

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., April 24, 2013 in the Airport Board Room by Chairman Pilcher.

The Invocation was given by Ms. Patty Strick.

The Pledge of Allegiance was led by Chairman Pilcher.

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

Acknowledgement of Staff: Mr. McClellan recognized Airport dispatchers in honor of National Telecommunicator's Week and the administrative staff in honor of Administrative Professional's Day.

Approval of Minutes:

The March 13, 2013 Emergency Board Meeting Minutes and the March 27, 2013 Board Meeting Minutes were approved as distributed.

Reports:

Mr. McClellan presented and reviewed the activity report.

Ms. Henderson presented and reviewed the financial report.

Consent Agenda:

a. Award Bid for ATM

This item provides for Board selection of a financial institution to place an Automatic Teller Machine in the Airport terminal.

Following Board discussion, Mr. Scott made a motion to accept the bid from Big Apple ATM.com, and authorization for Staff to enter into a contract with them to install two ATMs in the terminal building. Mr. Forehand seconded the motion. The vote was taken and the motion passed unanimously.

b. Accept JPA – Construct Airport Improvements

This item provides for Board acceptance of an FDOT Joint Participation Agreement that will provide funding for various Airport improvements.

Following Board discussion, Ms. Moliterno made a motion to accept the FDOT Joint Participation Agreement and authorization for the Board Chairman or his designee to execute any required documents. Mr. Bruett seconded the motion. The vote was taken and the motion passed unanimously.

Business Items:**a. BP Oil Claim Settlement**

This item provides for Board consideration of a settlement offer of the Panama City – Bay County Airport and Industrial District’s claim for economic losses due to the April 2010 Deepwater Horizon oil spill.

In January 2013 the Airport submitted a final presentment to BP Exploration & Production, Inc. and its affiliates for current and future damages incurred by the Airport as a result of the Deepwater Horizon oil spill. The amount of that presentment was \$11,098,486.00.

On April 18, 2013, BP offered the District \$5,980,000.00 as a final settlement to resolve the claim. On April 19, 2013, BP agreed to toll any applicable statute of limitations until April 30, 2013 in order to allow the Airport adequate time to consider the Settlement Offer and follow normal approval procedures.

Following Board discussion, Ms. Moliterno made a motion to accept the settlement offer from BP by Resolution; Board release of claim against BP and its affiliates, including execution of a full and final general release by the Chairman, or his designee, and approval of the distribution of proceeds of the final settlement of claim. Mr. Scott seconded the motion. The vote was taken and the motion passed unanimously.

b. Foreign Trade Zone – Resolution of Support

This item provides for Board approval of a Resolution of support for the inclusion of certain Airport sites being submitted to be included in Port Panama City’s general purpose zone as part of their effort to reorganize Foreign Trade Zone 65.

During the construction of the new Airport, Staff began the process of establishing a Foreign Trade Zone (FTZ) at the new Airport site. Establishment of a FTZ would allow for savings to businesses at the Airport by deferring duty on merchandise until it enters the domestic market place, and further, in the event the merchandise is utilized as part of a product that is exported no duty will be charged. Through this process, it was determined that working with the St. Joe Company on this effort would benefit both parties, as the Airport and St. Joe have property adjacent to each other.

The Panama City Port Authority has asked the Airport to submit areas to be considered as part of the FTZ. Specific sites have been identified at both the Airport and in Venture Crossing and have been submitted to the Panama City Port Authority for inclusion.

Following Board discussion, Mr. Mathis made a motion to adopt the Resolution of support to the Panama City Port Authority for the inclusion of Airport sites in the FTZ Program. Ms. Moliterno seconded the motion. The vote was taken and the motion passed unanimously.

c. Ground Transportation Terminal Concession Agreement

This item provides for Board approval of the Terminal Concession Agreement between the Panama City – Bay County Airport and Industrial District and Finch Transportation, LLC, a/k/a Sunshine Shuttle and Limousine.

In March 2013, the Board directed Staff to develop a lease and operating agreement with Sunshine Shuttle and bring it back to the Board for approval. Staff has finalized the terms associated with the agreement, and the following is a list of the main points:

- Initial term of three years, with two annual renewals.
- \$1,000 per month paid to the District for the initial year, with an annual review of both financial and operating data.
- The District will provide a kiosk located in the terminal building adjacent to the baggage claim area.
- Premium staging areas will be located at the north end of the terminal building.
- Additional staging area for up to three vehicles near the cargo building.
- Fares will be clearly and prominently displayed to the passengers.

Approval of this agreement would have a positive impact to the budget.

Following Board discussion, Mr. Scott made a motion to approve the Terminal Concession Agreement with Finch Transportation, LLC, pending review by legal counsel, and authorization for the Board Chairman or his designee to execute any required documents. Mr. Koehnemann seconded the motion. The vote was taken and the motion passed unanimously.

d. Covered Parking Project – Change Order

This item provides for Board approval of a Change Order to the contract with USA Shade & Fabric Structures, Inc. regarding the covered parking project.

In February 2013, the Authority awarded the covered parking project to USA Shade & Fabric Structures, Inc. and asked Staff and ZHA to explore changing the walkway cover to the terminal building from a shade fabric to a waterproof fabric.

Staff and ZHA worked with USA Shade & Fabric Structures, Inc. to develop a revised project scope and have received price proposals for the changes requested by adding sections of covered walkways and the change to waterproof covering over the walkways. The following is a list of the five options available for Board consideration, and the costs associated with each option:

- Option 1: Include all items and revise budget to \$830,000.
- Option 2: Include all items except roadway walkway cover for a revised budget of \$781,800.
- Option 3: Include all new items except walkway cover between parking cover and terminal walkway for a revised budget of \$803,700.
- Option 4: Include only the change of waterproof fabric on the terminal walkway for a revised budget of \$755,500.
- Option 5: No changes added and maintain the current budget of \$655,500.

After review and consideration of the various options, Staff recommended revising the project scope and issuing a Change Order to reflect the addition of all the revised items as noted in Option 1 and increasing the project cost to \$830,000.

This revision will require a change in the scope of the project and will require an increase in the project budget of \$174,500 thereby making the new project budget \$1,776,500. The Airport Authority will fund these changes.

Following Board discussion, Ms. Moliterno made a motion to approve Staff's recommendation and selection of Option 1 and issuance of a Change Order to USA Shade & Fabric Structures, Inc in the amount of \$174,500, and authorization for the Board Chairman or his designee to execute any required documents. Mr. Koehnemann seconded the motion. The vote was taken and the motion passed unanimously.

Following additional Board discussion, Ms. Moliterno made a motion to approve Staff's recommendation regarding the selection of beige as the color for the waterproof fabric covering. Mr. Koehnemann seconded the motion. The vote was taken and the motion passed unanimously.

e. Committee Recommendation – Executive Recruitment Search

This item provides for Board selection of an executive search firm to assist with the recruitment of a Deputy Executive Director.

With the recent vacancy in the Deputy Executive Director position, the Board directed Staff to distribute a Request for Proposals to find an executive search firm to assist with the search to fill this position. The Airport distributed a Request for Proposals for a Deputy Executive Director Search, and received responses from three search firms. The following is a list of the three firms, and the costs proposed for performing the executive search:

- ADK Executive Search \$42,000 (including expenses)
- Aviation Career Services \$20,000 (including expenses)
- JCS Recruitment \$45,000 (including expenses)

A selection committee consisting of Mr. Till Bruett, Mr. Parker McClellan and Ms. Pam Henderson met to discuss and review the three proposals in order to provide a recommendation to the Board for selection.

After review and discussion, the committee recommended selection of Aviation Career Services (ACS) to perform the Deputy Executive Director search. As part of the recruitment process, ACS will develop a full-color recruitment brochure, launch an advertising campaign and utilize their database of over 4,000 airport and aviation professionals to aid in the search.

In addition, ACS will receive and screen application materials, review the applications to find the most qualified individuals for the position, and perform additional screening in order to provide the Airport with a comprehensive candidate report to proceed to the interview phase. ACS will assist with the interviews and the negotiation process once a candidate is selected.

ACS has proposed a fixed fee of \$13,000 for their services, with an additional fee for reimbursable expenses not to exceed \$7,000. The proposal does include a guarantee that if the final candidate leaves or is terminated for cause within the first year of the completion of the search (excluding health related issues) ACS will conduct another search to replace the individual at no additional cost, other than the reimbursable expenses associated with the additional search.

Mr. Carey Scott volunteered to represent the Board and assist Staff and ACS during the search for the position of Deputy Executive Director.

There are sufficient funds within the FY-13 Airport Operating and Capital Improvement Budget to cover this expense.

Following Board discussion, Mr. Scott made a motion to accept the proposal from Aviation Career Services and authorization to enter into an agreement with ACS to provide executive recruitment search services, and authorization for the Board Chairman to execute any necessary documents. Mr. Forehand seconded the motion. The vote was taken and the motion passed unanimously.

Other Business:

Stormwater Management System Augmentation Project Update: Mr. McClellan updated the Board regarding the status of this project.

Bay Aircraft Owners Hangar Door Update: Mr. McClellan updated the Board regarding the status of repair to the hangar door.

Public Comments:

There were no public comments.

Adjournment:

The meeting was adjourned at approximately 10:15 a.m.

Patty Strick, Executive Secretary

John Pilcher, Chairman