

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., January 25, 2023 by Vice Chair Mark Sheldon.

The Invocation was given by Mr. Will Cramer.

The Pledge of Allegiance was led by Ms. Victoria Williams.

Roll was called. In attendance were: Mr. Will Cramer, Ms. Victoria Williams, Mr. Les McFatter, Mr. Glenn McDonald, and Vice Chair Mark Sheldon.

Vice Chair Sheldon asked if there were any Public Comments. There were no Public Comments.

Vice Chair Sheldon 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. Cramer made a motion to accept the Agenda, and Mr. McFatter seconded the motion. The vote was taken and the motion passed unanimously.

Reports:

Mr. Parker McClellan presented the Activity Reports. He reported that the Airport finished out the year with approximately 1.52 million total passengers; only down by less than 5% over our peak year. In December, we dropped down to 20% market share which is normal for this time of year.

Mrs. Darlene Gordon presented the Financial Reports for the first 3 months of the fiscal year ending December 31, 2022. Ms. Gordon gave an overview of the requirements of the Governmental Accounting Standards Board (GASB). She said that the Audit will be finalized in the near future and we will present it at the February Board Meeting. In the first quarter of the fiscal year 2023, our total cash increased \$5.5 million over the same time last year. Our total cash is \$40.3 million, that number, reflects our unrestricted cash of \$29.8 million and restricted cash of \$10.5 million.

We have not made the Settlement payment, but next month, after the Board adopts the Audit, we will have the checks ready from the airlines. Revenues are strong. Our revenues are currently at 107% of our budget year to date parking, ground transportation and retail merchandise concession fee revenues are especially strong. The Terminal Complex is coming in at 120% of our budget year to date; interest income is exceeding budget and is expected to continue. Personnel is at 90% of budget. Currently, there are 2 employees on short-term disability and we have 3 open positions. We hired 2 people this week and are continuing to fill the open positions. General Operating Expenses are at 91% of budget, electricity is 15% over budget even though we increased our budget over last year by 15% to meet the demand. Vice Chair Sheldon asked if the Airport is exploring alternative energy method options such as solar to help with some of the energy costs. He said that he hopes that will be part of the expansion plan.

Consent Agenda:**a. Board Meeting Minutes – December 14, 2022**

This Item provided for Board approval of the December 14, 2022 Board Meeting Minutes.

b. Approve Special Board Meeting Minutes – January 13, 2023

This Item provided for Board approval of the January 13, 2022 Special Board Meeting Minutes.

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

Business Items:**a. Presentation – 2022 In The Rearview**

Annual Presentation was given to the Board by Mr. McClellan, Executive Director. This presentation included a Sizzle Reel video highlighting media coverage in 2022. Mr. McClellan the accomplishments of ECP and the Staff over the past year, including:

2022 FLIGHT PLAN

- Continue Financial Planning Efforts - (Budgeting and 5 years Capital Plan)
 - Master Plan Update – Completed April 2022
 - Organizational Review for Effectiveness - Ongoing
 - Funding Alternatives for Future Business Development – COVID-19 Funding Options
- Terminal Development Plan – Planning and Design - Ongoing
- Enhance Passenger Service
 - Continue to enhance existing airlines with new city pairs - Ongoing
 - Attract New Entrant Carriers to enhance route network - Ongoing
 - Forecast – Bring back to 100+% Super Summer Weekends – Success!
- Commercial Development – Maximizing Non-Airline Revenue – Ongoing
- Maximize Economic Development Opportunities – Project Gator and other Projects in the pipeline - Continuous
- Process Improvements – Technology (Administration, Safety and Security) - Continuous
- Community Outreach and Partnership - Ongoing
- Staff Development –Target - Quarterly Training

2022 HIGHLIGHTS

- Financials
 - Airline Rates and Charges in line or below
 - with Industry Averages (CPE \$2.08)
 - Clean Financial Audit!!!
- Process Improvement/Efficiency – Ongoing
- FDOT State Infrastructure Bank (SIB) Loan Approval
- Airline Activity

- Passenger Increase (-5% decrease of 2021)
- Passenger Activity – Summer Weekends 11,000 -13,000 passengers utilizing Airport
- Panhandle Market Share - Maintained
- New Air Service (City Pairs, New Airlines)
- General Aviation/Military Activity
 - Sheltair Lease Expansion
 - New FBO – Southern Sky Aviation
 - Expanded GA Activity
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- Grow and attract - Military Air Traffic
- Master Plan Update - Completed
- COVID-19 (Covidity) Recovery
- Business Development Partner Projects
 - Project Goodwrench II
 - Project Stamper
 - Project Tiger
 - Project Venus
 - Investor with Florida’s Great Northwest
- Enhanced Government Partnerships
 - FDOT
 - FAA
 - TSA
 - Local
- Enhancement of Internal Airport wide Communications
- Community Partnerships (Chambers, EDAs, TDCs, Education and Military Welcome Center)
- Projects
 - FEMA - Ongoing
 - Terminal Enhancements – On Going
 - Mitigation - 9,600 Acres
 - Continued Expansion of ECP Center of Excellence
- Employee Partnership
 - Spot Reward Program
 - Quarterly Training
- New Aircraft Rescue and Firefighting Vehicle (ARFF)

Ongoing Projects:

- Overflow, Long Term, Employee, Cell Phone Lot, and Admin Parking Lot Expansion Projects
- Bag Room Expansion Project
- Concourse Buildout (The Great Hall Buildout)
- Sheltair is adding additional hangars and a ramp
- Southern Sky has broken ground on the new FBO

Mr. McClellan showed aerial views of the area that show the growth and development of our area including Margaritaville, the new hospital, and additional developments underway that will be a part of stabilizing the market. As the area grows, we will begin to see a year around travel market that will be a positive for the Airport.

Honorable Mentions from the last year:

- Employees Contributing Positively – 436 tokens (hours) given out recognizing

- employees for a good job.
- Staff wants to thank the Board for the Cost of Living Stipend, as well as support of giving a strong raise last year.
- Renovations were done to the Military Welcome Center.
- FCS, the new janitorial provider will start on February 1, 2023
- ECP was recognized and invited to speak at the Airlines for America
- Completed the Ticket Counter Expansion
- TURO, peer-to-peer car sharing started at ECP

As we look to next year, we will focus on an organizational review, funding for the North Terminal Expansion, as well as the other projects we have underway.

Fun Facts:

- 16,000 Gallons of Water
- 22,000 Gallons of Soda
- 52,000 Chicken Wings

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

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. The final traffic flow shift is finally coming. On February 6th, all traffic flowing east and west will flow through the roundabout. The westbound lane is currently in use and the eastbound lane will be in use soon. County Road 388 will be demolished and all traffic passing the airport will be routed through the roundabout and construction on the southernmost lane will begin. The section of S.R. 388 toward the gas station at Hwy. 79 will become County Road 388, and the road from the roundabout toward Margaritaville at Hwy. 79 will become S.R. 388. We are waiting for the power to be routed to the sign by FPL.

b. Parking Lot Expansion

c. Terminal Buildout

c. Bag Makeup Expansion

Mr. McConnell reported on the Parking Lot Expansion, the Terminal Buildout and the Bag Makeup Expansion. All three of these projects are awaiting building permits. All documentation has been given to Bay County and we are in line for permits. Once the permits are issued, he will provide monthly updates on these projects. The contractors for all three projects are onsite and ready to go.

Planning Update (information only):

a. North Terminal Expansion

Mr. Rick Mellin reported on the North Terminal Expansion. He presented a review of the recommendations from the Special Board Meeting on January 13th. He also presented slides of the potential Terminal Design and 6 different roof options. The Board agreed that they liked Option #4, which was a butterfly type roof design. He presented schedules for all of the projects that are in progress

and will begin providing updated charts at the monthly Board meetings.

Bay EDA Update (Information Only):

Bay EDA Vice President Mr. Ben Moorman reported that Project Maple, an MRO company with about 250 jobs, and roughly \$25 million capital investment has been looking at a site at the Airport with access to the runway. They are working with the company to get estimates on construction and are having very positive conversations with that company. Also, they have been talking with Project Stamper, an original equipment manufacturer with about 1,800 jobs and a capital investment of half a billion dollars. This company would be an asset, not only for our community, but for the whole region. He said that there was a German consultant based out of Atlanta that was in town this past week and complimented our Airport. He said that he was very impressed by the connectivity and ease of travel through ECP.

They met with state partners in Orlando and Florida's Great Northwest and were able to share information about the new developments at the Airport. In 2 weeks, he will be going to Dallas to a new trade show, Aero-Engines Americas.

The Moore Agency Update (Information Only):

Ms. Jordan Jacobs of The Moore Agency reported on marketing. She presented a campaign designed to help keep passengers informed and excited about our upcoming construction projects. She introduced the concept of using "Pilot the Pelican" wearing a hardhat, to announce all of the changes happening at ECP. He will appear on our website and social media and will be placed on signage throughout the airport to inform passengers of what is going on. Once the construction is completed, the plan would be to switch the hardhat to a pilot hat and he could continue to be used year around.

She also shared a sneak peek of an upcoming television spot. The high energy commercial spot will be debuting regionally during Super Bowl 2023. The spot, with the tagline "Let's Go!", is geared to get passengers excited about traveling with ECP just in time for making plans for their Spring Break and summer vacations.

Executive Director Report:

Mr. McClellan gave the Executive Director Report. The Airport has hired Steve Southerland with Capitol Group as our federal lobbyist. In December, he and Mr. Southerland made the rounds with the North Florida and Florida Delegation members and the Federal Aviation Administration. They found that the Southern Alabama Delegation uses our Airport as well, and are part of our community. They were also able to reach an agreement to renew the lease with TSA administrative space and they are going to pay the rent in arrears to the Airport.

Public Comments:

There were no Public Comments.

Adjournment:

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

Next meeting is scheduled: February 15, 2023 – Board Meeting 9:00 a.m.

Lisa Brady, Executive Assistant

Mayor Mark Sheldon, Vice Chair