

**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., May 25, 2016 by Chairman Bruett.

The Invocation was given by Mr. Carey Scott.

The Pledge of Allegiance was led by Chairman Bruett.

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

**Presentation:**

Mr. Till Bruett was recognized and presented with a plaque in appreciation of his six years of service to the Airport Authority.

**Presentation:**

Mr. Gary Andrews, President of DeTect, Inc., provided the Board with a presentation regarding the company's development of bird strike avoidance radar for commercial aviation and integrated radar equipment used for airspace surveillance systems and drone detection. Mr. Andrews stated that he had met with Mr. McClellan regarding developing a partnership with the Airport to install a test site for radar equipment, at no cost to the Airport.

Mr. Andrews stated that installation of equipment on the airfield would allow for an operating system to be tested in a real world environment and allow for on-site demonstration of equipment to potential purchasers. He further stated that the Airport would benefit from this equipment being on site with the collection of data regarding bird activity which would then be incorporated into the Airport's Hazardous Wildlife Mitigation Plan, required by the Federal Aviation Administration.

The Board expressed a desire to move forward with a partnership with DeTect regarding the installation of radar equipment, and asked legal counsel to bring back a Memorandum of Agreement for review and approval.

**Approval of Minutes:**

The April 27, 2016 Board Meeting Minutes were approved as distributed.

**Reports:**

Mr. McClellan presented and reviewed both the Activity Report and the Financial Report.

**Consent Agenda****a. Banner Tow Agreement – Aerial Banners, Inc.**

This item provides for Board approval of a Banner Tow Agreement between Aerial Banners, 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.

**Mr. Pilcher made a motion to approve the Banner Tow Agreement with Aerial Banners, Inc., and authorization for the Executive Director to execute any necessary documents. Mr. Scott seconded the motion. The vote was taken and the motion passed unanimously.**

**b. Lease Assignment – 646MB, LLC**

This item provides for Board approval of the assignment of the Lease Agreement between 646MB, LLC and the Panama City – Bay County Airport and Industrial District to Pat Enterprises, LLC.

**Mr. Pilcher made a motion to approve the lease assignment from 646MB, LLC to Pat Enterprises, LLC and authorization for the Board Chairman to execute any necessary documents. Mr. Mathis seconded the motion. The vote was taken and the motion passed unanimously.**

**c. Ratification of Acceptance of Transportation Security Administration Grant**

This item provides for Board ratification of the acceptance of a grant from the Transportation Security Administration (TSA) for the Law Enforcement Officer Reimbursement Program.

**Mr. Scott made a motion to ratify the execution of the documents by the Executive Director for acceptance of the grant from TSA for the Law Enforcement Reimbursement Program. Mr. Lee seconded the motion. The vote was taken and the motion passed unanimously.**

**Business Items:****a. Presentation – DeTect, Inc.**

A presentation from DeTect, Inc. was given at the beginning of the Board Meeting.

**b. Regions Bank Proposal to Serve as Investment Manager**

This item provides for Board approval for the delegation of investment authority to an Investment Manager.

The District's retirement plan is currently managed by Regions Trust. Mr. Rick Harvey, Relationship Manager from Regions Trust, met with Staff and provided information on the existing funds in the plan. As part of the services provided by Regions Trust as Trustee of the District's retirement plan, the performance of the plan's investment options are reviewed and monitored. The existing plan has several funds on the Regions Watch List which he recommends the District consider removing from the plan and replacing them with a fund that has similar investment styles.

As part of the discussion, Mr. Harvey proposed that the District consider delegating the investment authority to an Investment Manager with Regions Bank. Section 405(c)(1)(B) of ERISA allows a fiduciary to delegate its investment authority to an Investment Manager, as defined in Section 3(38) of ERISA. The delegation of an Investment Manager would allow the following:

- the power to manage, acquire, or dispose of any asset of a plan;
- falls into one of several specifically listed financial institutions including an adviser registered under the Advisers Act, but does not include a registered broker-dealer;
- acknowledges in writing that it is a fiduciary.

Currently, the cost to administer the plan is 50 basis points. The cost to implement an Investment Manager would be an additional 25 basis points. The cost to fund this would come from forfeited funds in the plan. Presently there is approximately \$11,000 in forfeited funds that would be available to reduce the administrative cost of the plan.

**Following Board discussion, Mr. Scott made a motion to approve the delegation of investment authority to Regions Bank as the Investment Manager, in accordance with Section 3(38) of ERISA, and the use of forfeited funds to reduce the cost to the District, and authorization for the Executive Director to execute any necessary documents following satisfactory legal review. Mr. Lee seconded the motion. The vote was taken and the motion passed unanimously.**

**c. Lease Amendments**

Mr. Franklin Harrison, legal counsel for the District, addressed the Board regarding the ongoing discussion with the current corporate tenants regarding a potential amendment to their Lease Agreement with the District.

Mr. Harrison stated that he had contacted corporate tenants Mr. Burt Beitz, Mr. Tommy Cato, Mr. James Finch, Mr. Matt Marshall, and Mr. Pat Velasco regarding an amendment to their current lease wherein ownership of the hangar would be conveyed to the District upon execution of the amendment, rather than at the termination of the Lease, as is currently provided for.

Mr. Harrison advised that both Mr. James Finch, and Mr. Matt Marshall had expressed approval to amend their current respective leases, but the remaining tenants declined.

Mr. Pilcher asked Mr. Harrison to contact each tenant and request a formal response in writing as to their decision regarding the lease amendment. Mr. Harrison agreed and stated he would contact each tenant and provide an update to the Board regarding the process of the amendments.

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

**Executive Director Report:**

Ms. Becca Hardin, Executive Director of the Bay Economic Development Alliance, addressed the Board regarding the status of two potential aviation projects.

Mr. McClellan updated the Board regarding his meeting with the US Army Corps of Engineers concerning lowering the Letter of Credit required by the Airport.

Mr. McClellan updated the Board regarding the repairs associated with the FEMA project.

Mr. McClellan advised the Board that DC Aviation had begun construction of their aircraft maintenance hangar.

Mr. McClellan advised the Board that the Request for Qualifications (RFQ) for Construction Engineering Inspection Services should be distributed in late May.

**Public Comments:**

No public comments.

**Board Chairman Statement to the Board:**

Chairman Bruett addressed the Board regarding his tenure on the Airport Authority Board and his term as Chairman. Mr. Bruett expressed his appreciation to fellow Board Members and Airport Staff for the opportunity to work with each group in moving the Airport forward toward increased growth and passenger traffic. Chairman Bruett commended the Executive Director for his efforts in expanding corporate development and in showcasing the Airport as a regional asset in a highly competitive market.

**Adjournment:**

The meeting was adjourned at approximately 9:50 a.m.

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Patty Mitchell, Executive Secretary

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Russ Mathis, Vice Chairman