

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., August 28, 2013 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. Chris Forehand.

Presentation:

Mr. Mike Wells with Sunshine Shuttle addressed the Board and provided a presentation on the review of their first 90 days of operation at the airport.

Approval of Minutes:

The July 24, 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. Establish a Specialized Service Operator Agreement with Jet South, LLC

This item provides for Board approval of the establishment of a Specialized Service Operator Agreement for aircraft and other vehicle detailing with Jet South, LLC.

Following Board discussion, Mr. Bruett made a motion to approve the Specialized Service Operator Agreement with Jet South, LLC and authorization for the Executive Director to execute any required documents following satisfactory legal review. Mr. Scott seconded the motion. The vote was taken and the motion passed unanimously.

b. Sub-Lease – Matt and Amy Marshall to Jet South, LLC

This item provides for Board approval of a sub-lease between Matt and Amy Marshall to Jet South, LLC.

Following Board discussion, Mr. Scott made a motion to approve the sub-lease and authorization for the Board Chairman or his designee to execute any required documents. Ms. Moliterno seconded the motion. The vote was taken and the motion passed unanimously.

c. Award Bid – Fire Alarm/Sprinkler System Inspection and Service

This item provides for Board award of a contract to Advanced Fire Protection Services, Inc. for the fire alarm and sprinkler system inspection and service.

Following Board discussion, Ms. Moliterno made a motion to award the contract for fire alarm and sprinkler system inspection and service to Advanced Fire Protection Services, Inc., and authorization for the Executive Director to execute any required documents. Mr. Scott seconded the motion. The vote was taken and the motion passed unanimously.

d. Audit Engagement – Tipton, Marler, Garner & Chastain

This item provides for Board approval of the fees with Tipton, Marler, Garner & Chastain for audit services.

Following Board discussion, Mr. Bruett made a motion to approve the Audit Engagement Letter with Tipton, Marler, Garner & Chastain for audit services and authorization for the Executive Director to execute any required documents. Mr. Mathis seconded the motion. The vote was taken and the motion passed unanimously.

e. Retirement Plan Review of Investment Options

This item provides for Board approval for replacement of two under-performing funds in the District's retirement plan.

Following Board discussion, Mr Scott made a motion to approve the replacement of the retirement funds and authorization for the Director of Administration to execute any required documents. Mr. Bruett seconded the motion. The vote was taken and the motion passed unanimously.

f. Republic Parking Annual Bonus

This item provides for Board approval of an incentive bonus for Republic Parking for the period from June 2012 through May 2013, per the management contract.

Following Board discussion, Ms. Moliterno made a motion to approve the incentive bonus of \$37,838.74 be paid to Republic Parking per the management contract. Mr. Mathis seconded the motion. The vote was taken and the motion passed unanimously.

g. Ratification of Purchase for Covered Parking Project

This item provides for Board ratification of the purchase of gates and ticket dispensers for the covered parking project.

Following Board discussion, Mr. Scott made a motion to approve the ratification of the purchase of gates and ticket dispensers from Gorrie-Regan for the covered parking project. Ms. Moliterno seconded the motion. The vote was taken and the motion passed unanimously.

Business Items:

a. ZHA Task Order – Covered Parking Project Construction Administration

This item provides for Board approval of a task order with ZHA to perform construction administration services for the covered parking project.

The District has requested a task order from ZHA to provide construction administration services for the construction of the new covered parking structure in the existing short term and rental car surface parking lot. These services would include inspection, monitoring of progress, interfacing with the designers, processing submittals, change orders, verification of quantities, monitoring of quality assurance testing, processing of monthly pay applications and project closeout.

The total cost for this task order is \$39,000. FDOT funds are anticipated to cover 50% of the cost. There are sufficient funds in the budget to cover this task order.

Following Board discussion, Mr. Mathis made a motion to approve the task order with ZHA and authorization for the Executive Director to execute the necessary documents. Ms. Moliterno seconded the motion. The vote was taken and the motion passed unanimously.

b. ZHA Task Order – Qualified Mitigation Supervision and Mitigation Monitoring

This item provides for Board approval of a task order with ZHA to perform Qualified Mitigation Supervision (QMS) and Mitigation Monitoring for the annual period September 2013 through August 2014.

In accordance with the Florida Department of Environmental Protection WFP Permit #03-0212186-004-DF, the airport is required to provide QMS to oversee all aspects of mitigation site implementation, management and corrective actions and mitigation monitoring. The Permit requires continuous inspection presence on-site to monitor mitigation activities.

This task order for QMS includes the following services:

- QMS of all mitigation activities on the mitigation site located south of CR 388 and the airport for up to 100 days of on-site coordination and inspection per annual period.
- Oversight and administration of the construction activities and interface with the company performing the mitigation plan implementation.
- Annual mitigation monitoring in accordance with the Airport Relocation Mitigation Plan and monitoring the stations and methods established during the initial baseline quantitative monitoring conducted in Fall 2006.
- Provide statistical analysis of the quantitative monitoring data based primarily on before and after comparison of overall community classification.
- Prepare the annual report and the mitigation report for the current period.

The cost for the task order is a lump sum of \$372,000, which consists of \$36,750 for QMS and Mitigation Monitoring and \$335,250 for environmental consulting services for the QMS and Mitigation Monitoring.

FAA and FDOT funds will be available to provide 95% funding for this work, leaving \$18,600 to be paid by the District. There is sufficient funding in the budget to cover this cost.

Following Board discussion, Ms. Moliterno made a motion to approve the task order with ZHA and authorization for the Executive Director to execute the necessary documents. Mr. Bruett seconded the motion. The vote was taken and the motion passed unanimously.

c. **Award Contract for Management, Maintenance and Operation of the Fuel Farm Facilities**

This item provides for Board award of a contract to provide for the operation of consolidated fuel farms at the airport.

A Request for Proposals for providing management, maintenance and operation of the fuel farm facilities was issued in July 2013. The aviation fuel farm consists of four 50,000 gallon Jet-A tanks, four 15,000 avgas tanks, one 1,000 gallon diesel tank and one 1,000 gallon unleaded tank. The rental car facility consists of one 15,000 gallon tank and one 5,000 gallon tank for unleaded gas.

The fuel farm operator will be responsible for the operation and maintenance of the fuel farm, managing fuel inventories owned by the airlines and FBOs, and owning and dispensing unleaded and diesel fuel for airline ground service equipment and the rental car agencies. In addition, the fuel farm operator will provide into-plane fueling for the airlines under separate agreements directly with the airlines.

The total maintenance and operation costs include the cost of maintenance and operation of the fuel farm and included charges to compensate the District for the capital cost of providing the fuel farm. In regard to the aviation fuel farm, these charges will be collected by the fuel farm operator from the users (airlines and FBOs) based on a pro rata share of the gallons applicable to each operator. The cost for the rental car facility will be recovered by a mark-up of the fuel sold with the mark-up subject to review and approval by the District.

There will be three agreements that pertain to the fuel farm management:

- Fuel Storage Contract – This agreement will be between the District and those companies that store fuel in the fuel farms.
- Fuel System Access Agreement – This agreement defines the terms and conditions that entitle companies the right to withdraw fuel as authorized by the owner of the aviation fuels.
- Maintenance, Operation and Management Services Agreement – This agreement provides for the maintenance, operation and management of the fuel farms on behalf of the District.

In response to the RFP, only one proposal was submitted to the District. Skytanking USA, Inc., which is the current operator of the fuel farm, submitted a proposal that provides for total maintenance and operation costs in the amount of \$443,180.

Skytanking has provided excellent service to the District and its tenants for the past three years. If approved, this contract provides for a five year term, renewable at the discretion of the District.

The award of this contract has no impact on the District's budget, other than to ensure that the District will receive \$140,000 in reimbursement for the capital cost of providing the fuel farm.

Following Board discussion, Ms. Moliterno made a motion that the Board award the contract for the management, maintenance and operation of the fuel farm facilities to Skytanking USA, Inc., and authorization for Board Chairman or his designee to execute any necessary documents. Mr. Scott seconded the motion. The vote was taken and the motion passed unanimously.

d. Award Contract for Airport Gate Services and Conveyor System Operation and Maintenance Program

This item provides for Board award of a contract to provide maintenance services for the passenger loading bridges, preconditioned air units, ground power units and the inbound and outbound baggage handling systems at the airport.

A Request for Proposals for providing airport gate services and conveyor system operation and maintenance program was issued in July 2013. These services would include operation and maintenance of the passenger loading bridges, preconditioned air units, 400Hz ground power units and the inbound and outbound baggage handling systems. The outbound baggage handling system supports the TSA baggage screening system for checked bags and includes the baggage make-up area. The inbound baggage handling system consists of the three baggage carousels located in the baggage claim area. These systems are critical for operation of airline passenger services and must be functional to support both inbound and outbound airline operations.

In response to the RFP, the following is a list of the companies that submitted bids and the respective Year 1 bid amount:

Cofely Services, Inc.	Year 1 bid \$373,740
Elite Line Services, LLC	Year 1 bid (option 1) \$363,073 (option 2) \$324,273
ERMC IV, LP	Year 1 bid \$337,396.40
JBT AeroTech Airport Services	Year 1 bid \$392,863
VanDerLande Industries	Year 1 bid \$547,744

Staff reviewed and evaluated the bids, as well as the hours of operation proposed by each company. Elite Line Services (ELS), which is the current provider of the conveyor system

operation and maintenance program submitted a low bid under option 2 (alternative work schedule) of their proposal; however, the work schedule proposed under that option reflected a closing time of 9:30 p.m., which was before the last scheduled daily flight arrived at approximately 10:30 p.m.

If overtime became required for an ELS employee to remain at the airport for the last scheduled flight, staff felt this option could potentially be more expensive than the next lowest bid submitted by ERMC IV, LP. Based on this potential increase in cost, staff was prepared to recommend award of the contract to ERMC IV, LP.

It should be noted that during the review process, staff contacted ELS in order to clarify the schedule proposed under option 2. Staff received a letter from Mr. Mike Conner, President of Elite Line Services, which stated that the schedule proposed under option 2 was merely a draft schedule and that ELS stood behind the low bid cost submitted under option 2 which would apply for any schedule of operation required to support the air carrier's flight schedule.

Attorney Franklin Harrison addressed the Board Members and stated that due to the fact that this was a review of proposals submitted by companies, staff was allowed to contact any company with regard to questions concerning their respective proposal.

Mr. Del Williams, Regional Site Manager with Elite Line Services, was present at the Board Meeting and addressed the Board to reiterate the intent of ELS to support the low bid price submitted working any schedule necessary to support the air carrier's flight schedule.

In light of Staff's clarification of the draft schedule proposed by ELS, Attorney Franklin Harrison addressed Mr. McClellan and confirmed that staff would be in favor of supporting the award of the contract to Elite Line Services. Mr. McClellan stated that Staff would be in favor of continuing the contract and services provided by ELS.

Following Board discussion, Ms. Moliterno made a motion to award the contract for airport gate services and conveyor system operation and maintenance to Elite Line Services under the option 2 bid price and with the understanding that ELS will work the required schedule to meet the air carrier's flight schedule. Mr. Bruett seconded the motion.

Before the vote was taken, Attorney Franklin Harrison asked to address staff and confirm whether or not ERMC had been contacted prior to the Board Meeting regarding staff's initial recommendation to award the bid to that company. Mr. McClellan stated that ERMC had been contacted regarding the award of the contract recommendation.

In light of this information, Attorney Franklin Harrison recommended that prior to voting on Ms. Moliterno's motion regarding award of the contract, Mr. McClellan should review the information and provide a new staff recommendation. The recommendation will be prepared

and presented to the Board for their consideration at the September 11, 2013 Special Meeting Board Workshop.

Mr. Pilcher, Board Chairman, directed Mr. McClellan to contact ERMC and advise them of the amended recommendation regarding award of the contract.

The vote regarding this item was tabled until the Special Board Meeting scheduled for Wednesday, September 11, 2013.

e. **Modifications to the Stormwater Management System Augmentation Project**

This item provides for Board approval of modifications to the Stormwater Management System Augmentation (SMSA) Project at the airport.

Recently, there have been heavy rains experienced at the airport which have caused failures to the existing stormwater system, and the SMSA project as a whole. The areas of concern that need to be addressed are the northwest corner of the new wet pond, the north side of the new wet pond, the conveyance ditch near the rental car facility, outfalls from Pond C, and debris that is collecting in the overflow structures.

In order to prevent any further damage or failures within the stormwater system, corrective action needs to be taken at each of these sites. ZHA, the airport's engineering firm, has recommended specific methods to correct the failures at each of the sites, thereby preventing any future areas of concern in the event of another episode of heavy rain. The following corrective methods have been recommended by ZHA:

- Northwest corner of new wet pond: Recommend use of turf mats on the slopes and building up the western top of the bank area.
- North side of new wet pond: Recommend developing a shallow slope and channel for water to enter the pond, including use of rip rap and other improvements.
- Conveyance ditch near rental car facility: Recommend improving the top of the berm and repair to ensure banks are returned to the original design.
- Outfalls from Pond C: Recommend creating a large rip rap channel to ensure the flow of water is minimized.
- Debris collecting in overflow structures: Recommend installing a chain link fence to filter larger obstructions from entering.

Implementation of these recommended solutions would require approval of a task order with ZHA for construction administration and engineering oversight, as well as approval of a change order with Phoenix Construction Services for the construction of the new stormwater system modifications.

Construction administration and engineering fees are estimated to be approximately \$15,000 and construction costs are estimated to be \$65,000, for a total not to exceed \$80,000. Funding is available in the FY 2013 budget to cover the costs; however, staff will attempt to have FDOT participate in the funding effort.

Following Board discussion, Mr. Bruett made a motion to approve the task order with ZHA for the design and construction oversight of the stormwater management system modifications, and approval of a change order to Phoenix Construction Services for the construction of the stormwater system modifications. Mr. Scott seconded the motion. The vote was taken and the motion passed unanimously.

Executive Director Reports:

Ground Transportation Update: Mr. McClellan updated the Board regarding the ground transportation services with Sunshine Shuttle.

Air Traffic Control Tower Contract Program: Mr. McClellan updated the Board regarding the status of the ATCT Contract Program and the airport's efforts to continue this program.

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.

Covered Parking Project Update: Mr. McClellan updated the Board regarding the status of construction of the new covered parking lot.

Public Comments:

There were no public comments.

Adjournment:

The meeting was adjourned at approximately 10:20 a.m.

Patty Mitchell, Executive Secretary

John Pilcher, Chairman