

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., February 25, 2015 in the Airport Board Room by Chairman Bruett.

The Invocation was given by Ms. Patty Mitchell.

The Pledge of Allegiance was led by Chairman Bruett.

The Executive Secretary called the roll and indicated that all Board Members were present.

Approval of Minutes:

The January 28, 2015 Board Meeting Minutes were approved as distributed.

Reports:

Mr. McClellan presented and reviewed both the activity report and the financial report.

Consent Agenda:

a. Revised Employee Manual

This item provides for Board approval of an updated and revised Employee Manual for employees of the Panama City – Bay County Airport and Industrial District.

Following Board discussion, Mr. Scott made a motion to approve the revised Employee Manual with an effective date of March 1, 2015. Mr. Forehand seconded the motion. The vote was taken and the motion passed unanimously.

b. Accept Grant - Small Community Air Service Development Program

This item provides for Board acceptance of a grant offer from the U.S. Department of Transportation (USDOT) under the Small Community Air Service Development Program. The grant will provide \$400,000 to assist the District's efforts to address the air service needs of the community.

Following Board discussion, Mr. Mathis made a motion to accept the grant for the Small Community Air Service Development Program and authorization for the Chairman to execute the grant offer in accordance with the guidelines set forth in the document. Mr. Forehand seconded the motion. The vote was taken and the motion passed unanimously.

c. (i) Banner Tow Agreement – Aerial Messages of Daytona and Sales, Inc.

This item provides for Board approval of a Banner Tow Agreement between Aerial Messages of Daytona and Sales, Inc., and the Panama City – Bay County Airport and Industrial District for the operation of aircraft banner tow activities at the Northwest Florida Beaches International Airport.

(ii) Banner Tow Agreement – Simmons Aviation Services, LLC

This item provides for Board approval of a Banner Tow Agreement between Simmons Aviation Services, LLC and the Panama City – Bay County Airport and Industrial District for the operation of aircraft banner tow activities at the Northwest Florida Beaches International Airport.

Following Board discussion, Mr. Scott made a motion to approve both banner tow agreements, and authorization for the Chairman to execute any necessary documents. Mr. Pilcher seconded the motion. The vote was taken and the motion passed unanimously.

d. Space/Use Agreement – Delta Global Services

This item provides for Board approval of a Space/Use Agreement with Delta Global Services to lease office space in the Terminal Building.

Following Board discussion, Mr. Pilcher made a motion to approve the Space/Use Agreement with Delta Global Services, and authorization for the Board Chairman or his designee to execute any necessary documents. Ms. Meadows seconded the motion. The vote was taken and the motion passed unanimously.

Business Items:

a. Airline Operating Agreement for Non-Signatory Airlines

This item provides for Board approval of the Airline Operating Agreement for the non-signatory air carriers serving the Northwest Florida Beaches International Airport.

The Airline Operating Agreement for the Airport has been developed with the assistance of Ricondo and Associates, our legal counsel and Staff to allow non-signatory carriers to operate on the airport and utilize the facilities in the Terminal Area. The Operating Agreement is very similar to our Airline Lease and Use Agreement with the primary exception being there is no revenue sharing.

The Operating Agreement is based on the rates and charges established each year as part of the budgeting process. The Agreement establishes per use charges for facilities, as well as landing fees and rental rates for space.

Following Board discussion, Mr. Mathis made a motion to approve the Airline Operating Agreement and authorization for the Board Chairman to execute any necessary documents following satisfactory legal review. Mr. Pilcher seconded the motion. The vote was taken and the motion passed unanimously.

b. Master Plan Approval

This item provides for Board approval of the Airport Master Plan for submission to the Federal Aviation Administration (FAA) and the Florida Department of Transportation (FDOT) for acceptance and approval.

In December 2011, the Board authorized the award of the Master Plan to RW Armstrong now CHA Consultants. The consultants, in partnership with Staff and a Technical Advisory Team, began working on the Master Plan for the 5, 10 and 20 year plans for the future. It was determined that rather than year based milestones, planning horizons would be utilized that would provide the Airport with a more valuable planning tool.

Mr. Paul Puckli presented an Executive Summary of the results of the planning effort. The initial review comments were addressed and now the final approval process can begin. Once approved by the Board for submission, both FAA and FDOT will perform a final review and acceptance. The estimated timeframe for acceptance and approval is approximately 90 to 120 days. It is anticipated that the final document will be ready for submittal in June of this year.

Following Board discussion, Mr. Scott made a motion to conditionally approve the Master Plan for submission to FAA and FDOT and upon their acceptance and approval, to approve the Master Plan as submitted. Mr. Forehand seconded the motion. The vote was taken and the motion passed unanimously.

c. **Executive Director Performance Evaluation**

This item provides for Board discussion regarding the issue of the Executive Director's annual performance evaluation.

Per the employment contract, the Board is tasked with performing an annual performance evaluation for the position of Executive Director. Chairman Bruett met with and performed the annual evaluation for Mr. McClellan.

Based on his review, Chairman Bruett recommended an annual increase of 8.65%, which would result in an increase of \$12,040 and would raise the Executive Director's annual salary to \$151,000.

Following Board discussion, Mr. Pilcher made a motion to approve a 3.5% annual increase, which would raise the Executive Director's annual salary to \$144,000. Motion died for lack of a second.

Following additional Board discussion, Mr. Mathis made a motion to approve the Chairman's recommendation to an annual increase of 8.65%, resulting in an annual salary of \$151,000 for the Executive Director. Mr. Lee seconded the motion. The vote was taken and the motion passed 6 to 1 with Mr. Pilcher opposing.

d. **Litigation Update**

Attorney Franklin Harrison updated the Board regarding the status of the litigation between Kellogg, Brown & Root (KBR) and the District. He advised that the Judge ruled in favor of the District regarding the appeal, and that Attorney Ross McCloy was working with the Judge to schedule a trial date. This item was for informational purposes only and required no Board action.

Executive Director Reports:

Mr. McClellan updated the Board regarding the FEMA claim status. He stated that Staff is working to bring a bid award for spring fertilization back to the Board.

Mr. McClellan updated the Board on the Sheltair Ramp Expansion Project. It is anticipated that the project will be completed by the end of May.

Mr. McClellan updated the Board regarding the start-up of United Air Lines on March 5, 2015 with non-stop service to Houston. He also updated the Board regarding the return of Southwest service to St. Louis and Baltimore/Washington and the addition of service to Dallas, all which

are scheduled for March 7, 2015. He also reminded the Board that Silver Airways will begin service on March 19, 2015 with non-stop service to Orlando and Tampa.

Mr. McClellan updated the Board regarding the status of the Air Traffic Control Tower Program, and stated that members are still working toward final review with the FAA.

Public Comments:

No public comments.

Adjournment:

The regular meeting was adjourned at approximately 9:40 a.m. (CST).

Patty Mitchell, Executive Secretary

Till Bruett, Chairman