

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 16, 2022 by Chair Holly Melzer.

The Invocation was given by Chair Holly Melzer.

The Pledge of Allegiance was led by Mr. Glen McDonald.

Roll was called. In attendance were: Chair Holly Melzer, Mr. Will Cramer, Mr. Glen McDonald and Mr. Matt Algarin.

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. Cramer made a motion to accept the Agenda, and Mr. Glen McDonald seconded the motion. The vote was taken and the motion passed unanimously.

Reports:

Mr. Parker McClellan presented the Activity Reports. He explained that although the numbers are down, we are about 5% lower than last year. He attributed the positive regional numbers to the actions of the Tourist Development Councils (TDC), Chambers of Commerce, and other agencies that worked to bring visitors back to our community.

The load factors continue to be high. He is projecting that we will end the year at aver \$1.5 million. We continue to be around at 22% of the Panhandle market share. General Aviation continues to do well. There is a lot of excitement with the Sheltair ramp development and hangars going in and Southern Sky breaking ground for their new FBO. As expected, the white sandy beaches are still making a big difference for tourism in Bay and South Walton counties.

Mr. McDonald pointed out on the Activity Report that the in the year 2021 and 2022 the number of air carrier operations is down 26%, but passenger loads are only down 5%. Load factors are up 15-18%, over our highest year. With the airlines having issues with staffing and pilot shortages, we are down 7,000 flights YTD, but the numbers show that both the airlines and the Airport are doing a great job managing their load factors.

Consent Agenda:**a. Approve Board Meeting Minutes – October 26, 2022**

This Item provided for Board approval of the October 26, 2022 Board Meeting Minutes.

b. Approve 2023 Board Schedule

This Item provided for Board approval of the 2023 Board Schedule.

Staff has completed the process of compiling a schedule for the 2023 monthly Board Meetings and Workshops. 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 2023 tentative Board Meeting dates and times are as follows:

Regular Meeting	Wednesday	January	25	9:00 a.m.
Regular Meeting	Wednesday	February	22	9:00 a.m.
Regular Meeting	Wednesday	March	29	9:00 a.m.
Regular Meeting	Wednesday	April	26	9:00 a.m.
Regular Meeting	Wednesday	May	24	9:00 a.m.
Regular Meeting	Wednesday	June	21	9:00 a.m.
Regular Meeting	Wednesday	July	19	9:00 a.m.
Regular Meeting	Wednesday	August	23	9:00 a.m.
Budget Workshop	Friday	September	8	9:00 a.m.
Regular Meeting	Wednesday	September	27	9:00 a.m.
Regular Meeting	Wednesday	October	25	9:00 a.m.
Regular Meeting	Wednesday	November	15	9:00 a.m.
Regular Meeting	Wednesday	December	20	9:00 a.m.
Ethics Training	Wednesday	July 19		10:00 a.m. – 2:00 p.m.
(Req. HB No. 915, Section 332.0075 (4)(b). F.S.)				

Chair Melzer asked that the Board Meeting on February 22, 2023 be rescheduled to February 15, 2022. There were no other changes recommended to the 2023 Board Calendar.

Mr. McDonald made a motion to accept the change to the 2023 Board Schedule, and Mr. Cramer seconded the motion. The vote was taken and the motion passed unanimously.

c. Approve Payment to Bay County for 800 MHz Communication System – Capital Costs and FY23 Operating Costs

This item requests Board approval for the increase in capital and operating costs associated with the Bay County Board of County Commissioners shared use 800 MHz Radio Communication System.

A county-wide 800MHz communication system upgrade project in Bay County began in 2016 and was rolled out last year. The new system met the state-wide mandated inter-operability guidelines for first responders, and allows for both county-wide communications as well as state-wide single channel communications in the event of emergencies.

In April of 2021, the Board approved the Agreement for the Airport to join City of Panama City, Bay County Board of County Commissioners as well as other local jurisdictions for the collective purchase and installation of the new 800MHz Communication System.

In September 2021, the Airport authorized the payment of its portion of the shared use system in the amount of \$401,185, the cost of which was paid with CARES funds. The annual operating costs are included in the yearly Operating and Capital Budget.

As the system was procured, installed, and implemented the total capital and operational costs increased. Due to inflation, the pandemic and other factors, some of the jurisdictional partners reduced their number of requested radios. As a result of the reduced number of units, capital and operational costs had to be absorbed and fees for all users were recalculated. The increases were applied to all participating agencies proportionately based on the number of the agency's radios. Following this reallocation, there should be no additional increases related to the capital cost of the project, and operational costs will be included in future budget years, based on input from Bay County

The 800MHz Communication System capital contribution will increase \$26,257 to \$427,442, of which \$401,185 was paid in FY 2021. The FY 2023 operating costs were budgeted to be \$9,000 and will increase to \$31,048.

Staff recommends the approval of this item and authorization of the payment to Bay County in the amount of \$57,305 utilizing CARES funds in the amount of \$48,305, which will result in no impact on the rates and charges, and the previously approved budgeted amount of \$9,000 from the FY 2023 Operating and Capital Budget.

d. Approval to Dispose of Surplus Property

This item provides for the Board's authorization for the sale and/or disposal of surplus inventory items.

It has been determined by Staff that the following items are no longer needed to support the operation of the Airport and should be declared surplus:

- Terminal Seating Units (Original Terminal Seating Units no longer needed)
32 - 3 seat + end table units and 11 - 4 seat units

Staff is seeking approval to dispose of the surplus property. In the past, Staff has utilized GovDeals.com and intends to continue to utilize for these and other items.

The FY23 Operating and Capital Improvement Budget will be positively impacted by proceeds gained from the sale of these items.

Staff recommends Board authorization to dispose of the listed items as surplus property, sell by

electronic auction, or dispose of as appropriate.

Mr. Cramer made a motion to accept the Consent Agenda, and Mr. McDonald seconded the motion. The vote was taken and the motion passed unanimously.

Business Items:

Mr. McClellan said that the parking lot construction will begin the week after Thanksgiving. Additionally, the beginning of the baggage and terminal expansion projects will also begin, it will create a less-than-desirable customer experience, but that we are going to do everything that we can to make it as positive an experience as possible. We are putting together plans to minimize any of the impacts as best as we can as well as develop a public awareness program to ensure are passengers are aware of our improvements.

a. Approve Award – Bag Make-Up Facility Expansion

Mr. McClellan presented slides of the existing Bag Make-Up area as it is today, and explained how we have outgrown that area, especially during busy “Super Summer Weekends”, and the need to expand it. He also presented slides of the area as it will appear when the expansion is completed. We have recently received approval from the FAA to proceed with construction to more than double the capacity of available space and infrastructure. The project will take approximately 300 days and will impact parking, but there is an alternative plan being developed. The expansion will be designed in a way to allow for future growth, as needed.

The Board members asked questions to the engineer, Rick Mellin of ZHA, Inc. about costs such as the inclusion of the conveyor systems and equipment being included in the estimate, as well as the increase in the cost of materials since the initial pre-apps were made 3 years ago.

Subsequently, the project was advertised for bid in Spring, 2022 with a bid opening of May 24, 2022. Four responsive bids were received from:

Bidder	Total Bid (includes Bldg., Equipment, Civil, Alternate 1)	Completion Time (Days)
Whitesell Green	\$8,050,292.34	300
Dominguez Design-Build	\$8,126,615.00	500
Reliant South	\$8,689,911.00	300
Paramount	\$8,859,763.00	343

ZHA and Staff reviewed the bids for completeness, project intent, and compliance with FAA guidelines.

This is a planned and budgeted project included in the Airport’s FY 2023 Operating and Capital Budget and the Airport’s Federal Aviation Administration Airport Improvement Grant request for FY 2023. Seventy-nine and one-tenth percent (79.1%) of project costs (\$6,367,781) have been determined to be eligible for reimbursement under an FAA grant at a 90/10 ratio. The Airport’s total cost is estimated to be approximately \$2,319,289 and will be paid with airport funds and CARES funds to the maximum extent available. The FAA has advised that they will

be issuing a Grant and have approved this project to proceed with the Grant reimbursing the Airport for expenses incurred.

Staff recommends the Board accept the responsive low bid received from Whitesell Green in an amount of \$8,050,292 and authorizes the use of Airport funds to be reimbursed after the acceptance of the Grant, and authorization for the Board Chair or designee to execute any necessary documents, following satisfactory legal review.

Mr. Cramer made a motion for the Board to approve the award for the Bag Make-Up Facility Expansion, and Mr. Algarin seconded the motion. The vote was taken and the motion passed unanimously.

b. Approve Award – North Terminal Concourse Renovation

Mr. McClellan presented slides explaining the buildout the existing Terminal space (Old FIS Area). This will be a very invasive project lasting approximately 400 days. It will involve an escalator installation, new flooring at the exit lane, as well as other areas, and all will impact passenger areas. This will begin the plan for expansion of the Terminal to the North as planned.

The Board addressed Mr. Mellin with questions about the longevity of the project impacting high peak travel times over the course of the year and he said that once the Pre-Con Meeting takes place for the project there may be a possibility of speeding up the project, but that is not known at this time. There were also questions from the Board about how the bid is selected and if other factors like time could be included. Mr. Mellin said that the FAA prefers to select the lowest bid. Mr. Mellin also explained that even though things are getting better, there are still supply chain issues for some materials and that could potentially cause the project to take longer, and would be a conversation at the Pre-Con Meeting as well.

Subsequently, the project was advertised for bid in Spring, 2022 with a bid opening of May 24, 2022. Four responsive bids were received from:

As part of the Airport's FAA Airport Improvement Program for FY 2023 a project is included to renovate approximately 12,500 square feet of unfinished second floor space in the Terminal Building to provide additional capacity. The project will include additional finished area for passenger holdroom space, public restrooms, concessions space, along with additional structural improvements connecting the new area to existing space. The design of this renovation project was performed in FY 2022 and bid documents were prepared at that time.

Subsequently, the project was advertised for bid in Spring 2022 with a bid opening of May 24, 2022. Three responsive bids were received from:

Bidder	Base Bid	Completion Time (Days)
Dominguez Design-Build	\$3,364,978.00	400
Whitesell Green	\$3,639,405.50	365
Reliant South	\$3,804,412.00	300

ZHA and Staff reviewed the bids for completeness, project intent, and compliance with FAA guidelines.

This is a planned and budgeted project included in the Airport's FY 2023 Operating and Capital Budget and the Airport's Federal Aviation Administration Airport Improvement Grant request for FY 2023. Eighty-eight and one-half percent (88.5%) of project costs (\$2,978,006) have been determined to be eligible for reimbursement under an FAA grant at a 90/10 ratio. The Airport's total cost is estimated to be approximately \$684,773. The FAA has advised that they will be issuing a Grant and have approved this project to proceed with the Grant reimbursing the Airport for expenses incurred.

Staff recommends the Board accept the responsive low bid received from Dominguez Design-Build, Inc. in an amount of \$3,364,978.00 and authorizes the use of Airport funds to be reimbursed after the acceptance of the Grant, and authorization for the Board Chair or designee to execute any necessary documents, following satisfactory legal review.

Mr. McDonald made a motion for the Board to approve the award of the North Terminal Concourse Renovation, and Mr. Cramer seconded the motion. The vote was taken and the motion passed unanimously.

Construction Update (information only):

a. Airport Entrance Roundabout and State Road (SR) 388 Realignment

Mr. Richard McConnell reported on the S.R. 388/Airport Entrance Roundabout. FDOT is completing the finishing touches such as road markings, signage, the electrical and the lighting. They are finishing the pavement sections and the other lane of the Roundabout. Once these are completed, FPL should be dropping power into the panel and electrical should be connected and we should see a lighted entrance sign at any time, as well as power to the landscaping irrigation pump. The Roundabout is very close to being completely open.

We are about to embark on several major projects and have taken a comprehensive look at how to ensure a positive customer experience. He presented slides explaining where all of the construction and staging areas will be set up throughout all of the renovations to the Airport, as well as for the new FBO, Southern Sky as they begin construction. Verizon will be doing updates to their service at the Airport and will also require a staging area. Parking is one of the largest areas that will be impacted with the project starting just after Thanksgiving, and will require our existing overflow parking lot to be relocated. We will be utilizing Reef Parking for shuttles and will have additional Airport staff for shuttling passengers from the new temporary overflow lot. We will be working closely with The Moore Agency to develop a public information program on the progress of the projects. The area will continue to be used after the holidays until the Parking Expansion Project is completed. Phase 1 of the project will take approximately 2 to 3 months, and is expected to be completed before June 2023.

Bay EDA Update (Information Only):

Bay EDA President Ms. Becca Hardin thanked everyone for attending the groundbreaking ceremony for Southern Sky Aviation. Several projects are heating up; the first being Project Turbo 2 which is an aircraft parts manufacturing company that she and Mr. McClellan visited last month. This company would provide 150 jobs and \$25 million in capital investment. Project

Maple, an international maintenance repair and overhaul company was here for a site visit and said that our airport far exceeded their expectations. That job would bring 250 jobs and \$27 million in capital investment. They would need a 100,000 sf hangar that would be located adjacent to the runway and are working closely with Bay EDA. They are also working with Project Stamper, an international equipment manufacturer that would bring in 1,800 jobs and half a billion dollars in capital investment for our area. Ms. Hardin said that they have had 2 different site visits and out of 80 communities, ECP has made it through another round of cuts to within 14 prospective communities. The company is expected to make its decision in January 2023. Last week she worked with Florida's Great Northwest and Mr. McClellan to host four site selection consultants here at the Airport and they had great things to say as well. Ms. Hardin thanked Mr. McClellan for always being ready to help when opportunities arose for hosting and assisting with prospective visits, sometimes at short notice.

The Moore Agency Update (Information Only):

Ms. Katie Spillman of The Moore Agency reported on marketing efforts. She and her team have been in strategic planning for the upcoming year. She went over the research and tools, such as Google and Facebook analytics, keywords, social and media monitoring, e-marketer reports, and trends related to the travel industry, that they use to make smart decisions in making the full year plan. She predicted that more people will be travelling in 2023, both international and domestic. She said that they will be spending more money and staying longer. She noted that TSA screened nationwide, the highest single day totaling 2.5 million travelers in October. She said that surveys indicate that travel makes people happier. She said that according to research, U.S. spending is recovering from the pandemic faster than what was projected and passengers are making a return to the travel market. She said that passengers are booking travel about 3 months ahead of time, well in advance, to get better fares and to allow time to reschedule their trips in the event that travel restrictions may be re-implemented. ECP online traffic in Florida has more than doubled.

Ms. Melzer mentioned that when searching for the Airport online, or when tagging social media posts, when typing in "Panama City Airport", it still tags PFN, which is the old airport code. Also, when ECP is searched, our webpage does not come up, there is a glitch. She asked if there was a way to change the algorithm to reflect ECP instead. Ms. Spillman said that she will get with her digital team and look at the issue. Ms. Melzer also wanted to see if there was a way to target more local people choosing our Airport over Tallahassee or Pensacola through social media. Ms. Spillman said that they focus on the 100-mile radius, which is the local population. Ms. Melzer also wants to make sure that information on the "growing pains" of the upcoming parking and construction is pushed out to our local audience, so that we can keep them aware of any inconveniences that may affect their travel so that we can take care of them.

Executive Director Report:

Mr. McClellan gave the Executive Director Report. He said that the application for the SIB Loan as part of the plan for financing future development has been approved in the amount of \$25 million and FDOT has approved it, so that funding will be an available opportunity for future growth, the next step will be legislative approval.

We have engaged Capitol Hill Consulting Group to help us in Washington with some federal

initiatives, so that we can see if we can be more successful in obtaining grant monies by having a presence there to recognize ECP. Mr. McClellan will be going to Washington with Steve Southerland the first week of December to begin that effort, now that the election is over.

He said that it was reported that holiday travel will be up 8% and that 55 million people are expected to travel during the holiday season. He noted that we are prepared for the increase in passengers and will be doing everything that we can to minimize any complications that may arise. He also invited the Board to the ECP Holiday Luncheon on December 22, 2022.

Chair Melzer made an announcement that Mr. James Johnson will no longer be serving on the Board. She said that she was thankful for his four years of service on the Board, he represented the interests of General Aviation and will still have a hangar with the Airport. Attny. Franklin Harrison said that Mr. Johnson has submitted his resignation to the Bay County Airport Authority Board effective October 31, 2022. The City of Panama City will be appointing someone to take his place in the near future.

Ms. Melzer read an email from Mr. Jeremy Novak in which he expressed his appreciation to Mr. McClellan for assisting him in the overflow parking lot after he had experienced a stressful morning with a flat tire, missed flight, and a full parking lot. Mr. McClellan took the time to help him personally that day, instead of leaving it to someone else. Mr. Novak also commented that he was proud of the Airport and commended Mr. McClellan and the Airport staff in the continued growth each year.

Public Comments:

There were no Public Comments.

Adjournment:

The Board meeting was adjourned at approximately 10:08 a.m.

Next meeting is scheduled: December 14, 2022 – Board Meeting 9:00 a.m.

Lisa Brady, Executive Assistant

Holly Melzer, Chair