

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 21, 2019 by Chairman Lee.

The Invocation was given by Mr. Russ Mathis.

The Pledge of Allegiance was led by Chairman Lee.

The Executive Secretary called the roll and indicated all the Board members were present except Mr. Tusa, Ms. Sims, and Mr. James Johnson. Mr. Johnson joined the meeting at 9:12 a.m. after the roll was called.

Mr. Mathis made a motion to accept the Agenda. Vice Chairman McDonald seconded the motion. The vote was taken and the motion passed unanimously.

Presentation:

Military Welcome Center

Bay County Veterans Council (BCVC) President A.J. Bacon addressed the Board, along with colleagues Darrell Hertz and Steve Geczy. Mr. Bacon reported that the ECP Military Welcome Center (MWC) is an integral part of the BCVC and presented a Challenge Coin developed in 2018 to Airport Police Chief John Van Etten. Mr. Bacon said that under the Chief's leadership, the Northwest Florida Beaches International Airport Police Officers have diligently provided around-the-clock support allowing the MWC to open and close daily, validating each volunteers' parking ticket, and securing the area by keeping it and the volunteers and visitors safe.

Mr. Bacon described the coin as having the BCVC logo on one side, and the ECP MWC logo on the other side, and that it comes with a holder designed by Mr. Hertz. Mr. Bacon said that the Challenge Coin is given out in appreciation and gratitude as a symbol of recognition to any person or organization that has provided significant support and/or contributions to the MWC. Mr. Hertz added that approximately 6,000 people use the MWC a year and that the volunteers are comprised mostly of retired military, sometimes military wives, and sometimes just individuals who want to help contribute in some way.

Reports:

Mr. Parker McClellan presented and reviewed the Activity Reports.

Ms. Darlene Nelson presented and reviewed the Financial Reports.

Consent Agenda:

a. Board Meeting Minutes – July 24, 2019

This item provided for Board approval of the July 24, 2019 Board Meeting Minutes.

b. Accept Bid Proposal for Emergency Water Pipe Repair and Valve Installation at the Airport Terminal Building

This item provided for the acceptance of a Bid Proposal from Keith Lawson Company, Inc. of Panama City for water pipe repair and isolation valve installation at the Airport Terminal Building.

Recently, Airport Maintenance Staff has performed emergency repair of several water pipes experiencing new leaks. The repairs involved pipe saddle replacement and is intended to be temporary in nature. During repair attempts it was noted that original Terminal construction did not include the placement of water isolation valves. The result is the water supply line repair in the Terminal would require water to the whole Terminal Building to be turned off during repairs. Along with pipe repairs, this Bid Proposal will include the strategic installation of three isolation valves to allow partial water shutoff in the Terminal.

In light of the urgency of repairing the Terminal water pipes, the Airport solicited written quotes from several local vendors to complete repairs. Of the several vendors contacted, only one responded with a written quote.

In the best interest of limiting operational disruptions, Staff recommended acceptance of the Bid Proposal from Keith Lawson Company, Inc. in an amount not to exceed \$16,725 for the work described above.

c. Accept Staff Recommendation on Republic Parking Annual Bonus

This item provided for Board approval of an incentive bonus for Republic Parking for the period from June 2018 through May 2019.

The Republic Parking Management Contract provides for a bonus of up to 100% of the annual management fee for operation and management of the parking operation based on an evaluation of performance completed by Airport Staff. The rating based on this evaluation was 94%. When this rating was applied to the annual management fee of \$31,212.00, a bonus of \$29,339.28 was calculated.

Republic Parking continues to provide excellent service to our Airport and focuses on customer service. Staff recommended Board approval of the incentive bonus as noted above.

d. Approve Purchase of Ballistic Shields for Police Department – CopQuest.com

This item provided for Board approval for the purchase of Ballistic Shields to be used by the Police Department.

Safety and Security of employees and passengers is the primary mission of the Police Department. Recent threats and methods of attack used against airports are a daily concern and are monitored and assessed. The ballistic shield offers added security to personnel during a terror attack or active shooter event. The shields will enhance an officer's ability protect and engage a shooter with shielding. Officers will be able to better protect themselves, employees, and customers who are at risk from an active shooter.

In accordance with Airport Purchasing Policy written quotes were requested. Three (3) quotes were received as follows:

- CopQuest.com - \$2,910.56
- Optics Planet - \$3,000.00
- GALLS - \$3,100.00

This expenditure is unbudgeted and funding is available from the Federal Forfeiture Fund. Police Equipment that is not regularly budgeted is an authorized use of Federal Forfeiture Funds. Forfeiture Expenditures require Airport

Authority Board approval, and Staff recommended Board approve the purchase of two (2) ballistic shields in a total amount not to exceed \$2,910.56 and the reallocation of funds to cover the expenditure.

e. Approve Lease – Dade GSE

This item provided for Board approval of a Cargo Building Lease between the District and Dade GSE.

Recently, representatives from Dade GSE approached the District regarding leasing space suitable to provide Ground Support Equipment maintenance services to Delta and United at the Airport. This Maintenance Services Agreement previously had been held by Global Aviation Services who has given the Airport a 30-day lease cancelation notice. It is anticipated Global will vacate the space effective August 31, 2019 and Dade GSE will enter the space effective September 1, 2019. Staff requested Board approval of a lease with Dade GSE.

The Lease term is one year with two, one-year renewal options; has a starting rental rate of \$1,857/month, with an annual adjustment based on the CPI; and requires proof of general liability, casualty and automobile insurance with District named as an additional insured. The area leased will be approximately 1,000 square feet, and located in the air cargo building at the Airport.

The Airport Operating and Maintenance Budget will be positively impacted by the amount of revenue from this lease. Monthly revenue generated would be approximately \$1,857 (\$22,284 annually).

f. Approve “Assignment of Lease in Event of Default” – 40Thirty1, LLC to First National Bank, Paragould, Arkansas

This item provided for Board approval of the “Assignment of Lease in Event of Default” between 40Thirty1, LLC and the Panama City-Bay County Airport and Industrial District (District) to First National Bank, Paragould, Arkansas.

Staff was recently contacted by Justin Miles of 40Thirty1, LLC, requesting the Lease be assigned to the bank financing the hangar in the event of a default on the hangar, and recommended Board approval.

Under the current Lease Agreement between 40Thirty1, LLC and the District, 40Thirty1, LLC cannot assign or otherwise transfer its rights and obligations under the lease without the prior written consent from the District.

g. Accept FAA AIP Grant Offer for the continuing Environmental Mitigation Site Development

This item provided for Board acceptance of an FAA Grant for use of Entitlement Funds that provides funding for Environmental Mitigation construction efforts on the approximately 9,600 acres south of the Airport. This is an ongoing partnership between the FAA and the Airport to mitigate this land.

This FAA Grant Offer represents one of the Airport’s 2019 requests for entitlement funds under the FAA Airport Improvement Program.

Mitigation Site Development (Phase 3 of 8)

- Ongoing project to improve the mitigation property
- Includes tasks identified as construction projects including but not limited to low water crossing, replanting, and burning.

Sufficient funds are provided for in the Airport’s proposed FY20 Operating and Capital Budget. The total cost of construction phase of the project is \$143,675 and is reimbursable under this FAA Grant at a 90/10 ratio for

eligible items, amounting to the grant agreement amount of \$129,308. Staff recommended acceptance of the FAA Grant Offer dated August 9, 2019 for Environmental Mitigation Site Development as outlined above.

h. Approve Street Light LED Conversion – Energy Harness Corporation, Cape Coral, FL – Change Order #1

This item provided for Board approval for Change Order #1 to the Street Light LED Conversion Project. The change order will increase the scope of work to include the conversion of 24 fixtures located on the Terminal Aircraft Apron.

Several recent bids have resulted in a surplus of capitals funds. These funds are available for this purchase and are contained within the current Airport FY19 Capital Budget. However, some project reallocation of current funds may be required.

Staff recommended Board approval of Change Order #1 to the Street Light LED Conversion Project from Energy Harness Corporation of Cape Coral, FL in amount of \$43,244.41.

i. Audit Engagement - Tipton, Marler, Garner & Chastain

This item requested approval by the Board for the acceptance of a Letter of Engagement with Tipton, Marler, Garner & Chastain (TMGC) to perform the FY19 financial audit.

Each year TMGC submits an Engagement Letter which details their audit procedures and a proposal of their fees. The audit will meet or exceed the requirements specified by Florida Statute for Special Districts.

Staff believes it to be in the best interest of the District to continue its working relationship with TMGC, to approve the audit Engagement Letter, and is satisfied with the audit services provided. A not-to-exceed budget of \$23,150 was proposed for this work effort. Funding will be provided in the Airport FY20 Operating and Maintenance Budget.

j. Ratification of Change Order Number One (1) – C.W. Roberts Contracting, Inc.

This item provided for Board Ratification of a Change Order to the C.W. Roberts Contracting, Inc. – Terminal Ramp Expansion Project to provide for unforeseen existing conditions present within the project site.

At the September 2018 Airport Board Meeting the Board approved contract with CW Roberts for the Expansion of the Airport Terminal Building Aircraft Ramp in an amount of \$1,001,498.22.

The Change Order is in response to unforeseen existing conditions encountered on the job site not referenced on as-built drawings or construction plans. The Change Order includes the replacement of electrical cabling, junction structures, and conduit associated with the removal of non-aircraft rated junction structures, and the associated replacement conduit and cabling to complete the electrical lighting portion of the project.

In order to keep the project on schedule due to the lead time of the necessary supplies, the Chairman was contacted and approval was granted to proceed with the Change Order.

The cost of this Change Order is not to exceed \$11,313.10. Overall funding for the Terminal Ramp Expansion Project is currently covered by the Airport Budget and Federal Aviation Administration on a 90/10 Airport Improvement Program Grant. Funding for the Change Order is available in the Airport Budget and participation has been requested from the Federal Aviation Administration under existing grant provisions.

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

Business Items:**a. Request for Bid Rejection – Terminal Expansion**

This item provides for Board approval to reject all Bids for the Terminal Expansion and Alternates 1 and 2.

On June 23, 2019 the Airport released a Request for Bids for the Terminal Expansion and two alternates for Passenger Board Bridges at Gates 6 and 7. On Wednesday July 24, 2019, one Bid was received from GAC Contractors Corp in the amount \$7,372,800 for the Base Bid and Alternatives 1 and 2. The following is the breakdown of Bid from GAC:

Based Bid	\$4,628,856
Alt 1 (Gate 6)	1,136,717
Alt 2 (Gate 7)	<u>1,607,227</u>
Total	\$7,372,800

The proposed budget based on the engineering estimates for the project for the approximate 7,000-square-foot building with Passenger Bridges at Gates 6 and 7 (utilizing one District Owned Passenger Boarding Bridge) was \$4,500,000, which includes participation from the FAA and Airport.

Following a detailed review by Staff, ZHA, AVCON and legal counsel, with consultation with the FAA, it was determined there was not the sufficient funding to move forward with this project as bid.

Staff and consultants have begun to look at means and methods to allow this project to be rebid with several changes and/or look for alternative delivery methods.

Staff recommended the Board reject the Bid from GAC and direct staff to review different alternatives and possible delivery methods to allow this project to move forward within the funding available. A discussion ensued.

Mr. Nelson made a motion to reject the Bid from GAC Contractors Corp., and Mr. Johnson seconded the motion. The vote was taken and the motion passed unanimously.

b. Approve Fabric Replacement Project with Vehicle Protection Structures

This item requested Board approval for the Fabric Replacement Project.

The Airport maintains a covered parking structure as part of its parking facilities. The covered parking structure was installed in 2013.

On October 10, 2018, Hurricane Michael, a Category 5 hurricane, made landfall in Bay County. As a result of the sustained winds, there was damage to the covering of the facility in that part of the fabric detached from the steel support structure. Upon inspection of this damage, it was discovered that all the original fabrics, seams, cables and fasteners were also damaged due to the high winds.

The normal useful life of these items is 10-14 years, but the hurricane force winds caused breakage, stretching and pulling and created imminent failure to the fabric, cables and related hardware.

In working with our insurance carrier and installer, it was determined that a replacement of the canopies and the covered walkway should be made. The cost of the replacement is \$272,100.00. The District has received payment for the damages in the amount of \$232,943.52, which is the cost of the replacement less the 2% deductible.

The original facility was installed by Vehicle Protection Services (“VPS”)/USA Shade headquartered in Dallas, Texas. VPS/USA Shade is a sole source provider for the repair and replacement of its products. The deductible portion of the repair project is \$39,156.48. This item is not included in the FY19 Budget and will be funded with capital reserves. Staff recommends Board approval of the Fabric Replacement Project from VPS in the amount of \$272,100.00 and the use of capital reserves in the amount of \$39,156.48 to fund the deductible portion of the cost.

Mr. Johnson made a motion to approve the Fabric Replacement Project from VPS and the use of capital reserves to fund the deductible portion, and Mr. Mathis seconded the motion. The vote was taken and the motion passed unanimously.

c. **Approve ZHA Task Order 19-J – Qualified Mitigation Supervision (QMS)**

This item provided for the Board’s approval of a Task Order to ZHA as the Airport’s continuing engineering consultant to perform the required water quality monitoring services at 19 sites as required under our environmental permits.

ZHA’s President/CEO Mr. Rick Mellin reported that the Airport is required to provide QMS to oversee all aspects of mitigation site implementation, management, and corrective actions and mitigation monitoring in accordance with the FDEP WRP Permit #03-0212186-004-DF, and described the services. These services were provided by the ZHA and their sub-consultant ERC over the past seven years (September 2012 thru August 2019). The Permit requires continuous inspection presence on-site to monitor mitigation activities.

The required services include qualified mitigation supervision of all aspects of mitigation construction activities on the airport’s mitigation site located south of SR 388 and the Airport. Up to 170 days of on-site coordination and inspection of mitigation construction activities will be provided each year. ZHA shall also provide annual mitigation monitoring in accordance with the Airport Relocation Mitigation Plan dated October 2006 and monitor the stations and methods established during the initial baseline quantitative monitoring conducted in the of Fall 2006.

This includes quantitative monitoring for ecological community classification, description, and mapping. Established permanent photo-point stations will also be utilized for each quantitative field plot for photographs recording each monitoring event. Qualitative reconnaissance and inspection of larger mitigation areas, characterization, ground-truth stations, and specific work plan areas (hydrologic restoration sites, road removal areas, thinning units, burn units, etc.) will be conducted in association with the quantitative monitoring, based on set travel routes that are repeated over time.

Statistical analysis of the quantitative monitoring data will be evaluated based on before and after comparison of overall community classification. Individual vegetation layer components from the quantitative data will also be evaluated. Comparisons with similar natural communities will be used as supporting documentation.

In October 2018, Hurricane Michael caused considerable damage to the mitigation area, which created “changed conditions” to the original contract that impacted Wildlands Fire Services ability to complete the prescribed burning as set out in the contract.

A new contract or a change order to the existing contract will be put in place with similar scope to continue the efforts to meet the FDEP Permit mitigation requirements for the following three years. The consultant shall meet regularly with the Contractor to review work plans, schedule of work activities, in-field progress, quality of the work inspections, and other related construction issues. The consultant will review the monthly payment requests of the contractor, determine their appropriateness for payment, revise as necessary, approve the revised payment application and process them for payment. The consultant will provide in-field inspection of the Contractor’s activities, monitoring progress, quality of work, compliance with contract requirements, Permit, approved work plans and record and log findings and observations.

Additionally, the consultant will provide aerial photography and photo interpretation as required to assist in the mitigation efforts required by the FDEP Permit as well as by the Airport.

The consultant shall prepare two reports per annual period: an annual report for each period, September to August; and a mitigation monitoring report for each period, September to August. The annual report shall be prepared within ninety (90) days after the end of the data collection and submit it to the Airport for review and approval to send to the agencies.

The total Task Order 19-J, including fees and expenses will be \$205,100, and is contained in the FY20 Operating Budget. Staff recommended Board approval. A discussed ensued.

Mr. Nelson made a motion to approve ZHA Task Order 19-J, and Vice Chairman McDonald seconded the motion. The vote was taken and the motion passed unanimously.

Presentation:

State Road 388 Construction Update:

Mr. Richard McConnell reported that the clearing of debris, installation of drainage mechanisms and facilities, and compacting after the debris removal have been the main focus of the S.R.388 Project, and that our Sand Pile has been noticeably reduced. He reported that following Labor Day we will begin to see the Roundabout portion of the project begin with the relocation of some utilities, four light poles coming down and the Airport Entrance Sign being removed.

He explained that there will be a large pile of surcharge obscuring the Entrance, and the Entrance and Exit will be down to one lane each, but the FDOT and ECP has mandated that the Entrance must be clearly identifiable during the construction.

Mr. McConnell continued that as you drive out the Exit of the Airport and travel west on S.R.388, you can now see to the north the cleared debris for the pavement and bridges, and as you travel north on S.R.79 from S.R.388 and look to the right, you can see the two points of the alignment coming together with only a few more trees needing to be removed.

Mr. McConnell added that the contractor, Superior, has experienced no delays from our stand point, and there are only a few delays regarding right of ways to the west of us, but the project is moving forward as planned.

The Bay EDA Update:

Mr. Garrett Wright, Vice President of Bay EDA, reported on behalf of President Becca Hardin who is traveling in the Greenville and Atlanta market and attending meetings with site selection consultants. Mr. Wright reported that two weeks ago he was in Colorado at an airport/port logistics development forum attending meetings and showcasing ECP. Mr. Wright reported that Bay EDA and ECP Staff are still working with Space Florida on Project Gator; still working on the process with Project Mastermind whose expectations are very high; and pitched a 50-acre site south of the Terminal to Project Edwards that we should hear something from in the next few weeks.

He concluded that Ms. Hardin will be travelling to MRO Europe in October, and he will be going to the aviation forum in Germany in November.

The Moore Agency Update:

Ms. Katie Spillman of The Moore Agency reported on their July highlights. She reported that the Team refreshed creative to prepare for the launch of the August paid media burst centering around the ECP sponsorship of the Pepsi Gulf Coast Jam, driving users to the website to sign up and win a pair of tickets.

Ms. Spillman reported that as a result of the paid search campaigns, we saw over 700 airline website visits; a slightly more than 29% increase in conversions compared to last month; 3,022 Escape page views; 22,367 new website visitors; 45,369 total sessions; 253,740 earned media impressions; and 20.3% subscribers opening the newsletter (industry average 17%).

Ms. Spillman reported that we will begin to close in on our Dashboard fiscal year as we continue to exceed our goals; and explained that the refreshed creatives are being used in social media for the Gulf Coast Jam and our ECP video.

Executive Director Report:

Mr. McClellan reported that Super Summer Weekends are winding down and that we had a very successful season. He said that as a result we will once again invite all the Airport tenants and employees to our end of September “Thank You Luncheon.”

Mr. McClellan reported that CHA’s Vice President Mr. Paul Puckli would like to do a Master Plan Workshop in early to mid-October – when the forecast will be finished – in order to engage the Board prior to going to public meetings with some alternative development.

Mr. McClellan announced that his Performance Evaluation was on hold until now waiting for the Salary Survey to be completed, and would be going out this week to the Board. After he and Vice Chairman McDonald review the results, it will come back to the Board.

Mr. McClellan also announced that he is the newly named Chairman of the Florida Airports Council, the largest state organization of airports.

Public Comments:

There were no public comments.

Adjournment:

The meeting was adjourned at approximately 9:40 a.m.

Kathy Gilmore, Executive Secretary

Del Lee, Chairman