

Mr. McClellan gave the Executive Director Report. For the Thanksgiving week of travel, there will be increased shuttle service with updated shuttles to make sure that there will not be delays from the Overflow Lot. There will also be digital signs directing travelers directly into Overflow Parking as they are coming in from West Bay Parkway to make parking quicker and more convenient. The airlines are prepared for the higher numbers of passengers. The escalator is scheduled to be repaired next week. He also invited the Board to the Tropical Holiday Luncheon on December 21, 2024.

Public Comments:

There were no Public Comments.

Adjournment:

The meeting was adjourned at approximately 10:05 a.m.

Next meetings scheduled:

December 20, 2023 – Board Meeting 9:00 a.m.

Lisa Brady, Executive Assistant

Holly Melzer, Chair