

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., October 28, 2020 by Chairman Glen McDonald.

The Invocation was given by Vice Chairman Holly Melzer.

The Pledge of Allegiance was led by Mr. Del Lee.

The Executive Secretary called the roll and indicated all the Board members were present in person with the exception of Mr. Will Cramer who requested to attend via Zoom.

Chairman McDonald asked Airport Authority Attorney Nick Beninate to explain the State of Florida Statute regarding remote participation of Board members. Attorney Beninate explained that if there is a physical quorum of the remaining Board members, and there is an extraordinary circumstance of why the Board member calling is absent, e.g., medical quarantine for the COVID virus (which was the case for Mr. Will Cramer today), then the Board member calling into the meeting would be allowed to participate remotely.

Vice Chairman Melzer made a motion to approve Board member Mr. Cramer's extraordinary circumstance for being absent, and allow him to participate in the Board meeting by phone. Mr. James Johnson seconded the motion. The vote was taken and the motion passed unanimously.

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

Mayor Mark Sheldon made a motion to accept the agenda, and Vice Chairman Melzer seconded the motion. The vote was taken and the motion passed unanimously.

Presentation:

Airport Master Plan Update Board Briefing #7 – Paul Puckli, Vice President of CHA, presented to the Board via Zoom, the 7th Airport Master Plan Update Board Briefing.

Mr. Puckli reported on the progress to date; the Terminal Area Development Overview; Phasing of the Preferred Terminal (Alternative No. 4C which utilizes the existing Terminal) Development Plan over four Planning Activity Levels (PALs); and the consideration of two Ultimate Terminal Alternative Options.

Mr. Puckli finished his presentation by summarizing the next steps, including Public Meeting #1 tomorrow via Zoom; Finalizing Working Paper #4; and the Financial Plan and Environmental Analysis and Airport Layout Plan (ALP) that are underway. He estimated that due to the pandemic, it may be five-seven years before PAL 1 is initiated, because it is very difficult to predict when we will be back to pre-COVID levels. He added that PAL 4 would be initiated when we are at 1 million passenger enplanements.

Reports:

Mr. Parker McClellan presented and reviewed the Activity Reports.

Consent Agenda:**a. Board Meeting Minutes – September 23, 2020**

This item provided for Board approval of the September 23, 2020 Board Meeting Minutes.

b. Approve Disposal of Surplus Property

This item provided for Board authorization of the sale and/or disposal of surplus inventory items.

It has been determined by Staff that the following items are no longer needed to support the operation of the Airport and should be declared surplus:

- 1986 John Deere Tractor Model 6400 (Replaced in 2020)
- 2007 Ford Crown Victoria Police Interceptor (Replaced in 2020)
- Undated Vehicle Dolly
- Obsolete/Damaged Parking Shuttle Gem Cars (Replaced in 2020)
- Five (5), Light-Weight, Vehicle Lifts (Replaced at Rent Car Maintenance Facility in 2019)

In the past, Staff has utilized GovDeals.com and intends to continue to utilize for these and other items, and the FY 2021 Operating and Capital Improvement Budget will be positively impacted by proceeds gained from the sale of these items.

c. Approve Ricondo & Associates, Inc.'s Task Order for Airport Consultant Services

This item provided for Board approval for Ricondo & Associates to provide assistance with the preparation of the 2020 Settlement documents, development of 2022 Rates and Charges, and various airport financial consultation issues as needed.

Ricondo and Associates has provided airport financial consulting services to the District for several years, including developing the current Airline Agreement and assisting with budget and settlement calculations. The District has continued to utilize Ricondo and Associates on an ongoing basis for airline service development issues as well as the budget and settlement calculations.

The current Airline Agreement requires an annual settlement calculation, which includes revenue sharing with Signatory Airlines. This calculation is very complex and takes into consideration total revenues, operating expenses, capital equipment, debt service, and capital reserves, and Ricondo has developed a rate model for this calculation.

This Task Order will include assisting staff in updating the rate model and review of the calculation of the Airline Rates and Charges for Fiscal Year 2022. The Task Order will also provide assistance with preparation of the documentation for the airline budget meeting, participation in the meeting, and aiding with the calculation of the Settlement of the Rates and Charges for Fiscal Year 2020. The Settlement efforts will include the revisions/updates to the airline rates and charges model based on FY 2020 audit results, calculation of the final airline rates and charges, and the revenue sharing calculation for the fiscal year ending September 30, 2020.

A not to exceed budget of \$43,860 is proposed for this work effort. Funding is available in the Airport FY 2021 budget.

Vice Chairman Melzer made a motion to approve the Consent Agenda, and Mr. James Johnson seconded the motion. The vote was taken and the motion passed unanimously.

Business Items:

a. COVID-19 Update

Mr. McClellan addressed the Board and illustrated with a bar graph the passenger counts of last year vs. this year, and reported that due to the ongoing pandemic, a \$115 credit will once again be extended to the Taxi Queues for another month, which equates to \$20 for the month of November.

This Item was for informational purposes only and required no formal action by the Board.

b. Project Gator Update (information only)

Mr. McClellan reported that he and Attorney Beninate have been working on the term sheet to be presented to the Triumph Board next week and it will be brought back to the Board for approval at the November meeting.

This Item was for informational purposes only and required no formal action by the Board.

c. Approve Replacement of Various Components of the Air Traffic Control Tower Radio System – Frequentis USA, Inc., Columbia, MD

This item provided for Board approval of a sole source purchase for replacement parts and installation of the Air Traffic Control Tower radio equipment. Mr. McClellan asked Mr. Richard McConnell to explain this Item.

The Airport owns and maintains the Air Traffic Control Tower (ATCT) at the Northwest Florida Beaches International Airport. Under formal agreement, the Airport is required to maintain and keep current all systems in the ATCT to support tower operability. One “Operation Critical” system is the radio management system which allows tower personnel to communicate with aircraft (both airborne and on the ground), and ground equipment operating on, or around, the Airport. The current radio management equipment was originally installed during construction of the Airport and is over 10 years old. Increased maintenance costs and degradation of current system components support the replacement/upgrade of the current system. In order to provide total integration of new and reusable system components, replacement components must be provided by the same system provider. This purchase will be purchased from a sole source provider, Frequentis USA, Inc.

This purchase is included as part of the Airport’s FY 2021 O&M Budget, and Staff recommended approval of the sole source purchase from Frequentis USA, Inc. for replacement of Air Traffic Control Tower radio equipment in an amount not to exceed \$68,155. Attorney Beninate further explained that due to a new State requirement, we will publish an ad online saying we will be doing a single source provider on the item, and if no feedback comes back to us indicating other options, we will proceed with the purchase.

Mayor Sheldon made a motion to approve the replacement of various components of the Air Traffic Control Tower Radio System by Frequentis USA, Inc., and Vice Chairman Melzer seconded the motion. The vote was taken and the motion passed unanimously.

d. Approve Republic Parking Systems, Inc. – Final Three-Year Term Extension

This item provided for the Board's approval of an Amendment to the public parking Agreement with Republic Parking Systems, Inc.

Republic Parking Systems has managed and operated Airport Parking Lot under a management agreement with the District at PFN and now at ECP. The existing agreement with Republic provides for a three-year extension to the Parking Management Agreement.

Republic Parking Systems has been providing parking management services for the District at PFN and ECP. The Agreement has had several amendments. This proposed amendment would be the final amendment with Republic Parking Systems, Inc. As part of this extension, Republic will procure and install a replacement Revenue Control System and will be reimbursed by the District.

The existing Revenue Control System is approximately 10 years old and recently we have had failure of the main server, resulting in longer and more complex processing of exiting vehicles. We have had technicians on site over the last 2 weeks trying to recover and repair the server with little to no success. Additionally, the current system manufacturer does not support the system any longer and have provide little to no support.

Working in partnership with the leadership at Republic, they have recommended a replacement system after extensive research which will increase reporting capabilities, provide additional services to parking patrons, and utilize new technologies to enhance our parking systems. The new system is readily available and will be installed within 4 weeks of the notice to proceed. Republic has a Master Sales Agreement in place to purchase the system at a lower price than if procured directly by the Airport.

The extension of this Agreement is in accordance with the terms and conditions set forth in the February 24, 2016 Agreement Extension, which has a 5-year term through May 22, 2021 and an additional three-year option ending May 22, 2024.

Republic has been a great partner at both Airports, providing parking services which include customer interaction as well as technical support to the staff.

The FY21 Budget included the fees associated with the management agreement and \$336,000 to replace the Revenue Control System, and Staff recommended approval of the extension of the Parking Management Agreement with Republic Parking to include the replacement of the Revenue Control System at a cost not to exceed \$340,000.

Mr. Johnson made a motion to approve the replacement of the Revenue Control System by Republic Parking Systems, and extend their contract for an additional three years, terminating May 22, 2024, at which time a Bid will go out on the street for a new Parking Management company. Vice Chairman Melzer seconded the motion. The vote was taken and the motion passed unanimously.

Construction Update (information only):

Mr. Richard McConnell addressed the Board beginning with an update on the Terminal Expansion Project. He informed the Board that Monday we issued substantial completion with the only item remaining being the pavement marking which will allow all the Gates and expansion to be used fully.

Mr. McConnell addressed the Board with an update on the Transient Apron and Taxiway E1 Project. He reported that they finished pouring the concrete, a substantial part of the project. He said we are waiting for punch list items with regards to guidance signs on the Taxiway, and they are now filling in the soil and lighting for the finishing touches on the Transient Apron.

Mr. McConnell addressed the Board on the new S.R. 388 and reported that nothing has changed since last month as they are working on other components of the project. He said our Roundabout at the Airport Entrance is on schedule to be completed in 2023, but it will be quite a while before we start to see them working on it.

The Bay EDA Update:

Mr. McClellan addressed the Board on behalf of Bay EDA President Becca Hardin who was unable to attend the meeting. Mr. McClellan reported that Project Gator would provide approximately 96 jobs with a capital investment of an estimated \$26M capital expenditure. He said that Bay EDA and ECP are working with Space Florida, finalizing the financing options for the hangar construction. He said that ECP has been working with Space Florida and Triumph staff on the term sheet which will be on the November 5 Triumph meeting agenda. He said the goal is to have this project announced by the end of the year.

Mr. McClellan reported that Project Venus would provide approximately 250 jobs with a capital investment of an estimated \$50M capital expenditure. He said that Bay EDA solicited proposals from three consulting firms to conduct an MRO market study for our area, and sent two of the proposals to the company for review and feedback. He said the goal is to partner with Venus to conduct this study in support of their project at ECP, and that we would also be able to use this study with other MRO recruitment efforts. Mr. McClellan reported that the Venus project team hopes to be able to travel from Lithuania to Bay County after the first of the year.

Mr. McClellan reported that Project Emerald would provide approximately 50 jobs with a capital investment of an estimated \$6M capital expenditure. He said the Emerald executives are working with the St. Joe Company on a letter of intent to lease 30,000 sq. ft. of the speculative building in Venture Crossings Business Park. He said that last Friday Bay EDA had a conference call with Space Florida and Emerald executives to discuss how Space Florida can assist with the purchase of equipment. Mr. McClellan said the ultimate goal of Emerald is to build a permanent facility on the ECP campus, and that this will be an MRO to include a test cell.

The Moore Agency Update:

Due to the length of the meeting, and because Board members were already provided with The Moore Agency's September Marketing update in their Board packets, Chairman McDonald asked that Ms. Spillman forego her Report for this meeting.

Executive Director Report:

Mr. McClellan addressed the Board and reported that by November 1 we had to implement House Bill No. 915, a transparency Bill specifically for airports, and have met their goals with all the required information having been uploaded to our website. He said it has a lot to do with transparency of contracts. Mr. McClellan reported we are preparing for Hurricane Zeta which we anticipate should only bring us three inches of rain and some wind.

Mr. McClellan reported that five or six years ago Gulf Power established a program that certified Florida First Sites – sites for economic development. Mr. McClellan explained the program and asked for concurrence to not proceed with the certification at this time and we will continue to monitor that program, so that we can include the 300 acres to the north when the time comes.

Mr. McClellan invited everyone to attend the Airport Master Plan Update Public Meeting tomorrow; and he informed the Board that we will begin preparing for holiday travel as in past years, regardless of the pandemic.

Public Comments:

There were no public comments.

Adjournment:

The meeting was adjourned at approximately 10:13 a.m.

Kathy Gilmore, Executive Secretary

Glen McDonald, Chairman