

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., April 21, 2021 by Chair Glen McDonald.

The Invocation was given by Vice Chair Holly Melzer.

The Pledge of Allegiance was led by Mr. James Johnson.

The Executive Secretary called the roll and indicated all the Board members were present in person with the exception of Mr. Jay Tusa who requested to attend via Zoom.

Chair McDonald asked Airport Authority Attorney Nick Beninate to explain the State of Florida Statute regarding remote participation of Board members. Attorney Beninate explained that if there is a physical quorum of the remaining Board members, and there is an extraordinary circumstance of why the Board member calling is absent, then the Board member calling into the meeting would be allowed to participate remotely. Mr. Tusa reported that he was unable to attend in person due to a business scheduling conflict, and Attorney Beninate clarified that a business scheduling conflict was not considered an extraordinary circumstance, and Chair McDonald asked Mr. Tusa to listen to the meeting, but not participate.

Chair McDonald asked if there were any Items on the Amended Agenda, including the Consent Agenda, that any Board member would like to move, and if not, to make a motion to accept the Amended Agenda.

Mr. Del Lee made a motion to accept the agenda, and Vice Chair Melzer seconded the motion. The vote was taken and the motion passed unanimously.

Reports:

Mr. Parker McClellan presented the Activity Reports.

Mrs. Darlene Gordon presented the Financial Reports.

Consent Agenda:**a. Board Meeting Minutes – March 24, 2021**

This Item provided for Board approval of the March 24, 2021 Board Meeting Minutes.

b. Special Board Workshop Minutes – March 26, 2021

This Item provided for Board approval of the March 26, 2021 Special Board Workshop Minutes.

c. Accept Proposal from AeroCloud Systems, Inc. for Intelligent Airport Management System

This item provided for Board approval to accept a proposal from AeroCloud, Inc. for the addition of the Resource Management System (RMS) and Future Planning Module to the Integrated Airport Management System (IAM) and to extend the original contract term.

AeroCloud, Inc. has developed a small airport management system. The system creates a central, computerized storage location for operational data and other information regularly used by Airport Staff. In December of 2018, the Airport became a Development Partner providing subject matter expertise (SME) for system development and future modules.

As the Airport has continued to grow and recover from the pandemic, it has become clear that our gate utilization process needs improvement. On several occasions, we have had to move aircraft away from gates to accommodate flight activity, and then return the aircraft back to gates for boarding.

The RMS/Future Planning Module will allow Staff to view daily and future gate activity, which will facilitate maximized gate utilization. This module will also be used to schedule maintenance and other activities of our Gates and Passenger Boarding Bridges (PBB). The system will allow the Staff to see times that there is gate availability, therefore allowing facility utilization at its fullest potential.

Staff has coordinated with legal counsel, and this change to the existing agreement is within airport purchasing guidelines and will be added as Amendment #1.

The currently approved cost of the Intelligent Airport Management System and the Lease Management System is \$29,100 per year for a 3-year period, with the option to extend the term for an additional 2 years with a 2.5% price increase. Additionally, for any future modules in which the Airport assists as a development partner, the Airport will receive a development partner incentive.

Funding is available in the FY21 Operations and Capital Improvement Budget, and future costs will be included in subsequent Budgets. The addition of the RMS/Future Planning tool will add \$8,922 for FY21, and the total cost for all modules for the following 3 years will be \$39,987 annually. The Amendment will include a new 3-year term with 2 one-year options, with a CPI adjustment allowable.

Staff recommended the acceptance of the proposal for the Resource Management System and Future Planning Module to the Intelligent Airport Management and Lease Management System and approval of the continuation of the development partnership with AeroCloud Systems, Inc.

Mr. James Johnson made a motion to approve the Consent Agenda, and Vice Chair Melzer seconded the motion. The vote was taken and the motion passed unanimously.

Business Items:

a. Accept Engineering Consulting Services – Selection Committee Recommendation

This item provided for Board approval of the recommendation from the Engineering Consulting Services Selection Committee for award of a contract to provide continuing engineering services for the Airport.

A Request for Qualifications was issued in November 2020 for the purpose of selecting a firm to provide engineering services. At the regularly scheduled Board Meeting January 27, 2021, it was determined to re-advertise the Request for Qualifications based on the lack of response as well as questions involving the DBE Program. In February 2021, the Request for Qualifications was re-released with a due date of April 6, 2021.

The Board appointed an Engineering Consulting Selection Committee to review the submittals received and present a recommendation to the Board of the successful firm. The Selection Committee was comprised of Board Member Del Lee, and Staff members Parker McClellan, Richard McConnell, and Darlene Gordon.

As a result of the Request for Qualifications, the Airport received 4 responsive submittals from CBRE, CPH, GRAEF and ZHA. The Selection Committee and Nick Beninate (Legal Counsel) met in person and with Zoom participation as an option for anyone interested in the Selection Committee on April 9, 2021 at 9:00 a.m. at the Airport.

The Selection Committee members were provided a copy of each firm's submittal for evaluation and comment. Evaluation criteria included discussion of individual team members, team overall experience, previous airport project experience, current workload, DBE involvement and other related items. Each member was given the opportunity to express their thoughts about each submittal.

Following review and discussion by the Selection Committee, a motion was made and seconded to rank the firms and forward a recommendation to the Airport Board for consideration at the April 21, 2021 Meeting.

The rankings are as follows in descending order:

ZHA
CBRE
GRAEF
CPH

Staff recommended the Board accept the Selection Committee Recommendations and Ranking and to authorize Staff to negotiate with the top ranked firm and return with a contract at the May 19, 2021 Airport Board Meeting. There would be no Budget impact.

Mr. Lee explained the process to the Board that was taken by the Selection Committee, and confirmed that if negotiations fail with the first choice, negotiations will start with the second choice firm.

Mr. Will Cramer made a motion to accept the Selection Committee Recommendations and Ranking and to authorize Staff to negotiate with the top ranked firm and return with a contract at the May 19, 2021 Airport Board Meeting. Vice Chair Melzer seconded the motion. The vote was taken and the motion passed unanimously.

b. Approve ZHA Task Order #50-A2 – Material Testing Services

This item provided for the Board's approval of Task Order #50-A2 to ZHA as the Airport's continuing engineering consultant to perform Professional Material Testing Services in support of the Airport's Aircraft Parking Apron Phase 1 construction project at the Airport.

On January 28, 2021, the Airport began a project to expand the recently completed Public Transient Aircraft Parking Apron. The current project involves the construction of a 210' x 225' addition adjacent to the west side of the current transient apron.

This Task Order is to provide for Material Testing Services during the construction of the additional aircraft parking apron project.

The not-to-exceed cost of this Task Order is \$14,700. Funding is available in the FY 2021 Operation and Maintenance Budget and is reimbursable through a Public Transportation Grant Agreement (PTGA) with the Florida Department of Transportation at a ratio of 50/50.

Mayor Mark Sheldon made a motion to approve the ZHA Task Order #50-A2 for Material Testing

Services for the Aircraft Parking Apron Phase 1 construction project and Mr. Johnson seconded the motion. The vote was taken and the motion passed unanimously.

c. Approve Lease Amendment 5 – Sheltair Aviation

This item provided for the Board’s approval of Sheltair Aviation’s Lease Amendment 5.

In July 2010, Sheltair began providing FBO support services to general aviation at the Airport. Since that time, they have built a first-class general aviation terminal with supporting ramp and a Support Services hangar and associated ramp. They have developed a Master Plan for their leasehold.

In optimistic view of the growth of the new Airport, Sheltair executed Amendment #1 to the original Lease in August of 2010 requesting the premises be expanded to 20.12 acres with the rent commencing two (2) years following the original lease commencement date (June 29, 2010).

In 2012, Amendment #2 was executed, which created Option Parcels, added a small parcel and there were some administrative details addressed.

In 2014, Amendment #3 was executed, which created an Option Parcel 3, and modified Option Parcel 2 to remove approximately 5 acres which was subsequently added to the permanent leased area and developed into aircraft parking ramp.

In 2017, Amendment #4 was executed, which transferred Option Parcel 2 to the permanently leased area, added the helicopter pad to the permanently lease area, added Option Parcel 4 to the lease, standardized the Option Parcel fee, and extended the lease as a result of the additional development.

We have received a request from Sheltair to modify their lease to transfer the Option Parcel 3 to the permanently leased area and develop Amendment #5. Sheltair intends to construct an additional ramp and a hangar on the additional area.

Amendment #5 will incorporate the area included in Option Parcel 3 as defined in Amendment #4 into the permanently lease area. This Option Parcel 3 includes approximately 4.04 acres, or 175,989 square feet.

Exhibit A of the Amendment reflects the estimated acreage that will be included in the amendment and a final survey will be attached at the time of execution reflecting as built conditions as well as boundaries.

The Amendment will be effective May 1, 2021. Rent will remain at the Option rate of \$0.03 per square foot until the hangar facility is completed, but not later than July 31, 2021, at which time the rent will be \$0.3775 per square foot, which is Sheltair’s current rental rate.

The fiscal impact of the Amendment #5 will increase revenues for the FY21 Budget by approximately \$5,096.35 per month, with the rental continuing throughout the term of the lease unless further amended.

Staff recommended that the Amendment #5 to Sheltair’s Lease be approved.

Mayor Sheldon made a motion to approve Sheltair’s Amendment #5 and Mr. Cramer seconded the motion. The vote was taken and the motion passed unanimously.

d. Approve Interlocal Agreement – 800 MHz Communication System

This item provided for the Board’s approval of the Additional Party Agreement to the Interlocal Agreement with the City of Panama City and the Bay County Board of County Commissioners for the

shared use of an upgraded 800 MHz radio communications system.

The Airport currently has an agreement with Bay County for the 800 MHz communication system, which allows access to the county-wide communication system for the use of portable handheld and vehicle radios for first responders. The City of Panama City and the Bay County Board of County Commissioners are entering a new Interlocal Agreement in order to establish terms and conditions governing the shared use of an upgraded 800 MHz system to replace the current 1999 system. The Agreement is available for other agencies to enter allowing a prorated cost sharing among all entities.

The Airport facility and operations require fast, reliable, protected and clear communication amongst its departments and employees. It also needs the ability to communicate with other local agencies in the case of an Airport emergency, or to request or provide aid to/from our mutual aid partners, including police, fire and medical services.

As technology has changed, the County realized that a replacement communications system was needed. A county-wide system upgrade project began in 2016 and will be rolled out in the coming months. The new system will meet state-wide mandated inter-operability guidelines for first responders, and will allow not only county-wide communications, but also state-wide single channel communications in the event of emergencies.

The Airport staff has reviewed and is recommending that it becomes an additional partner with the new Interlocal Agreement in order to provide its first responders the mandated access to the county's communication system. Every law enforcement, fire department and medical agency in Bay County will be included in the county's system.

The Agreement will provide for 53 new radios with consoles and the reprogramming of 18 currently owned radios at ECP, and outlines its prorated share of the infrastructure cost of the new system, annual costs maintenance costs for the infrastructure, subscriber and radios.

The fiscal impact of the execution of the Agreement is an upfront capital cost of \$401,185 and first-year maintenance of \$8,520, with the annual recurring maintenance costs of approximately \$19,225 per year.

Staff recommended the execution of the Additional Party Agreement of the Interlocal Agreement – 800MHz Communication System between the City of Panama City and the Bay County Board of Commissioners and the use of CARES Act funds to provide for the capital costs, with maintenance cost being funded by the FY 21 and subsequent Operating and Capital Budgets.

Mr. Cramer made a motion to approve the execution of the Additional Party Agreement to the Interlocal Agreement with the City of Panama City and the Bay County Board of County Commissioners for the shared use of an upgraded 800 MHz radio communications system and Mr. Lee seconded the motion. The vote was taken and the motion passed unanimously.

e. **Accept FAA ACRGP Grant – 3-12-0159-021-2021 for the Northwest Florida Beaches International Airport**

This item provided for acceptance of the FAA ACRGP Grant Offer (“CARES II”).

The Coronavirus Response and Relief Supplemental Appropriation Act was signed into law on December 27, 2020 and includes nearly \$2 billion in funds to be awarded as economic relief to eligible U.S. airports and eligible concessions at those airports to prevent, prepare for, and respond to the COVID-19 pandemic. The FAA subsequently established the Airport Coronavirus Response Grant Program (“ACRGP”) in order to distribute these funds.

In April, the Airport applied for the CCRSA (CARES II) funding in the amount of \$3,748,929. Unlike the CARES Act grant, its usage is restricted to certain expenditures. This Grant allows for funding to be utilized for operational and maintenance expenses directly related to ECP, debt service, and other eligible costs as defined in the Grant Agreement. New airport development projects not directly related to combating the spread of pathogens and approved by the FAA for such purposes may not be funded with grant.

The funding will be available for four (4) years and requests for reimbursement will be in accordance with FAA established procedures. Budget impact for each fiscal year will be determined based on financial requirements. Staff recommended the acceptance of FAA CCRSA Grant – 3-12-0159-021-2021 in the amount of \$3,748,929 for the Northwest Florida Beaches International Airport.

Mr. Johnson made a motion to accept the FAA ACRGP Grant – 3-12-0159-021-2021 and Mr. Lee seconded the motion. The vote was taken and the motion passed unanimously.

f. COVID-19 Update

Mr. McClellan informed the Board that he covered the COVID-19 Update in the previous Business Items and there was nothing more to report.

This Item was for informational purposes only and required no formal action by the Board.

g. Authorization to Execute Airline-Airport Use and Lease Agreement Amendment 3 with American Airlines, Inc.

This item provided for the Board's approval to execute an Amendment to the Airline-Airport Use and Lease Agreement for the addition of Gate 6 and the associated Holdroom.

On May 17, 2010, the Airport entered into an Agreement with the passenger air carriers establishing an interim Signatory Agreement to operate at the new airport and establish rates and charges the air carriers would pay. These charges were based on the old rates paid at the old airport. At the September 28, 2011 meeting the Board approved adjusted rates and charges based on the business model being negotiated with the air carriers and on March 28, 2012 approved an Airline-Airport Use and Lease Agreement effective from October 1, 2011 through September 30, 2015. In September 2015, the Board approved a five (5) year Airline-Airport Use and Lease Agreement effective from October 1, 2015 through September 30, 2020.

In the Spring of 2018, American Airlines committed to the serve ECP as a Signatory Airline becoming the fourth Signatory Airline.

During the summer of 2020, Amendment 2 to their Agreement was executed, it was the extension to the existing Agreements due to the impacts of COVID-19.

Earlier this year, American Airlines met with Staff and requested Staff look at the opportunity to lease a second gate at ECP. Staff presented the option of adding Gate 6 to the existing Agreement. On April 20, 2021, American officially requested the addition of Gate 6 to the Lease Agreement beginning June 1, 2021.

Approval of Amendment 3 will have a positive impact on our FY21 Budget, and Staff recommended that the Board approve the Amendment to the Airline-Airport Use and Lease Agreement with American Airlines, Inc. and authorize the Board Chairman to execute all associated documents.

Vice Chair Melzer made a motion to approve the Amendment to the Airline-Airport Use and Lease Agreement with American Airlines, Inc. and Mr. Cramer seconded the motion. The vote was taken and the motion passed unanimously.

h. Approve Change Order #2 – C.W. Roberts Contracting, Inc. – Aircraft Parking Apron, Phase 1

This item provided for Board consideration of a Change Order to the C.W. Roberts Contracting, Inc. – Aircraft Parking Apron Expansion Phase 1 project to provide for the modification, incorporation and programming of additional work quantities to expand stormwater system components of the project.

On December 16, 2020, the Board approved a construction contract with C.W. Roberts Contracting, Inc. for the Aircraft Parking Apron Expansion Phase 1 project. This is a multi-phase project to expand Airport infrastructure in response to identified demand. This phase of the project is 50 percent funded by a Florida Department of Transportation (FDOT) Joint Participation Agreement (JPA) in an amount of \$1,600,000. Favorable bids for the project have left unexpended funds in the JPA. Following discussions with FDOT personnel it has been determined that additional, same scope, work can be completed on the project in order to maximize use of State Participation funds.

This Change Order #2 will modify/increase storm water piping and fixtures in preparation for continued project phasing.

The cost of this Change Order is a net \$95,364.01 and will increase the current contract amount from \$1,329,656.81 to \$1,425,020.82.

Staff recommended the approval of Change Order #2 in the amount not to exceed \$95,364.01.

Mayor Sheldon made a motion to approve Change Order #2 – C.W. Roberts Contracting, Inc. – Aircraft Parking Apron, Phase 1 and Mr. Lee seconded the motion. The vote was taken and the motion passed unanimously.

Construction Update (information only):

a. Aircraft Parking Apron Expansion

Mr. Richard McConnell reported on the Aircraft Parking Apron Expansion Project Phase 1: asphalt base with concrete on top is being poured and expected to be completed in a month, pending weather.

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

Mr. McConnell reported the Airport Entrance Roundabout portion of the SR 388 Project is still on budget and on schedule; they are preparing the road surfaces to final grade but there is still an issue with permitting the bridge over the creek to the west of us – unrelated to the Airport portion. Mr. McConnell reported we will see the new direct traffic pattern soon that will go around the Roundabout worksite allowing for them to start grading that area. He added that some exciting upcoming projects will be happening with regards to some of our Grants.

Bay EDA Update:

Bay EDA President Ms. Becca Hardin reported that she has recently visited New Jersey and Arkansas and people are being receptive to them visiting their facilities. Ms. Hardin reported that yesterday she had a one-hour phone call with one of the largest aviation military defense contractors and talked up ECP for the first ½ hour.

Ms. Hardin reported that next week Chair McDonald, Mr. McClellan, and she would be attending the MRO Show in Orlando, and would be attending 20 meetings with vendors in two days inviting them to visit, in addition to seeing an MRO company's hangar in Orlando, meeting with the international MRO Project Venus, and also with one of two new aviation leads, Project Ace (200 jobs, \$45M capital investment).

Ms. Hardin reported that Mr. McClellan and she had a conference call with Project Gator last week, their engineer is still working on fine tuning the numbers, and it is anticipated they will come visit the 2nd week of May as they are ready to set a construction timeline for the project.

Ms. Hardin announced the other new aviation lead – a smaller project – Project Breeze (relocating from the Midwest with 25 jobs and \$5M capital investment).

Mr. Ben Moorman, Senior Project Manager for The St. Joe Company, will be filling former employee Mr. Garrett Wright's position, and will attend and be introduced at the next Board meeting.

The Moore Agency Update:

Katie Spillman of The Moore Agency described the ECP Ready Summer Creative Campaign Concepts (focusing on the airport experience, emotional impact of traveling again, destination specific, and business travel), and the ECP Enhanced Campaign Budget Considerations. After Board discussion, Ms. Spillman was asked to set up a meeting with Chair McDonald and Panama City Beach Convention & Visitors Bureau/Bay County Tourist Development Council's Mr. Dan Rowe, and following that meeting Mr. McClellan can meet with Board Member Mr. Jay Tusa to further review the Enhanced Campaign concepts for recommendations at the next Board meeting.

Executive Director Report:

Mr. McClellan addressed the Board and reported on economic development: We applied for two Community Project Grants which will allow for long-term future development (west extension of Johnny Reaver Rd. to prospective location for Army National Guard, and along Johnny Reaver Rd. to the west of West Bay Parkway); beginning in June, United Airlines will be bringing in mainline in addition to regional jets, American may be considering similar moves, and Delta is up-gauging their entire fleet to A320/321s from RJs and 717s.

Mr. McClellan reported that we can work with ZHA to plan some on-the-shelf projects now that we are seeing the numbers grow, and if they stay high, we will have plans in place to accommodate the growth; the concession in the new Concourse will be open mid-June with a kiosk starting the beginning of May.

Mr. McClellan finished his report by informing the Board that we continue to reach out to new airlines and have been in discussions with the current airlines on how we can utilize technology to have less agent/passenger face-to-face contact and automate the process making ECP the "small airport of the future" tagging on to Tyndall – the airlines are receptive – by utilizing ticket counters smarter, we may not need bigger ticket counters.

Public Comments:

There were no Public Comments.

Adjournment:

The meeting was adjourned at approximately 10:13 a.m.

Kathy Gilmore, Executive Assistant

Glen McDonald, Chair