

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., June 18, 2014 in the Airport Board Room by Chairman Pilcher.

The Invocation was given by Ms. Patty Mitchell.

The Pledge of Allegiance was led by Chairman Pilcher.

The Executive Secretary called the roll and indicated that all Board Members were present except Mr. Till Bruett, Mr. Russ Mathis, and Mr. Chris Forehand.

Presentation:

Ms. Dawn Moliterno was recognized and presented with a propeller in appreciation of her five years of service to the Airport Authority.

Approval of Minutes:

The May 28, 2014 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. Approval to Dispose of Surplus Property

This item provided for Board authorization for the sale of surplus inventory items.

Following Board discussion, Mr. Scott made a motion to approve placing the surplus items on the GovDeals website, to be sold to the highest bidder. Ms. Moliterno seconded the motion. The vote was taken and the motion passed unanimously.

Business Items:**a. Master Plan – Final Draft Review**

Mr. McClellan updated the Board regarding the status of the Master Plan process and advised that the final draft was being prepared to be submitted to FAA for review. He further stated that the Board Members would also be provided with a copy of the final draft for their review and comment.

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

b. ZHA Task Order – Design for Emergency Repairs

This item provided for Board approval of a Task Order with ZHA for the development of project worksheets, design, and bid document preparation for the repairs associated with the April 30, 2014 weather event.

As discussed at last month's meeting, the Panhandle of Florida was significantly impacted by a weather event in April with the airport receiving between 10 and 16 inches of torrential rain in a relatively short period of time.

Staff, along with airport engineers, began an assessment of the property to include the facility and grounds to determine the exact impact of the storm damage. The assessment identified approximately 25 locations where the water caused extreme damage or damage that was exacerbated by the sheer quantity of water that was on the airport.

As part of this effort, Bay County Emergency Management coordinated with the State of Florida Emergency Management Division (FDEM) and the Federal Emergency Management Agency (FEMA). Both FDEM and FEMA responded and performed an assessment/inspection of the airport property and developed a report of the damage.

The State of Florida submitted a request to FEMA making disaster relief funds available to several of the counties affected by the storm system, to include Bay County. This would allow the airport to request grant assistance from FEMA for the damages related to the storm event of April 30, 2014.

As part of the FEMA grant process, project worksheets must be developed for each project. The project worksheets must include a project description, location, damages, work to be accomplished, and any special issues or considerations. The project worksheets must also include cost estimates, schedules of rates, improvement and alternative development.

In an effort to ensure the airport is prepared to begin this process in a timely matter, staff is requesting authorization to establish a Task Order to ZHA to assist in the development and design of the project worksheets, as well as develop any mitigation efforts necessary as part of the repair process. Additionally, ZHA would also assist in the development of supporting bid documentation as projects will need to be competitively bid to ensure compliance with federal regulations.

The Task Order would be for an amount not to exceed \$75,000, contingent upon the receipt of a declaration and funding from either the State of Florida or FEMA. Funds are available in the FY13 budget. In addition, the cost for this effort will be partially reimbursed through FEMA.

Following Board discussion, Mr. Scott made a motion to approve the Task Order with ZHA for the development of project worksheets, design, and bid document preparation for the repairs associated with the storm damage from the April 30, 2014 weather event. Ms. Moliterno seconded the motion. The vote was taken and the motion passed unanimously.

Executive Director Reports:

Mr. McClellan advised the Board that the airport had received notice from the Bay County Property Appraiser's office that the airport's Request for Waiver for the payment of ad valorem taxes had been approved and ad valorem taxes would not be assessed next year against the airport.

Public Comments:

There were no public comments.

Adjournment:

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

Closed Executive Session:

Board Members entered into Closed Executive Session at 9:15 p.m. (CST) to discuss litigation matters regarding KBR, et al, to the extent authorized under Florida Statute 286.011(8).

Those in attendance for the Closed Executive Session were as follows:

John Pilcher, Chairman	Carey Scott, Board Member
Dawn Moliterno, Board Member	Del Lee, Board Member
Parker McClellan, Executive Director	Franklin Harrison, Airport Attorney
Nick Beninate, Airport Attorney	Ross McCloy, Airport Attorney
Court Reporter	

The Closed Executive Session ended at approximately 9:35 a.m. (CST), and the regular meeting was reconvened at approximately the same time.

Discussion Regarding KBR Litigation:

Mr. Franklin Harrison, airport attorney, addressed the Board regarding the KBR litigation matter. He advised that due to the fact that the airport is entitled to a new trial in its litigation against KBR, it is expected that his firm will have a greater responsibility in the litigation process. As a result of this and due to the nature of this work, Mr. Harrison presented a letter to the Board requesting Board approval for modified billing rates associated with work related to the KBR litigation. In the letter, it was proposed that the hourly billing rates would be as follows:

Partners:	\$350.00 per hour
Associates:	\$200.00 per hour
Paralegals:	\$ 90.00 per hour

As also stated in the letter, no other terms of the airport's engagement with Harrison Sale McCloy would change.

Following Board discussion, Ms. Moliterno made a motion to approve the modified billing rates for Harrison, Sale McCloy for work related to the KBR litigation. Mr. Scott seconded the motion. The vote was taken and the motion passed unanimously.

Mr. Harrison further advised the Board that as a part of the KBR litigation, a proposed Settlement, Liquidating and Release Agreement Second Amendment, (Second Amendment) between Phoenix, the Authority, and James D. Finch as guarantor, would require Board approval. A copy of the Second Amendment was provided to the Board for review and discussion.

As outlined in the Second Amendment, the purpose and intent of the proposed amendment is as follows:

1. To amend the parties' arrangement for payment of attorney's fees, expenses, and costs incurred by the Authority; and
2. To amend the parties' arrangement regarding the liquidation of the Authority's liability to Phoenix as set forth in paragraph 2(b) of the Agreement.

Following Board discussion, Mr. Scott made a motion to approve the Settlement, Liquidating and Release Agreement Second Amendment between Phoenix, the Authority, and James D. Finch. Ms. Moliterno seconded the motion. The vote was taken and the motion passed unanimously.

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

Patty Mitchell, Executive Secretary

John Pilcher, Chairman