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., July 22, 2026 by Chair Mark Sheldon.

Roll was called. In attendance were: Ms. Victoria Williams, Mr. Brad Drake, Mr. Les McFatter, Ms. Holly Melzer, Vice Chair Will Cramer and Chair Mark Sheldon.
Absent: Ben Lee

The Invocation was given by Mr. Will Cramer.

The Pledge of Allegiance was led by Mr. Les McFatter.

Chair Sheldon asked if there were any Public Comments, of which there were none.

Chair Sheldon asked if any Board Member would like to move any Business Items for further discussion, and if not, that a Board Member make a motion to accept the Amended Agenda.

Ms. Holly Melzer made a motion to accept the Agenda and Mr. Les McFatter seconded the motion. The vote was taken and the motion passed unanimously.

District Administrative Items:

<u>Election of Officers</u>

Mr. McFatter nominated Will Cramer as Chairman of the board, Ms. Williams seconded the nomination. A vote was taken and passed unanimously.

Ms. Williams nominated Les McFatter as Vice Chairman, Mr. Drake seconded the nomination. A vote was taken and passed unanimously.

Review Board Operating Procedures – Mr. McClellan stated that the Board Operating Procedures have been reviewed by himself and legal Counsel with no changes required.

Mr. Sheldon motioned to accept the Board Operating Procedures, Ms. Williams seconded the motion. A vote was taken and passed unanimously.

Reports:

<u>Airport Activity:</u>

Mr. McClellan stated that over 1,024,000 passengers were processed in June, positioning us to surpass two-million passengers for 2026. We're up 5% for the month even with numerous cancellations. June has been our busiest month in the history of the Airport.

Financial Report:

Ms. Darlene Gordon presented the Financial Reports for the eight (9) months ending June 30th.

At the end of June, the total cash reflects an increase of $4.9 million from May, with a total cash balance of $63.4 million. Unrestricted cash is $38.8 million and restricted cash is $24.6 million. Compared to June of last year, unrestricted cash up $4.5 million and restricted cash has increased $4.7 million for a total increase of $9.2 million over last year.

Total liabilities have decreased $2.7 million when compared to May 2026, but increased $5.0 million compared to June 2025. Excess revenues over expenses year-to-date total $20.6 million with operating revenues equaling $9.4 million and non-operating revenues contributing $11.2 million of the total.

Mr. McClellan provided an update on the Letter of Credit (LOC), stating there are six pages of questions to be answered, resulting in a two-week extension in the responses to the Q&A portion of the process. A Special Board meeting will be schedule on September 9th to review the responses and approve or disapprove the committee's recommendation for award.

Consent Agenda:

a. Approve Board Meeting Minutes – June 24, 2026

This item provides for Board approval of the June 24, 2026 Board Meeting Minutes.

b. Approve Disposal of Surplus Property

This item provides for Board approval of Airport Surplus Property.

c. Accept Florida Job Growth Infrastructure Grant – Florida Department of Commerce for IAG Aero Group Infrastructure

This item provides for Board acceptance of the Florida Job Growth Infrastructure Grant from the Florida Department of Commerce for the IAG Aero Group Infrastructure.

d. Ratify Emergency Purchase for Replacement of Water Heater for Terminal

This item provides for the Board to Ratify the Emergency Purchase of a Water Heater for the Terminal.

Ms. Melzer made a motion to accept the Consent Agenda and Mr. Drake seconded the motion. The vote was taken and passed unanimously.

Business Items:

a. **Approve and Adopt Resolution #2026-04 for Non-Recurring Longevity Incentive**

Mr. McClellan presented this item to Approve and Adopt a Resolution for Non-Recurring Incentive Payment to current District employees for their commitment and dedication during our busiest time of the year all while incorporating new, passenger enhancement programs alongside their normal work responsibilities.

Ms. Williams made a motion to approve and adopt Resolution #2026-04 for Non-Recurring Longevity Incentive and Mr. McFatter seconded the motion. The vote was taken and passed unanimously.

b. **Approve Contract #MN005 with Menzies – Fuel System, Maintenance, Operations, and Management**

Mr. Richard McConnell stated the request for proposals went out with one response from the incumbent whose contract had run out. There were no issues with the response to the Airports procurement process or proposal. It was evaluated and determined as a responsive proposal and staff elects to move forward with the approval of the incumbent, Menzies Aviation.

A comment was made from the audience by Mr. Scott Capehart, General Manager of Southern Sky Aviation, asking when the proposal was sent out. He stated, he had inquired several times about the release of the proposal due to the interest of his company to bid on the project. He further stated he thought their company could, "do it better and save the Airport money." Staff stated the proposal was released by the District on June 2nd, followed by a mandatory pre-proposal meeting on June 9th, and proposals were due July 7th. Solicitation was conducted through the Airport procurement process; posted on DemandStar, the Airport website, and with Bay County procurement.

Discussion ensued with the Board and legal Counsel about Mr. Capehart's interest in bidding for the project, but had no notice it was open. Although Airport staff followed procurement protocol, it was stated that competition is good and the Airport should pause their approval for the incumbent and re-bid the project.

Ms. Melzer made a motion to reject the bid from Menzies Aviation for the Fuel System, Maintenance, Operations, and Management and re-bid the project, Mr. Sheldon seconded the motion. The vote was taken and passed unanimously.

c. **Approve Contract #CN005 with Morgan Contracting, Inc. – Fuel Farm Expansion**

Mr. McConnel presented this project as part of the Airport's Capital Improvement and Airport Master Plan program. Currently the Airport has a five-day fuel reserve capacity and the FAA recommends a seven-day reserve. This project is part of the annual CIP and FAA grant program developed by AVCON. We advertised for bids, receiving only one, responsive bid. Therefore, we recommend this bid be accepted and presented to the FAA for a grant.

Mr. McFatter made a motion to approve the contract with Morgan Contracting, Inc., Mr. Drake seconded the motion. The vote was taken and passed unanimously.

Construction Updates (Information Only)

a. Cardella

Mr. Trip Vaughn represented Cardella with an update on the following items:

Terminal Expansion Project

Ongoing activities:

- Concrete slab placements
- Foundation concrete placements
- Shallow plumbing & electrical rough-in
- Building water line installation

Upcoming activities:

- Steel erection

b. Ardurra Group

Mr. Frank Dorhofer represented the Ardurra Group with the following update:

Ongoing Management of Onsite CMAR Activities:

- Management of onsite CMAR activities including quality assurance, preinstallation meetings, coordination of features of work activities, and review of submittals/ RFIs
- Estimating and Review of Potential Change Orders
- Pay application for #010 and #011 forwarded to ECP for approval and payment
- Budget Summary report
- Change Order log activity
- Finance and Development Plan
- IAG update

c. AVCON

Ms. Tonia Nation provided an update on the following projects:

- North Terminal Expansion Program:
  - Submittals, RFI's are being processed
  - Construction Admin and inspection provided by the design team
  - Airport reviewed Passenger Boarding Bridges (PBB) Task Order, awaiting subconsultants to revise
- Stormwater Master Plan:
  - Construction drawings are being prepared to be released for bid by August 2026
- Fuel Farm (Design):
  - Bid opening was held on July 8th

    - Recommendation of Award provided to FAA for consideration
- QMS Monitoring:
    - Working with ERC on harvesting solutions to help fund future burning not funded by FAA
- Maintenance Facility:
    - Received Notice to Proceed from FDOT
    - Plan should be released for bid in late fall
- Terminal IT Upgrade:
    - Task order approved at June 2026 Board Meeting
    - Waiting on final legal review to begin design

Chair Cramer requested a presentation at the August board meeting on the development plan for the 350 acres at the north end of Airport property.

Project/Planning Updates (information only)

Mr. McClellan provided the following project updates:

a. **IAG Aero Group** – Lease and development agreements have been approved
b. **Premiere Aviation** – We have a clear understanding of the funding rules for both the Airport and Triumph Gulf Coast
c. **Florida National Guard – Johnny Reaver Road** - No update

Bay EDA Update (information only)

Mr. McClellan provided the following update:

- Ben and Becca are at the Farnborough Air Show this week working hard on behalf of the Airport and Bay County

Moore Agency Update:

Ms. Katie Spillman provided the following update:
- June activity centered on a mix of earned media, digital engagement, paid campaign performance, passenger experience activations and community story telling
- The month generated 2.4M earned media reach, supported by coverage tied to the 16th anniversary op-ed, July 4 travel preparation, America's 250th Art Exhibit, ECP Wheels Up Summer Music Series, and the ECP FlyBrary launch.
- Paid media delivered 1.2M impressions and generated over 700 direct clicks to search for airline tickets.
- Website engagement remained strong with 79K sessions, 150K pageviews, and 465K site events, reflecting continued traveler interest during peak summer activity.
- FlyMyAirport activity improved month over month, with 11K widget clicks, 689 Provider clicks and 36 immediate purchases in June - Denver being the most popular.
- Moore prepared leadership transition messaging for the Airport Board, with the official release announcing Brad Drake and Ben Lee beginning service in July.

Executive Director Report:

Mr. McClellan provided the following update:

- Mandatory Ethics training to be held following today's Board meeting
- Budget Workshop is September 3rd
- Special discussion meeting will be held on September 9th
- The FlyBrary project has been a resounding success, we're no longer placing a sticker in every book. We're taking book donations from the Library, the Airlines, and staff

There were no additional public comments.

Next meeting scheduled: Board Meeting: August 26, 2026 – 9:00 a.m.

The meeting was adjourned at approximately 10:03 a.m.

Parker W. McClellan, Jr., AAE
Executive Director

Will Cramer, Chair