

## MEETING MINUTES

### PANAMA CITY – BAY COUNTY AIRPORT AND INDUSTRIAL DISTRICT

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#### **Opening:**

The Board Meeting of the Panama City-Bay County Airport and Industrial District was called to order at 9:00 a.m., March 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 except Mr. Forehand, Mr. Lee and Ms. Meadows.

#### **Approval of Minutes:**

The February 25, 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. Approve Purchase for Spring Fertilization**

This item provides for Board approval for the purchase and application of fertilizer and lime for approximately 500 acres of airport property.

**Following Board discussion, Mr. Scott made a motion to approve the purchase and application of fertilizer and lime from Altha Agronomy in the amount of \$56,687.50, and authorization for the Executive Director to execute any necessary documents. Mr. Mathis seconded the motion. The vote was taken and the motion passed unanimously.**

##### **b. Accept Florida Airports Council Internship Grant**

This item provides for Board acceptance of a grant from the Florida Airports Council under the Internship Grant Program in the amount of \$4,000.

Following Board discussion, Mr. Scott made a motion to accept the grant from the Florida Airports Council under the Internship Grant Program and authorization for the Executive Director to execute any necessary documents. Mr. Pilcher seconded the motion. The vote was taken and the motion passed unanimously.

**Business Items:**

**a. FY 2014 Rates and Charges for the Signatory Air Carriers**

This item provides information to the Board concerning signatory airline rates and charges for Fiscal Year 2014 in accordance with the airline use and lease agreements that went into effect October 1, 2011.

The airline use and lease agreement charges two basic rates, one for landing fees and one for terminal rent. The landing fee rate represents the total costs associated with operating the airfield cost center and includes all operating and maintenance costs along with debt service costs for constructing the airfield. The terminal rental includes both the debt service and O & M costs in the terminal complex cost center and is charged on a rentable square foot calculation. This business framework also calls for a revenue sharing program with the signatory airlines after all the operating expenses and annual debt service have been paid.

In conjunction with the FY 2014 financial audit, Staff has also finalized rates and charges for the signatory air carriers and determined the revenue sharing amount for FY 2014.

Listed below are the overall results for FY 2014:

| <u>Description</u>                   | <u>FY 2014 Budget</u> | <u>FY 2014 Settlement</u> |
|--------------------------------------|-----------------------|---------------------------|
| Landing Fees per 1,000 lbs           | \$ 5.11               | \$ 5.48                   |
| Terminal Rental per square foot      | \$ 58.76              | \$ 52.36                  |
| Signatory Cost per Enplanement       | \$ 7.78               | \$ 7.25                   |
| Settlement for Delta Airlines        | \$ 328,692            | \$ 457,819                |
| Settlement for Southwest Airlines    | \$ 370,653            | \$ 516,587                |
| Southwest Airlines incentive payment | \$ 467,600            | \$ 467,600                |

This item is for informational purposes only and required no formal vote.

**Executive Director Reports:**

Mr. McClellan provided a review to the Board regarding the start-up of United Air Lines, which began service on March 5, 2015, and the start-up of Silver Airways, which began service on

March 19, 2015. He also updated the Board regarding the return of Southwest service to St. Louis and Baltimore/Washington and the addition of service to Dallas, which began on March 7, 2015.

Mr. McClellan updated the Board on the Sheltair Ramp Expansion Project. It is anticipated that the project will be completed in mid-June.

**Public Comments:**

No public comments.

**Adjournment:**

The regular meeting was adjourned at approximately 9:15 a.m. (CST).

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Patty Mitchell, Executive Secretary

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Till Bruett, Chairman