

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, 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.

Mr. Nelson made a motion to approve the Amended Agenda. Mr. Mathis seconded the motion. The vote was taken and the motion passed unanimously.

Reports:

Mr. Parker McClellan presented and reviewed the Activity Reports and discussion ensued.

Ms. Darlene Nelson presented and reviewed the Financial Reports and discussion ensued.

Consent Agenda:**a. Board Meeting Minutes – March 27, 2019**

This item provides for Board approval of the March 27, 2019 Board Meeting Minutes.

b. Approve Lease Assignment of Hangar 10 – Continental Pacific, LLC to Florida Hangar, LLC

This item provides for Board approval of the assignment of the Lease Agreement between Continental Pacific, LLC and the Panama City-Bay County Airport and Industrial District (District) to Florida Hangar, LLC.

c. Approve Continental Pacific LLC's Second Land Lease

This item provides for Board approval of a Land Lease between the District and Continental Pacific, LLC. No rent will be collected until the Certificate of Occupancy is received; the Lease term is 30 years; Rents will be calculated at the rate of \$.35 per square foot per year, with an annual adjustment based on the CPI; proof of general liability, casualty and automobile insurance is required with District named as an additional insured; and the Area leased will be approximately 36,244 square feet, to be confirmed by survey. Monthly revenue generated would be approximately \$1,057.00 (\$12,684.00 annually).

d. Approve Travel Policy Update

This item provides for Board approval of a policy change regarding the Travel Policy. The current Policy 3.9 – Travel was last updated and approved by the Board effective March 1, 2015. The current policy is in need of updating to comply with Florida State Statute Chapter 112.061 and to provide for reimbursement according to the United States General Services Administration (www.gsa.gov) per diem rates.

e. Accept Bid for Street Light LED Conversion – Energy Harness Corporation, Cape Coral, FL

This item provides for Board approval for a project to convert the Airport’s street light and parking lot fixtures from high pressure sodium and metal halide to LED fixtures. Recent development of LED technology is to the point where the conversion of traditional high pressure sodium and metal halide street light and parking lot fixtures to LED is both economical and aesthetically beneficial. This project will convert 131 street light (West Bay Parkway/Johnny Reaver Road) and 96 parking lot fixtures to LED fixtures. It is anticipated that with this conversion the Airport will realize both a significant energy savings, and a significant reduction in maintenance costs.

An “Invitation to Bid” for the “Street Light LED Conversion” was publically advertised with bids opened on April 9, 2019. Three sealed, responsive bids were received and Staff recommended the bid from Energy Harness Corp. in the amount of \$214,647.33. The purchase is part of an existing State of Florida Joint Participation Agreement in which fifty (50) percent of the purchase amount will be reimbursed to the Airport.

f. Accept PTGA – Emergency Backup Power for Fueling Facilities and Adopt Resolution

This item provides for the acceptance of a Florida Department of Transportation (FDOT) Public Transportation Grant Agreement (PTGA) that will provide funding for emergency backup power generator equipment for the fueling facilities located on the Airport. Following Hurricane “Michael” in October 2018, FDOT identified a need to help provide for emergency power generation capabilities on airport fueling facilities. The Airport owns fueling facilities at three locations. Separate fueling facilities are located at the Aviation Fuel Farm, Airport Maintenance Facility, and the Rental Car Facility. These fueling facilities currently do not have back up power.

The Florida Department of Transportation (FDOT) is providing a grant to allow for the purchase and installation of a standalone diesel generator system at each fueling facility. The grant amount is \$100,000 and is to be used in conjunction with District funds. The total estimated budget for the project is \$200,000. The purchase is part of an existing State of Florida Joint Participation Agreement in which fifty (50) percent of the purchase amount will be reimbursed to the Airport.

g. Accept Bid for Uninterrupted Power Supply (UPS) – PC Solutions & Integration, Inc. (PCS)

This item provides for Board approval for the purchase of a replacement Uninterrupted Power Supply system to include battery units, communication cards, and monitoring software. The Airport maintains a sophisticated, airport-wide, connectivity network that supports all tenants of the facility. The network consists of, among others, many computer server, switch, and communication components that require continuous, conditioned power supplies that must be backed up via battery. This purchase is to replace the current battery backup system which has reached the end of useful life. Most of the components are no longer supported by the manufacturer and reliability cannot be reasonably assured.

An “Invitation to Bid” for the “UPS Replacement/Upgrade” project was publically advertised with bids opened on April 18, 2019. One sealed, responsive bid was received in the amount of \$61,287.45. The purchase is part of an existing State of Florida Joint Participation Agreement in which fifty (50) percent of the purchase amount will be reimbursed to the Airport.

h. Approve Budget Increase for Respect of Florida

This item presents for Board approval an increase to Respect of Florida’s approved budget for janitorial services for FY19. In the FY19 budget process, Respect of Florida was granted an annual increase based on actual costs incurred over FY18 as a result of increased passenger traffic and employee costs.

Recently, the Airport requested an increase in the summer season staffing to accommodate the additional passenger traffic expected on recently released airline schedules, which exceeds passenger counts provided by the airlines in the budgeting process for FY19. Respect has submitted a request for a supplementary budget increase due to this additional staffing.

The requested additional fees include increased staffing costs for four seasonal summer peak periods. These costs will be invoiced to the Airport for the actual expenditures accumulated at the end of the four periods. The estimated increased labor costs equal 106 hours per week at a cost of \$5,213.67 per period. The total request for the additional labor cost is \$20,854.68.

Ms. Sims made a motion to accept the Consent Agenda, and Mr. Johnson seconded the motion. The vote was taken and the motion passed unanimously.

Business Items:

a. Accept Bid for Restroom Flooring – Pro-Floors Plus

This item provides for the acceptance of a bid from Pro-Floors Plus for the application of a urethane cement flooring system to three sets of public restrooms located in the Terminal Building. Since the Airport's opening in 2010, the Terminal Building has accumulated grease, grime and significant staining on existing floor surfaces in the Terminal Building Public Restrooms. In order to maintain high standards of appearance and cleanliness, Staff is recommending application of a durable urethane cement flooring. Due to the specialized nature of this process, Staff has determined that it is prudent and necessary to acquire professional services to complete this task. In accordance with Airport purchasing policy this project will be purchased and completed under Okaloosa County School District Contract #10-B4 for Epoxy Flooring (expiration date 9/14/19).

Mr. Richard McConnell presented to the Board a full description of the product and planned timeline.

Ms. Sims made a motion to accept the Bid for Restroom Flooring, and Vice Chairman McDonald seconded the motion. The vote was taken and the motion passed unanimously.

b. Approve DBE/ACDBE Consulting Services Proposal – Taffy Phippen Consulting, LLC

This item presents for Board approval an Agreement for professional services between the Panama City-Bay County Airport and Industrial District and Taffy Phippen Consulting, LLC for Disadvantaged Business Enterprise/Airport Concessions Disadvantaged Business Enterprise (DBE/ACDBE) Consulting Services. As a recipient of grant funds from the Federal Aviation Administration (FAA) and the Florida Department of Transportation (FDOT), the Airport has special grant assurances it is required to meet as listed in grant agreements. These assurances require that the Airport set annual goals related to its DBE/ACDBE programs and reporting and that it must file and report its goals and the results of the achievement of the goals. The District received two qualified proposals in response to the RFP.

The total proposed fee for the immediate services in the amount of \$28,000 and an hourly fee of \$104 for additional services, may include annual updates and preparation of future required reports. Any future services will be subject to the Airport's approved Purchasing Policy. Staff is recommending a one-year contract with four additional one-year extensions at the discretion of the Airport.

Ms. Darlene Nelson presented to the Board an explanation of the RFP process and clarified Board questions.

Mr. Tusa made a motion to approve the DBE/ACDBE Consulting Services Proposal, and Mr. Mathis seconded the motion. The vote was taken and the motion passed unanimously

c. Accept RFP for Compensation Plan Survey – Evergreen Solutions, LLC

This item presents for Board approval an Agreement for professional services between the Panama City-Bay County Airport and Industrial District and Evergreen Solutions, LLC for a Compensation Plan Survey. In the

FY19 budget process, an informal survey was completed by Staff regarding the current compensation plan offered by the Airport. The results of this informal survey reflected that adjustments to pay levels may be needed. At the FY19 Budget Workshop, the Board requested Staff hire a professional firm to perform a salary survey.

Staff prepared a Request for Proposals for a Compensation Plan Survey with a due date of April 10, 2019. The District received four qualified responses to the RFP. Evergreen Solutions, LLC has included in its RFP response a proposed fee of \$29,500 and a completion date of July 30, 2019.

Ms. Darlene Nelson presented to the Board an explanation of the RFP process leading to the Staff recommendation.

Ms. Sims made a motion to approve the Compensation Plan Survey Proposal, and Mr. Johnson seconded the motion. The vote was taken and the motion passed unanimously.

d. Update – Master Plan Update (for information only)

Mr. Paul Puckli of CHA informed the Board of the Master Plan updates, stating that the Tenants and Users (Airlines, Hy's Toggery and First Class Concessions, the Rental Car Agencies, Republic Parking, Menzies Aviation, RVA Aviation/ATC, Sheltair, TSA, Airport Maintenance, Police and Fire) have been interviewed. Mr. Puckli added that the Planning Advisory Committee (PAC) met yesterday; a detailed inventory of the existing terminal facilities has been done; data has been collected on utilities, parking and access, and an analysis is underway; the AGIS (Airports Geographic Information System) has been uploaded into the FAA system (aerial imagery, survey and basemap); and the inventory report is being assembled into a Working Paper to be submitted to the Advisory Committee and ECP Board.

Ms. Sims asked why the Board wasn't invited to the PAC meeting, and Mr. Puckli responded that it was introductory in nature, and in addition to the Tenants and Users, Airport stakeholders, community leaders, regional planners, and community representatives, Visit Florida and the Bay County Economic Development Alliance representatives were also present. Mr. McClellan added that there will be a Workshop for the Board once we get into the alternative development stage, and that we are only collecting data right now.

Vice Chairman McDonald expressed his concern that Forecasts might not fully include unprecedented present and future passenger growth, and Mr. Puckli explained to the Board that the FAA performs annual Terminal Forecasts that need to be approved before we can move on with our planning processes. He said we need to stay within 10% of their forecasts (and 15% further out), and if it is above or below that, we need to justify why. The Passenger Activity Level (PAL) Forecasts allow for planning what to do when the enplanements reach 600,000 or 700,000 in a year so that we know what is next in line depending on our level of activity.

This item was for informational purposes only, and after Board discussion, required no formal Board action.

e. Update – State Road 388 Construction (for information only)

Mr. McClellan addressed the Board informing them that work will be done at the Airport Entrance between now and August, and in August the Airport will receive an official request to take down the Entrance monument sign (giving us the chance to repair the bullet hole in it which occurred during the hurricane); in September after our season starts to wind down – we asked Superior, the contractor, to wait until then – the surcharging will begin.

Mr. McClellan explained to the Board that a 15-foot-high pile of clay (surcharge) will be pushed down into the wet soil to remove water, a process that will take approximately six months. The Airport Entrance will be down to one lane in, and one lane out – having a significant impact on traffic. The contractor will be getting the word out to the travelling public with additional signage, as well as FDOT’s digital signage and current flyers, ECP website and social media alerts, and signage in place. Speed limits may also decrease to 35 mph at the Entrance.

This item was for informational purposes only, and after Board discussion, required no formal Board action.

f. Update – Non-based Crew Parking (for information only)

Mr. McClellan informed the Board that due to the increase in demand for additional public parking, our non-based crew members (approximately 200 pilots and flight attendants that live here but aren’t based here) will be moved from the Long-Term Parking Lot to the Employee Parking Lot, and will be offered an incentive (discount) if they pay for more than three months at a time. Mr. McClellan added that they already receive a substantially reduced parking rate, which will continue once the new procedure is in effect – approximately a 60-day transition. The new policy will make sure that only active crew members are taking advantage of the program, and not those who are retired.

This item was for informational purposes only, and after Board discussion, required no formal Board action.

The Bay EDA Update:

Ms. Becca Hardin, President of Bay EDA, informed the Board that April has been very busy, and encouraged everyone to check out the new 60,000-square-foot Speclative building going up at Venture Crossings. She said a media event is scheduled for May 2 to communicate its upcoming availability, and that the 10,000-square-foot sections will be great for smaller aviation companies as she, V.P. Garrett Wright, and Mr. McClellan found out during meetings with 17 small companies while attending the annual MRO America Show in Atlanta.

Ms. Hardin continued that earlier this month she and Mr. McClellan showed a substantial prospect (a large, after-market manufacturing company needing a 150,000-200,000 square-foot facility, creating 200 jobs and about a \$20 million capital investment) sites here at the Airport, and added that the prospect will be sending their president and executive team for a visit in June.

Ms. Hardin informed the Board that next week, the executive management from an R&D (Research & Development) aviation-related company will come from the U.K. for a visit. This project has been named “Project Gold,” and could potentially create 300 jobs, the majority of which would be engineering jobs with six figure salaries. Their tour will start in Tallahassee at Florida State University’s Aeronautic Engineering program, to possibly partner with them and bring programs to FSU Panama City. They will continue their tour in Panama City at the college’s Advanced Technology Center to look at the potential for an innovation research center for aviation advanced manufacturing.

Ms. Hardin continued to inform the Board about “Project Mastermind” – 4 MRO projects and 1 R&D project – may be interested in sites at the Airport’s 4,000 acres and/or Venture Crossings, and we should know if we made the cut going into June.

Another project in the works is associated with paint and repair – “Project Gator” – and could provide 144 jobs. They will be visiting in mid-May.

In addition, Ms. Hardin reported she already has appointments scheduled for the mid-June Paris Air Show to meet with interested prospects, many of which have been coming in for visits.

Ms. Sims said that the site selector consultants at the symposium were very impressed with Panama City's transportation infrastructure – from the Port to the Airport – and how robust the opportunities are and how resilient we've been since the hurricane and that we need to keep aligning our regional and international external communications so as not to sacrifice the attention needed by the state and federal legislature to get funding, but also not to deter the attraction to our community for sustainability.

Mr. Franklin Harrison asked how the Bay EDA is overcoming questions that arise concerning lack of housing and workers since the hurricane, and Ms. Hardin said that all the projects they're working on are build-to-suit and will take at least a year to 18 months to build a facility. She said that St. Joe currently has 35 construction projects going, D.R. Horton has projects going, buildings are going to be newer and being built to code – in the City Manager's words, "bigger, better, stronger" – and that Bay EDA is busier than ever.

Visit Florida's Carol Roberts approached the Board explaining that inquiries from commercial developers are up since the storm and there are now pad-ready sites for a fresh, new look for our community to compete with other markets. Ms. Roberts asked everyone, especially ECP, to make phone calls and send emails to our legislature in Tallahassee (now in budget conference) letting them, and the world, know that Bay County, and the entire State of Florida is open for business. And, to remind them of all the challenges we've faced and endured (oil spill, red tide, multiple storms in a short period of time), that they need to fully fund our tourism effort and draw our tourists back for economic development, and to keep Visit Florida and Enterprise Florida, Inc. alive to recruit new businesses, jobs, and tourists, and help build our Airport.

The Moore Agency Update:

Ms. Katie Spillman of The Moore Agency reported that during the month of March, the Agency created new paid content, optimized paid advertising, and refreshed creative to prepare for the launch of ECP's 2nd paid campaign ad bursts, and refreshed the print advertising that ran in *The News Herald*. Ms. Spillman reported that paid search ads on Google and Bing were the only advertisements that ran online. Cost per click stayed at \$0.55 average (where we want to be), and achieved more than 3,200 clicks through the advertisement which converted into 434 airline website clicks to potentially book. Ms. Spillman informed the Board that we've already achieved almost halfway to our goals on our Dashboard, and have already surpassed our goal for local publication reach.

Ms. Spillman described the four updated digital ads for Facebook, and newspaper spadea cover wrap. The Moore Agency also designed artwork for the FAC Legacy Book, illustrating ECP highlights on a timeline since 2007; and they also designed artwork for the FAC 50th anniversary conference program cover contest, listing the three letter airport codes for all the airports in the State of Florida.

Executive Director Report:

Mr. McClellan informed the Board that June 8 starts off Super Summer Weekends with increased flights: Southwest's 18 flights on Saturdays; Delta's seven flights later in the month; and American's Dallas and Chicago flights.

Mr. McClellan added that the 737 Max (which has been in the news) is scheduled in and out of our Airport. He continued that there may be a special meeting in May to make decisions on several construction projects, and he asked the attendees to recognize Board Secretary Kathy Gilmore on this Administrative Professionals Day.

Public Comments:

There were no public comments.

Adjournment:

The meeting was adjourned at approximately 10:17 a.m.

Kathy Gilmore, Executive Secretary

Del Lee, Chairman