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 9:01 a.m., June 24, 2026 by Chair Mark Sheldon.

Roll was called. In attendance were: Ms. Victoria Williams, Mr. Matt Algarin, Mr. Les McFatter, Mr. Glen McDonald, Ms. Holly Melzer, and Chair Mark Sheldon.
Absent: Vice Chair Will Cramer.

The Invocation was given by Mr. Les McFatter.

The Pledge of Allegiance was led by Mr. Glen McDonald.

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. McFatter seconded the motion. The vote was taken and the motion passed unanimously.

Presentation – Out-Going Board Members Glen McDonald and Matt Algarin

Executive Director Mr. Parker McClellan stated the Board is recognizing two out-going Board Members for their service: Mr. Glen McDonald, ten-years and Mr. Matt Algarin, four-years.

Mr. McClellan shared highlights of both Mr. McDonald and Mr. Algarin's accomplishments during their tenure and thanked them for their service. Chair Sheldon joined Mr. McClellan and presented a plaque of recognition to both Mr. McDonald and Mr. Algarin for their service.

Reports:

<u>Airport Activity:</u>

Mr. McClellan updated the Board on the Activity Reports, stating the month of May is up just under 4% or 6% growth for the year. Growth is anticipated to continue in June, the load factors are good, and the Airlines are happy with the performance of the Airport. Southwest continues to turn 28 flights a day on Saturdays during the summer, and regional growth is consistent across the Panhandle.

Financial Report:

Ms. Darlene Gordon presented the Financial Reports for the eight (8) months ending May 31, 2026.

At the end of May, the total cash reflects a decrease of $2.3 million from April, with a total cash balance of $58.5 million. Unrestricted cash is $35 million and restricted cash is $23.5 million. Compared to May of last year, our unrestricted cash has decreased $1.2 million and our restricted cash has increased $4.3 million for a total increase of $3.1 million over last year.

When looking at May 2026 vs. April 2026, total liabilities have increased $3.6 million due to project invoices charged against the SIB loan. To date, we've allocated costs to the SIB loan of $7.5 million, leaving a balance available of $18.5 million. Year-over-year, total liabilities increased $5.2 million.

Year-to-date as of May 31, operating revenues are $17.3 million, exceeding budget by $608,000, or 103.6% of budget. Operating expenses to date are $9.6 million and equal 95% of budget.

Excess operating revenues over expenses total $7.7 million and exceed budget by $1.1 million.

Consent Agenda:

a. Approve Board Meeting Minutes – May 27, 2026

This item provides for Board approval of the May 27, 2026 Board Meeting Minutes.

b. Approve Participating Addendum to NASPO Value Point Agreement with Carahsoft Technology Corporation for MySmartPlans

This item provides for Board approval of the Participating Addendum to the NASPO Value Point Agreement with Carahsoft Technology Corporation for MySmartPlans.

c. Accept Florida Department of Commerce Grant for IAG Infrastructure

This item was removed from the Amended Agenda.

d. Accept Recommendation for Advertising Concession Review Committee for Ranking and of Airport Advertising Concession

This item provides for Board acceptance of the recommendation from the Airport Review Committee for the Airport Advertising Concession Award.

e. Approval of Elevator and Escalator Maintenance Agreement with Kone

This item provides for Board approval of the Elevator and Escalator Maintenance Agreement with Kone.

Mr. McDonald made a motion to accept the Consent Agenda and Ms. Holly Melzer

seconded the motion. The vote was taken and the motion passed unanimously.

Business Items:

a. **Approval to proceed with the Development of a Solicitation Package for a Bank Line of Credit**

Ms. Darlene Gordon introduced Mr. Jon Ford of Ford & Associates, financial advisor to the Airport, to discuss a memo he previously sent to the Board describing the pros and cons of a Line of Credit (LOC) versus Commercial Paper (CP) as it relates to Airport's interim financing.

Mr. Ford joined via Zoom stating the LOC was the most appropriate direction for the Airport. He reviewed both LOC and CP. Comparing the Airport to multiple different entities and the perspective rates and terms were going to be better for the Airport's interim funding plan. He stated that the timeline for solicitation is three to four weeks and he would bring his recommendations to the Board at their August meeting.

Discussion ensued.

Ms. Williams made a motion to move ahead with the recommendation to solicit for a LOC, the motion was seconded by Mr. McFatter. The vote was taken and passed unanimously.

b. **Approve Task Order #17 with AVCON for Low Voltage, IT and Security Proposal, Terminal Expansion and Existing Terminal**

Mr. Richard McConnell stated several Task Orders were not fully defined in the original Terminal Building Expansion design. This Task Order addresses all low voltage items throughout the Terminal Expansion project as well as replacing the existing security system that is no longer compatible with the version to be installed in the Terminal Expansion. It includes the addition of security access control, light display systems for baggage and gate information, a public address system, wi-fi access points, and connectivity throughout the building which is required for a fully functional terminal building moving forward.

Discussion ensued about the $1-million cost for the project.

Ms. Melzer made a motion to approve the Task Order subject to Legal Counsel review and approval, the motion was seconded by Mr. McFatter. The vote was taken and passed unanimously.

c. **Approval to execute Lease and Development Agreement with IAG Aero Group for Engine Overhaul Facility**

Mr. McClellan presented that IAG lease for a parcel of land in the infield near Sheltair for a 120,000sf engine and overhaul facility with the option to add two additional parcels; one for an engine test cell(s), and the other for an additional two-bay widebody hangar facility at $.03 per sf charge to hold the option parcels for five years.

The Development Agreement describes the method of which IAG will reimburse the Airport and the utilization of the Triumph Grant and will help with the reimbursement of development costs and how to move forward with the $25 million Triumph grant funding and $5 million from the State Department of Commerce.

Dan King, with IAG addressed the Board thanking the Airport for the future partnership and stated IAG's commitment to the Region.

Mr. McDonald made a motion to Approve the execution of the Lease and Development Agreement with IAG Aero Group for an Engine Overhaul Facility, the motion was seconded by Mr. Matt Algarin. The vote was taken and passed unanimously.

d. Approve Change Order #007 with Cardella Construction Company for Waterline Relocation for Fire Protection System

Mr. Richard McConnell presented the requirement by NFPA to maintain the waterline loop supply service at Gate 2 in its entirety during construction. It was anticipated that the waterline would need to be modified and relocated to accommodate the expansion of the TSA portion of the North Terminal expansion project under cGMP-03. In order to maintain service during construction, the waterline needs to be modified and relocated under cGMP-01. This change in timing of this scope of work necessitates moving the planned construction scope of work from cGMP-03 to cGMP-01.

Ms. Williams made a motion to Approve Change Order #007 with Cardella Construction Company for the Waterline Relocation for Fire Protection System, the motion was seconded by Ms. Melzer. 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:

- Grease trap & sewer line install
- Concrete slab placements
- Foundation concrete placements
- Shallow plumbing & electrical rough-in

Upcoming activities:

- Building water line installation
- Steel erection

b. Ardurra Group

Mr. Kyle Athey represented the Ardurra Group with the following update:

Ongoing Management of Onsite CMAR Activities:
- Quality assurance
- Preinstallation meetings
- Coordination of features of work activities
- Review of submittals/RFI's
- Estimating and review of potential change orders

May 2026 pay application reviewed and forwarded to ECP for approval and payment: 6/19/26
- cGMP-01 payout total of $38,831,695.00 has $29,196,342.92 remaining
- Budget Summary Report indicating Owner Contingency and Construction Contingency
- Change Order Log to Date
- Plan of Finance Development Services Update

IAG Update
- Template for the Facilities Requirements Document (FRD) has been developed
- Awaiting update from IAG this week to refine the Design Criteria Package

c. AVCON

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

- Stormwater Master Plan - Field work for the ditches has been completed. The report was approved by ERC. Construction drawings are being prepared to be released for bid by August 2026.
- Fuel Farm (Design) – Pre-Bid meeting held on June 11, Bids are due July 2nd at 2:00pm
- QMS Monitoring - Meeting w/ USACE to evaluate a sector to maintenance.
- Maintenance Facility – Received NTP from FDOT this month. Bid documents will be prepared in the Fall.

Other Activities:
- Submittals, RFI's are being processed.
- Construction Admin and inspection provided by the design team as required.
- PBB proposal is being finalized and will be on the July agenda. The proposal is within the amount requested for the grant amount. FAA has issued a verbal that the grant will be funded. (90% FAA/10% Local)

Project/Planning Updates (information only)

Mr. McClellan provided the following project updates:

a. IAG Aero Group – This item was discussed earlier

b. Premiere Aviation – We have been working with a third-party developer to figured out how to work within the procurement guidelines of the Airport with Triumph Gulf Coast and a meeting is planned for later this week to discuss.

c. **Florida National Guard – Johnny Reaver Road**
No update

Bay EDA Update (information only)

Mr. Ben Moorman provided the following update:

- Ben reiterated project IAG's importance to the Region, bringing 500 jobs of which 300 will be at the Airport facility
- Ben and Becca went to Canada to meet with Florida Secretary of Commerce and state delegates and participate throughout Montreal and Toronto
- Project Horus, a Canadian company, came for a site visit to Bay County
- EDA will be at the Farnborough Air Show the last week in July

Executive Director Report:

Mr. McClellan provided the following update:

- Introduced the FlyBrary – a partnership with the Northwest Florida Regional Library System; take one-leave one and e-books on the terminal concourse, enhancing the passenger experience
- America 250: Celebrating Florida exhibit being installed June 29th in the Art Escape space – a partnership with Bay Arts Alliance and Walton County Arts Alliance
- Master Concessionaire RFP is on the street
- Strategic Plan – a 19-page document is being produced for our website and a two-page summary for civic and community share
- A Cell Phone lot relocation is being considered due to safety concerns of people walking in traffic to the Terminal, stay tuned

There were no additional public comments.

Chair Sheldon stated that due to recent legislative changes, it would be a good idea for the Board to review the legislation that the Airport Board falls under.

Next meeting scheduled: Board Meeting: July 22, 2026 – 9:00 a.m. and Ethics Training will follow thereafter

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

Parker W. McClellan, Jr., AAE
Executive Director

Will Cramer, Chair