

## 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., December 17, 2021 by Chair Glen McDonald.

The Invocation was given by Vice Chair Holly Melzer.

The Pledge of Allegiance was led by Mr. Jason Cutshaw.

The Executive Secretary called the roll and indicated all the Board members were present except Mr. James Johnson.

Chair McDonald asked if there were any Public Comments. There were no Public Comments.

An Amended Agenda was presented to the Board. Chair McDonald asked if there were any Items on the Amended Agenda, including the Consent Agenda, that any Board member would like to move, and if not, to make a motion to accept the Amended Agenda.

Mr. James Johnson joined the meeting at 9:02 a.m., after the roll was called, and after the vote to accept the Amended Agenda.

**Mr. Will Cramer made a motion to accept the Amended Agenda, and Mayor Sheldon seconded the motion. The vote was taken and the motion passed unanimously.**

#### **Presentation: S.R. 388/Airport Entrance Roundabout Detour Update**

Metric Engineering Senior Project Engineer and Contract Manager for the State Road 388 Project Mr. Darrel Burnett presented an update to the Board on the Project. Also attending the meeting were Carpe Diem Community Solutions State Road 388 Public Information Manager Kathy Harris, and Florida Department of Transportation Public Information Specialist Kohen Johns Brannon.

Mr. Burnett presented slides showing what the overall map will look like during the Roundabout construction that will begin in March 2022. The slides included animation of the existing 388, the new 388 under construction, the new traffic pattern while the Roundabout is under construction, and the final Roundabout configuration.

While under construction, connector road Timber Road to the west of the Roundabout will be utilized as an entrance and exit for vehicles travelling east from S.R. 79 to the Airport, and for all vehicles exiting the Airport. Traffic entering the Airport from S.R. 77 will have a road diverting and merging to the right lane on the Parkway (traffic from S.R. 79 will be merging on to the left lane on the Parkway). Non-Airport traffic will continue on the current S.R. 388 south of the Roundabout construction area.

Once the Project is completed, the current S.R. 388 will be called C.R. 388. The estimated timeline for completion of the Roundabout is in 2024.

#### **Reports:**

Mr. Parker McClellan presented the Activity Reports. Mr. McClellan reported the passenger count for November 2021 exceeded all other previous years for November as did the year-to-date passenger count which broke the 1.5 million mark.

**Consent Agenda:****a. Board Meeting Minutes – November 17, 2021**

This Item provided for Board approval of the November 17, 2021 Board Meeting Minutes.

**b. Approve Menzies 2022 Budget**

This Item provided for Board approval of the 2022 O&M Budget for Menzies Aviation.

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 contract for management, maintenance and operation of the fuel farm facilities was awarded to Menzies Aviation in 2019. The initial contract term is for five years. There is a separate agreement between the airlines and Menzies for “into plane” fueling.

The consolidated fuel farm provides the District with full control over the tanks and limits environmental impacts by having the fuel tanks in one location. Revenue paid to the District by the operators of the fuel farm includes debt service for the cost of the fuel facility and O&M costs for operation of the fuel farm. Currently, the five companies that use the fuel farm are American Airlines, Delta Airlines, Southwest Airlines, United Airlines and Sheltair Aviation, the fixed base operator on the Airport.

The budget proposed for 2022 is \$828,292. The 2022 Budget includes \$139,714 paid to the District for debt service for construction of the fuel farm used by Menzies. O&M expenses are paid by the users of the fuel farm with the Airport District receiving debt service payments in the amount of \$139,714 annually, and Staff recommended approval of the Menzies Aviation 2022 O&M Budget as presented.

**c. Purchase of two (2) SCOTT Self-Contained Breathing Apparatus (SCBA) and four (4) 4500 psi / 45-minute SCBA Bottles**

This request is part of a rotational purchasing plan to replace the Self-Contained Breathing Apparatus Units (SCBA) and SCBA Bottles used by the Airport Fire Department (ARFF) personnel in hazardous atmospheres.

The ARFF currently utilizes eleven (11) SCBA Units with five (5) of these units in excess of ten (10) years old and out of warranty. The older units do not meet current National Fire Protection Association standards for Firefighter Safety.

The SCBA bottles have a service life of 15 years before they must be discarded in accordance with National Fire Protection Association standards. This purchase will replace the four (4) SCBA Bottles that timed out in 2021.

The funding for this item is approved in the FY 2022 Budget and Staff recommended approval to purchase two SCBA units and four SCBA bottles from Fisher Safety at a total cost of \$16,452.

**d. Approve Clear Channel Advertising Concession Agreement – Month-to-Month**

This Item provided information to the Board for continuance of the Airport Advertising Concession Agreement with Clear Channel Airports (Clear Channel) on a month-to-month basis.

In August 2021, the Board extended the Advertising Concession to Clear Channel Airports for 90 days. The contract will be put out for bid to obtain the best product and most financially favorable to the Airport.

In developing the Request for Proposal, Staff took a different direction to put together a much more detailed RFP to ensure the Airport was receiving the best possible product. This process has taken longer than expected.

As Staff reviewed the calendar associated with the RFP, there were scheduling conflicts to include the November and December holidays. It is the intent of Staff to release the RFP after the first of the year in order to allow prospective respondents adequate time to prepare their submissions.

Clear Channel Airports was contacted to see if month-to-month was a viable option and Clear Channel advised that it would be acceptable. Staff recommended that the Board authorize the advertising concession with Clear Channel Airports to continue on a month-to-month basis.

**e. Amend Executive Director's Employment Contract**

This Item provided information to the Board to resolve a conflict between IRS Code Section 105(h) as it relates to the Executive Director/CEO's Employment Contract.

In April 2013, the Airport entered into an Employment Contract with Parker W. McClellan, Jr. to serve as the Executive Director/CEO. The Contract provided details of the employment agreement, including the funding of 100% of the cost for health and dental insurance for Mr. McClellan and his dependents. This had been a practice of the Airport for many years and at least 2 predecessors.

During the annual review for insurance with Staff and PRM, our Insurance Consultants of the Employer Sponsored Health Care Plan, there was a question with regard to the ability for the Airport to fund 100% of Mr. McClellan's insurance costs. As a result of internal testing with regard to IRS Code Section 125 and IRS Code Section 105(h); IRS Code Section 125 supports the practice of the Airport, however there is a conflict with IRS Code Section 105(h).

Upon further review by PRM's legal counsel, an opinion was rendered that the Airport may not be following Section 105(h) and it was recommended that this be resolved as soon as practicably possible to ensure it does not impact the eligibility of the Plan.

As a result, it has been determined the best action is to amend the Executive Director/CEO's contract to remove 100% health care funding and to provide an Executive Director Stipend in the amount of \$6,000 annually with a 10% annual adjustment. There will be minimal impact, and Staff recommended that the Board amend the Executive Director/CEO's Employment Contract as outlined and authorize an Executive Director Stipend of \$6,000 adjusted annually.

**f. Accept Concessions Rent Relief Airport Rescue Grant Offer, Grant No. 3-12- 0159-024-2022 at the Northwest Florida Beaches International Airport**

This Item provided for Board acceptance of a Concessions Rent Relief Airport Rescue Grant Offer, Grant No. 3-12- 0159-024-2022 at the Northwest Florida Beaches International Airport.

On March 11, 2021 American Rescue Plan Act ("ARP Act") was signed into law. The act provided for relief for small and large concessions. The obligations are to provide relief for rent and MAG obligations for in airport terminal concessions. Each eligible in-terminal concession is determined by a formula within the Act. There is no budgetary impact, and Staff recommended the acceptance of FAA CARES Act Grant – 3-12-0159-018-2020 in the amount of \$532,356.

**Mr. Johnson made a motion to accept the Consent Agenda, and Vice Chair Melzer seconded the motion. The vote was taken and the motion passed unanimously.**

**Business Items:**

**a. Approve Assignment of Lease from Gary Wakstein & Assoc., LLC to Tailwind Concessions, LLC**

This Item provided for Board approval to assign the Gary Wakstein & Assoc., LLC Lease to Tailwind Concessions, LLC.

Gary Wakstein and Associates, LLC has been at ECP since opening in 2010. In May 2010, the District Amended and Restated the Concession Agreement for the development and operation of a News and Sundries (Gift Shop) Concession in the Northwest Florida Beaches International Airport.

In January of 2021, the Board and Gary Wakstein and Associates exercised the option for an additional 5-year term in accordance with the Concession Agreement through February of 2026.

Earlier this month, Mr. Wakstein approached the Staff advising that he had sold the News and Sundries store to Tailwind LLC and has provided a letter requesting the assignment of the concession agreement.

Tailwind, LLC, was established in 2001 in Aspen, CO where they operated the Tailwind Deli. In 2004, Tailwind Deli and News and Gifts was formed and began operating at Wilmington International Airport, Wilmington, NC in 2005. Today, Tailwind Concessions, LLC operates at 29 airports across the nation. Their “niche” is regional airports with a focus on making each site unique to the region.

Mr. Jeff Switzer, CEO of Tailwind is committed to working with the Airport to ensure the continued success that Wakstein and Associates has provided for many years. Mr. Wakstein and his staff have provided a unique shopping experience and exceeding their revenue estimates and ensuring the continued success of ECP.

Staff recommended Board approval of the Assignment of Lease from Gary Wakstein & Associates, LLC to Tailwind Concessions, LLC for operation of News and Sundries (Gift Shop) Concessions at the Northwest Florida Beaches International Airport. There is no budgetary impact.

Mr. McClellan asked Mr. Wakstein to say a few words, and the Board thanked Mr. Wakstein for the great service all these years.

**Mayor Sheldon made a motion to approve assigning the Gary Wakstein & Assoc., LLC lease to Tailwind Concessions, LLC., and Mr. Les McFatter seconded the motion. The vote was taken and the motion passed unanimously.**

**b. Ratify Emergency Repair of Airport Water Main – Gulf Coast Utility Contractors**

This Item provided for Board ratification of the purchase of services from Gulf Coast Utility Contractors for the emergency repair of a broken water main.

On Sunday, November 7, an issue was discovered with water being unavailable in the Terminal. Upon investigation, it was discovered that a water main located on Johnny Reaver Road between the Fuel Farm and the corporate hangars had failed.

Staff responded and the Maintenance Department worked on resolving the issue, the result was isolating the broken water main and contact local contractors to perform the emergency repairs.

Staff contacted three (3) local construction companies; GCUC, Phoenix Construction and Marshall Brothers asking for a proposal to repair the pipe. Due to the amount of work locally, two contractors advised that their work load was such, it would be difficult to repair but if we could not find another company, they would assist. GCUC responded quickly and provided a proposal to perform the emergency repair. The proposal to fix the repair was \$16,780.

The Executive Director executed the approval to make the emergency repairs and the repairs were completed on Friday, November 12. The water main repair does not include the repair of some areas of concrete damaged by the water.

The emergency repair of the water main cost of \$16,780 will be paid with funds available in the FY 22 Operating & Capital Budget. Staff recommended ratification of the Executive Director's authorization to Gulf Coast Utility Contractors (GCUC) for the repair of a broken water main in the amount of \$16,780.

**Mr. Cramer made a motion to ratify Emergency Repair of Airport Water Main – Gulf Coast Utility Contractors, and Mr. Johnson seconded the motion. The vote was taken with Vice Chair Melzer abstaining, and the motion passed unanimously.**

#### **Bay EDA Update:**

Bay EDA President Ms. Becca Hardin reported that they hope to have two large announcements after the beginning of the new year; one for the former GKN facility, and one for the Port. Ms. Hardin reported she and Bay EDA Vice President Ben Moorman have travelled to Europe three times in the last three months with some very important aviation-related airshows scheduled for the new year, including the Singapore Show in February, MRO Americas in Dallas in April, they will be utilizing a new market for training pilots to operate unmanned vehicles in Orlando; they will be attending Select USA in Washington D.C. in June; the international airshow outside London in July; and in October the National Business Aviation Association (NBAA) Show as well as the MRO Europe Show in London.

#### **The Moore Agency Update:**

Ms. Katie Spillman of The Moore Agency reported on Instagram changes; the “Tag, You’re It” campaign; and the holiday campaign. Ms. Spillman informed the Board that ECP’s Instagram profile now has a new launchpad that allows the brand’s online content to become more discoverable, more efficiently managed, and more likely to convert. She said there has been a significant uptick on our user generated content with many Photo Friday Highlights to share as a result.

Regarding the “Tag, You’re It” campaign, Ms. Spillman reported 1,795 impressions, 702 entries, and valuable feedback from over 100 passengers who answered about their overall experience at ECP. She added that prizes will include \$200 airline gift cards, luggage, luggage tags, and FSU football tickets for the 2022-23 season.

Regarding the holiday campaign, Ms. Spillman reported 79,475 impressions, 101 clicks, 49,585 completed views from the upper funnel tactic with additional elements across the brand’s owned media channels including the ECP website homepage, social media cover photos, and Escape landing page.

Ms. Spillman reported that up next will be the announcement of the airlines’ Summer Schedules, and the 30A Songwriters Festival Sponsorship.

#### **Executive Director Report:**

Mr. McClellan informed the Board that we will be very close to if not exceeding 1.6 million passengers this year. Mr. McClellan reported we continue to work with our general consultant and their

subconsultants on the design of the Bag Room and System Expansion, the TSA Check Point Expansion, the Ramp Expansion, and the Passenger Sky Bridge and as we get further along a Board Workshop will be scheduled for Board input.

Mr. McClellan invited the Board Members to the Employee Holiday Luncheon on Monday, December 20.

Mr. McClellan announced that it has been very challenging to hire First Responders, so we created the first-ever Firefighter Apprentice Program to train interested internal employees desiring to become an ECP Firefighter. Mr. McClellan informed the Board that one of our Maintenance Staff applied and will be moving to the ECP Fire Department on December 20 to learn about it first hand while attending firefighter school, and in March he will be able to respond as a firefighter able to drive the fire trucks, and in June he will be certified.

Mr. McClellan informed the Board that over Thanksgiving, we parked 700 extra cars. Mr. McClellan asked Mr. Richard McConnell to inform the Board on ECP overflow parking. Mr. McConnell said we anticipated overflow parking over Thanksgiving, but we did not anticipate 700 extra vehicles in our overflow parking. Mr. McConnell reported that we now have a more established plan for the Christmas holiday with three lit overflow parking areas, parking attendants directing vehicles, way finding, shuttle stop markings indicating areas where the shuttles will make regular stops, better communication, and signage outside the Terminal with a number to call for a pick up to take you to one of the over flow lots. Mr. McConnell said that the first two areas are across from Long-Term Parking around the Rental Car Facilities and a third, new area, at begins at the north end of the corporate Hangar area in the infield between Johnny Reaver Rd and the Parkway and continue in rows south.

Mr. McConnell explained that passengers continued to enter the Long-Term Parking Lot even when the sign said it was full, and were parking on sidewalks and in the grass next to the trees. He said we have now moved and programed our parking arm gates to allow vehicles to exit the parking lot, but not get in if it is full until the parking attendant sees parking is available and turns the arm off. Mr. McClellan added that passengers are given a card with the parking lot number on it to prevent driving around looking for their car, and it also has a phone number to call for a pick up.

Mayor Sheldon asked about the long lines of cars in the Cell Phone Lot, or the waiting in front of the Terminal, and Mr. McConnell explained we do have an on-the-shelf project ready to be bid for the expansion of the Cell Phone Lot. He explained we also have the free 20-minute parking in the Short and Long-Term Lots. Mr. McClellan added that we will do whatever is safest for the passengers, utilizing the Airport Police Car, and not allow waiting along the Terminal Curb.

**Public Comments:**

There were no Public Comments.

**Adjournment:**

The meeting was adjourned at approximately 9:55 a.m.



Kathy Gilmore, Executive Assistant



Glen McDonald, Chair