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., September 23, 2026 by Chair Will Cramer.

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

The Invocation was given by Mr. Mark Sheldon.

The Pledge of Allegiance was led by Chair Cramer.

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

Chair Cramer 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.

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

Reports:

Airport Activity:

Mr. McClellan stated we continue to be on a positive trend, for the month of August we are up 4%. This is the month where we experience a slight decline due to school starting back. Year-over-year we're experienced just under 5.5% growth.

Financial Report:

Ms. Darlene Gordon presented the Financial Reports for the eleven (11) months ending August 31st.

At the end of August, the total cash reflects an increase of $2 million from July, with a total cash balance of $65.3 million. Unrestricted cash is $39.8 million and restricted cash is $25.5 million. Compared to August of last year, unrestricted cash up $3.5 million and restricted cash has increased $4.5 million for a total increase of $8 million over last year.

Total liabilities increased $4 million when compared to August 2026, but increased $7.9 million compared to August 2025. Excess revenues over expenses year-to-date total $26.7 million with operating revenues equaling $12.3 million and non-operating revenues contributing $14.4 million of the total.

Compared to August of last year, excess revenues over expenses are $1.3 million. Looking at the income statement for the end of August, year-to-date operating revenues are $25.6 million, exceeding budget by $760,000 or 103% of budget. Airline revenues are up 4% of budget and Rental Car concession fees are exceeding budget by 106%. Parking is still under budget, at 16% year-to-date over last year or $729,000. On the expense side, personnel are 96.8% of budget to date. As of this week, we have 80 full-time and 10 part-time employees with 3 open full-time positions and 2 part-time vacancies. 4 new employees have been hired since last month: A Project Manager, an IT Technician, an Assistant Maintenance Manager, and an Accountant. As requested, turnover rate was reviewed and researched. After reviewing FY'24, '25, and '26 our average turnover rate is 21.7%. The high in 2024 was 23.7% and the low in 2025 was 17.5%, and this year is 22.9%. The US Bureau of Statistics average turnover rate is 13 – 23% for all industries, but for State Agencies and local Government turnover averages 8.2%. We are within the National Average, but not within the State and Local Government average.

Excess revenues over expenses year-to-date are $26.7 million with general operating expenses at 93.3% of budget year-to-date, under budget by $416,000. Total operating expenses are 95% of budget. Overall, excess operating revenues over expenses exceed budget by $1.4 million.

Consent Agenda:

a. Approve Board Meeting Minutes – August 26, 2026

This item provides for Board approval of the August 26, 2026 Board Meeting Minutes.

b. Approve Budget Workshop Minutes – September 3, 2026

This item provides for Board approval of the September 3, 2026 Budget Workshop Board Meeting Minutes.

c. Approve Special Board Meeting Minutes – September 9, 2026

This item provides for Board approval of the September 9, 2026 Special Board Meeting Minutes.

d. Approve Change Order #3 to AVCON Task Order 23B-01B for General

This item provides for Board approval of Change Order #3 to AVCON Task Order 23B-01B for general planning services.

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

Business Items:

a. Approve and Adopt Resolution #2026-07 for FY-2027 Operating and Capital

Budget

Ms. Gordon presented this item stating that meetings were held with the Airlines as well as a Budget Workshop where highlights included the following projections for FY-2027 over FY-2026: a 7.5% increase in Enplaned Passengers, 9.8% increase in Landing Weight totals, a 6% increase in Operating Expenses, and a 3.5% increase in Operating Revenues. As requested, we've added two additional positions; a Construction Accountant and Procurement Contract positions, and mid-year we added a Budget Manager, increased a part-time IT Manager to a full-time position. The funding for a Salary Survey and two additional positions were included and are reflected in the increases in funds subsequent to the Budget Workshop.

Budgeted Revenues fiscal-year 2026 versus 2027 include, Airline Revenue up 4.5%, Rental Cars are up 5.9%, the Terminal Complex is up 2.9%, General Aviation is flat, and other revenue is down 4.5%. Budgeted Expenses overall have increased by 6%, due to the costs of the additional personnel, Insurance was up by 11.5%, and the FY'27 budget includes a 3.5% cost-of-living increase. Overall budget for 2027 has increased by $907,000 or 6%.

Rates and Charges for fiscal-year 2027 include a Terminal Rent Rate increase of 5.9% or $5.03, Landing Fees decreased by 6.2% or $ .30, and the Signatory CPE increased 1.4% or $4.83, still well below the industry average of $7.92.

Ms. Williams made a motion to approve and adopt Resolution #2026-07 for the Operating and Capital Budget and Mr. Drake seconded the motion. The vote was taken and passed unanimously.

b. Approve and Adopt Resolution #2026-08 for the issuance of an Airport Revenue Bond Anticipation Note, series 2026, to Truist Commercial Equity, Inc., for the Terminal Expansion Program

Mr. John Ford of John Ford and Associates, presented the results from negotiations with Truist Commercial Equity, Inc., to reduce the interest rates or hard costs associated with the issuance of the Airport Revenue Bond Anticipation Note for the Terminal Expansion Program. He stated the ultimate savings from the negotiations will be realized at the rate in which the money is drawn down, but we estimate those savings to be $190,000. One caveat to these reductions is that Truist wants to remain the bank of record throughout the life of the loan.

Mr. George Smith presented details on the legal obligations to get this deal to close. Including Adoption of the Resolution, FDOT approval, and details of final authority to enter into the contract.

Discussion ensued.

Mr. Sheldon made a motion to approve and adopt Resolution #2026-08 for the issuance of an Airport Revenue Bond Anticipation Note, series 2026 with Truist Commercial Equity, Inc., Mr. McFatter seconded the motion. The vote was taken and passed unanimously.

c. Approve cGMP-2B Amendment with Cardella Construction Company for Terminal Expansion Program

Mr. Sebastian Cardella presented a breakdown of the North Terminal Expansion cGMP program and the various activities for each, including cGMP1 - Enabled Works, Terminal Structure, and Terminal Skin of the project, executed August 2025; cGMP2A/B breakdown includes cGMP2A – previously approved, and included long-lead equipment for Mechanical and Electrical, and coordination. cGMP2B – is currently under review. Sebastian explained the financial aspects for cGMP2B. Stating the project was over budget due to a misunderstanding of the District's Tax-Exempt status, but that today all taxes have been paid and no financial clean-up is required.

Discussion ensued.

Ms. Williams made a motion to approve the cGMP-2B Amendment with Cardella Construction for the Terminal Expansion Program, Mr. McFatter seconded the motion. The vote was taken and passed unanimously.

d. Discuss Revisions to Enabling Legislation

Mr. Cole Davis, Esq., Airport Council, stated that the Airport Special District was created in 1967, with only a couple of updates through the years. In 2020 a new Statute for Airports was adopted and it's time for the Airport District to review and refresh enabling legislation, and present to the local legislation. Specifically, the Ethics Standard is outdated in the current Statutes and the Procurement language needs updating. Mr. Davis seeks direction from the Board to present a revised Charter for the District.

Discussion ensued.

Mr. Sheldon made a motion for Council to present a Revised Charter for the Airport District, refreshing Enabling Legislation and Procurement Language, Ms. Williams seconded the motion. The vote was taken and passed unanimously.

Terminal Expansion Update

a. Cardella – Ardurra - AVCON

Mr. Trip Vaughn represented Cardella with an update on the following items with images to support the activity:

Terminal Expansion Project

Ongoing activities:

- Concrete wall placements
- Steel erection
- Primary power installation
- Water line installation

Upcoming activities:

- Shallow MEP rough-in

- Slab on deck concrete placements
- Slab on grade concrete placements

b. Ardurra Group

Mr. Aaron Buob represented the Ardurra Group with the following update:

Ongoing Management of Onsite CMAR Activities:

- Management of onsite CMAR activities including quality assurance, coordination of features of work activities, and review of submittals/ RFIs.
- Estimating and review of Potential Change Orders.
- Received ASI-06.
    - Subject to revisions under BlueBeam review session closed 09/11/2026.
- Received revised draft package cGMP-02b 09/15/2026.

Additional Management of Program Activities Exceeding $50k:

- Multiple Potential Change Orders / Control Change Form reviews and preparation for ECP approval/signature for ODP program deducts.
- cGMP-02b Package Review and provide comments/recommendations to ECP.
- Reviewing steel shipment bills of lading onsite (ODP program).
- ODP Program ECP purchase order validation.
- BlueBeam review session for ASI #06.

Plan of Finance Development Services Update:

- Newhouse & Associates has continued to review and update documentation supporting development of the Plan of Finance.
- The Plan of Finance has been updated to incorporate the latest Schedule of Values provided by Cardella. Coordination is ongoing to confirm and reconcile the updated values.
- Current efforts focus on refining funding assumptions and continuing coordination with the FAA regarding eligibility considerations and pending grant statuses.
- Upcoming deliverables include:
    - Initial Plan of Finance for the North Terminal Expansion Program
    - Summary Memorandum of Findings, Funding Assumptions, and Recommended Next Steps
- Budget Summary Report.
- Approved and Issued Change Order Lot.

c. AVCON

Ms. Allison Dykes 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 as required.

- FLP Easement executed & recorded.
- PBB IFE has been received and is being coordinated with the FAA.
- Terminal IT IFE has been received and is being coordinated with the FAA.

Project/Planning Updates (information only)

Mr. Aaron Buob representing Ardurra provided the following project update:

a. **IAG** – expect to have Design Criteria package wrapped up by this Friday. Goal is to have the Progressive Design Build on the street within 30-days.

Ms. Allison Dykes representing AVCON provided the following project update:

a. **Fuel Farm -** Staff working on issuing NTP.
b. **QMS Monitoring –** Working with ERC on harvesting solutions to help fund future burning not funded by the FAA.
c. **Maintenance Facility –** Plans should be released for bid in late fall.
d. **Ditch Repair and Culvert Reconstruction –** Awaiting a possible funding source verification before releasing for bid.
  - Once confirmed, any required revisions per the grant assurances will be made then released for bid.

Mr. McClellan provided the following project updates:

a. **Premiere Aviation –** Agreement will expire soon following an extension, and due to changes in the financing plan Triumph is not supportive.
c. **Florida National Guard – Johnny Reaver Road** - No update.
d. **Lisenby property –** To be returned as an environmentally verified, clean site.

Bay EDA Update (information only)

Becca Hardin provided the following update:

- Three aviation-related project site visits expected in November:
  - **Launchpad** – 350 acres, original equipment manufacturer for large aircraft, needs runway access,
  - **Project Horus** – Canadian company visiting for final site selection by end of the year,
  - **Japanese Composite Part Manufacturer** – interested in the 350 acre site.

- <u>Airport/Regional Marketing Initiatives</u>:
  - Florida State Commerce invited to attend a mission to Taiwan to visit Advance Air Mobility companies (Electric Aircraft and Drone Manufacturers) interested in presence in the US.
  - Amsterdam visit in October for MRO Europe – Project Gladiator meeting has been

scheduled while we're there.
- Tallahassee DOT Secretary Perdue meeting – funding of infrastructure for electric vehicles; eVTOL aircraft.

Moore Agency Update:

Ms. Katie Spillman provided the following update:
- Vote ECP #1 Resort Airport – USA Today 10BT Campaign Development and Execution
- All marketing tools are being used to 'get the vote out'

Executive Director Report:

Mr. McClellan provided the following update:

- Concessions Update: SSP America transition date is December 1st.
- Media to visit the construction site for a broadcast update after today's meeting.
- CFO Executive Search continues.

Airport CFO Ms. Darlene Gordon was presented with a Proclamation by Chair Cramer and the Board declaring September 23rd, 2026 as Darlene Gordon Day, for her years of service to Northwest Florida Beaches International Airport.

There were no additional public comments.

Next meeting scheduled: Board Meeting: October 28, 2026 – 9:00 a.m.

The meeting was adjourned at approximately 10:14 a.m.

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Parker W. McClellan, Jr., AAE
Executive Director

Will C. Cramer III, Chair