

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., August 26, 2026 by Chair Will Cramer.

Roll was called. In attendance were: Ms. Victoria Williams, Mr. Brad Drake, Mr. Ben Lee, Ms. Holly Melzer, Vice Chair Les McFatter and Chair Will Cramer.

Absent: Mr. Mark Sheldon

The Invocation was given by Vice Chair McFatter.

The Pledge of Allegiance was led by Chair Cramer.

Chair Cramer asked if there were any Public Comments, of which there were none.

Chair Cramer asked if any Board Member would like to move any Business Items for further discussion, and if not, that a Board Member make a motion to accept the Amended Agenda.

Ms. Victoria Williams made a motion to accept the Agenda and Vice Chair McFatter seconded the motion. The vote was taken and the motion passed unanimously.

Reports:

Airport Activity:

Mr. McClellan stated that we experienced another record-breaking month in July, processing 238,809 passengers. Growth across the Panhandle continues as we maintain 24% of the market share. We are optimistic about exceeding two-million passengers for the year.

Financial Report:

Ms. Darlene Gordon presented the Financial Reports for the ten months ending July 31, 2026.

At the end of July, the total cash reflects a decrease of \$83,000 from June, with a total cash balance of \$63.3 million. Unrestricted cash is \$38.4 million and restricted cash is \$24.9 million. Compared to July of last year, unrestricted cash is up \$3.1 million and restricted cash has increased \$4.4 million for a total increase of \$7.5 million over this time last year.

Total liabilities have increased \$823,000 from June, and compared to July 2025 liabilities increased \$5.8 million due to construction costs. Excess revenues over expenses year-to-date total \$24.1 million with operating revenues over expenses equaling \$11 million and non-operating revenues over expenses contributing \$13.1 million of the total.

The income statement at the end of July shows year-to-date operating revenues at \$23.1 million, exceeding budget by \$679,000, or 103%, of budget. Airline revenues year-to-date are nearly 104% of budget while the rental car concession fees are exceeding budget by 105%. Parking is up 16% compared to this time last year which equates to \$717,000 increase year-over-year.

On the expense side, personnel expenses are 96.2% of budget, general operating expenses are 93.4% of budget and are under budget by \$371,000. General operating expenses are 93.4% of budget year-to-date. Overall, our operating revenues over expenses exceed budget by \$1.3 million year-to-date.

Consent Agenda:

a. Approve Board Meeting Minutes – August 26, 2026

This item provides for Board approval of the August 26, 2026 Board Meeting Minutes.

b. Approve Update to Administrative Policy 3.3 Drug-Free Workplace

This item provides for Board approval of Administrative Policy 3.3 Drug-Free Workplace.

c. Accept Public Transportation Grant Agreement (PTGA) 458541-1-94-01 with Florida Department of Transportation (FDOT) for Airport Facility Re-Key Project and Adopt Resolution for Signature Authorization

This item provides for Board acceptance of the Public Transportation Grant Agreement (PTGA) 458541-1-94-01 with the Florida Department of Transportation (FDOT) for Airport Facility Re-Keying Project and Adopt Resolution for Signature Authorization.

d. Adopt Resolution for Signature Authorization for Florida Job Growth Infrastructure Grant – Florida Department of Commerce for IAG Aero Group Infrastructure

This item provides for the Board to Adopt a Resolution for Signature Authorization for Florida Job Growth Infrastructure Grant from the Florida Department of Commerce for IAG Aero Group.

Ms. Williams made a motion to accept the Consent Agenda and Vice Chair McFatter seconded the motion. The vote was taken and passed unanimously.

Business Items:

a. Presentation on Development Process of North 350 Acres

AVCON representative Ms. Tonia Nation gave a presentation on the future planning process to develop 350 acres North of the Airport.

Ms. Nation explained the steps to develop the land included clearing the ditches and repairing culverts which includes tree harvesting, need to secure a Letter of Intent to develop the parcel of

land, complete the Environmental Assessment (EA) and submit to FAA for approval, prepare permit documents for development, begin construction of the site.

Discussion ensued and Chair Cramer thanked Ms. Nation for the update.

b. Approve Task Order #23B-19 AVCON – Terminal Expansion Passenger Board Bridge (PBB) Gates 8, 9, 10 and Gate 2 Relocation

Ms. Nation with AVCON explained that a Grant has already been executed by the Airport and the FAA for 90% of the costs which covers construction, performance specifications, and CA services.

Vice Chair McFatter made a motion to accept the Task Order for the Passenger Boarding Bridges (PBB) and Relocation of Gate 2, Ms. Melzer seconded the motion. The vote was taken and passed unanimously.

c. Approve Change Order #2 to Task Order #23A-11 Ardurra – Terminal Expansion Owners Authorized Representative (OAR) Services

Mr. Aaron Buob with Ardurra stated that the Ardurra team made a mistake when calculating the estimated costs required as the Owners Representative for the Airport Terminal Expansion project and are requesting additional funds. Several factors, including incomplete design drawings when the project was bid and accepted, bringing stakeholders up to speed, design changes and an increased number of Change Orders among other issues have increased their monthly, budgeted burn-rate. The original cost estimate for the Terminal was \$70M and based on the CMP it is now approximately \$110M.

Traditional costs for Owners Authorized Representative (OAR) are between 2-3% of the total cost of the project, with the requested additional funds Ardurra's services would be approximately 2%.

Discussion ensued.

Ms. Melzer made a motion to approve the Task Order with the caveat that any future expenditures exceeding the described \$50,000 per month burn-rate need to be brought to the Board for justification and approval, Ms. Williams seconded the motion. The vote was taken and passed, with Chair Cramer and Vice Chair McFatter voting no.

d. Accept Recommendation of Master Concession Review Committee for Ranking and Award of Airport Master Concession Agreement

Mr. McClellan reminded the Board that all RFPs were rejected from the original concession submittals, and they went back out on the street for a Master Concession RFP. On June 8, the Airport received two responses: Tailwinds and SSP America, the same respondents from the initial RFP. The Airport Selection Committee met and ranked the two submissions based on overall concept, management, qualifications, and marketing plans. Overall financial impacts were scored, but by the Airport Procurement Manager not the evaluators. The Committee unanimous recommendation, ranked SSP America as number 1.

Ms. Melzer made a motion to accept the Master Concession Committee's Recommendation and Award of the Airport Master Concession Agreement, Ms. Williams seconded the motion. The vote was taken and passed unanimously.

Mr. Scott Welding, Business Developer with SSP America shared the concept of their submittal to the Board in a presentation that included images for the buildouts as well as local and national brand suggestions for food, beverage, retail and vending offerings.

Construction Updates (Information Only)

a. Cardella

Mr. Trip Vaughn represented Cardella with an update on the following items:

Terminal Expansion Project

Ongoing activities:

- Concrete slab placements
- Foundation concrete placements
- Shallow plumbing & electrical rough-in
- Building water line installation

Upcoming activities:

- Steel erection

b. Ardurra Group

Mr. Buob provided the following update:

Ongoing Management of Onsite CMAR Activities:

- Management of onsite CMAR activities including quality assurance, preinstallation meetings, coordination of features of work activities, and review of submittals/ RFIs
- Estimating and Review of Potential Change Orders
- Pay Application #012 sent to ECP 8/20/2026
- Budget Summary report
- Change Order log activity
- Finance and Development Services Plan Update
- IAG update

c. AVCON

Ms. Nation provided an update on the following projects:

North Terminal Expansion Program:

- Submittals, RFI's are being processed
- Construction Admin and inspection provided by the design team
- IT Grant is being processed by FAA
- (PBB) Grant has been executed

- Loop Road Grant has been executed
- Fuel Farm:
 - FAA Grant has been executed
 - Staff working on Notice to Proceed
- QMS Monitoring:
 - Working with ERC on harvesting solutions to help fund future burning not funded by FAA
- Maintenance Facility:
 - Plans should be released for bid late fall
- Terminal IT Upgrade:
 - Airport finalizing Independent Fee Estimate (IFE) and waiting on grant execution

Project/Planning Updates (information only)

Mr. McClellan provided the following project updates:

- a. **IAG Aero Group** – Ardurra is working with IAG on the Design Criteria Package
- b. **Premiere Aviation** – Project is moving along
- c. **Florida National Guard** – Guard has occupied the Building
- d. **Lisenby Property** – Airport is awaiting property clean-up and will inspect upon completion

Bay EDA Update (information only)

Ms. Becca Hardin of Bay County EDA provided the following update:

- The EDA attended the Farnborough Air Show, 20 appointments in three days with three prospect visits scheduled for October: Project Horus – Canadian repair and overhaul company (300 jobs/\$40 million cap investment), Samurai – Japanese company that manufacture composite aircraft parts (250 jobs/\$40 million cap investment), and project Launch Pad – original equipment manufacture of large airplanes for the defense industry.
- Increased interest in the Drone Industry from Night Sky Drone Company (300 jobs/\$1 million cap investment),
- Ghost Rider – an aerospace supply chain from Japan, but with a partnership company in Taiwan, is interested in expanding. Becca has been invited by the State Department of Commerce to participate as a delegate on a recruitment mission to Taiwan, leaving Saturday for several meetings.
- The EDA, Airport and Port have a meeting on September 10th with Secretary Perdue, Florida Department of Transportation to discuss Electric Vertical Take-Off and Landing (eVTOL) infrastructure in Bay County.

Executive Director Report:

Mr. McClellan provided the following update:

- Airport Budget Workshop next week

- New location being considered for the Cell Phone Lot
- Non-Revolving Line of Credit Evaluation Committee meets on Monday. A special meeting will be held to present the Committee Recommendation and seek approval, September 9th
- Steve Southerland is working on Grants in D.C. for the Terminal Expansion
- FAA Grants #52, #53 and #54 were executed by the FAA

There were no additional public comments.

The Airport Annual Budget Workshop is scheduled for September 3rd.

Special Board Meeting: Non-Revolving Line of Credit scheduled for September 9th.

Next regular meeting scheduled: Board Meeting: September 23, 2026 – 9:00 a.m.

The meeting was adjourned at approximately 11:05 a.m.

Parker W. McClellan, Jr., AAE
Executive Director



William C. Cramer, III, Chair