

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 24, 2025 by Chair Mark Sheldon.

The Invocation was given by Chair Mark Sheldon.

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

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

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

Chair Sheldon asked if there were any items on the Amended Agenda, including the Consent Agenda, that any Board Member would like to move to a Business Item for further discussion,

Vice Chair Cramer made a motion to accept the Amended Agenda and Mr. McDonald seconded the motion. The vote was taken and the motion passed unanimously.

Reports:

Airport Activity:

Mr. McClellan updated the Board on the August Activity Reports. The month of August showed an increase in total passengers of 3.28% compared to August 2024, and was up 2.07% in total passengers year-to-date. ECP's market share in the Panhandle is 23% for the month.

Financial:

Ms. Darlene Gordon presented the financials for eleven months ending August 31st. At the end of August, total cash increased by \$1.5 million from July, with a total cash balance of \$57.2 million. Unrestricted cash is \$36.2 million and restricted cash is \$21 million.

In August, our total liabilities decreased \$698 thousand from July. Excess revenues over expenses reflect a year-to-date total amount \$25.4 million. Operating revenues over expenses make up \$9.6 million of that, and the non-operating revenues over expenses contribute \$15.8 million.

The excess revenues over expenses increased in the month of August by \$1.64 million. The income statement in August year-to-date shows operating revenues are \$21.9 million, and are exceeding our budget by about \$223,000, putting us at 101.8% of budget.

Year-to-date, airline revenues are 103.43%, terminal complex revenue are 104.59%, and the general aviation revenues are 101.48%. Rental car revenues continue to lag behind budget, showing lower than budgeted at 95%.

On the expense side, personnel expenses are 93.48% of budget year-to-date. The total operating expenses year-to-date are 93.82% of budget and are under by \$810,763.

Consent Agenda:

a. Approve Special Board Meeting Minutes – August 21, 2025

This item provides for Board approval of the August 21, 2025 Special Board Meeting Minutes.

b. Approve Board Meeting Minutes – August 27, 2025

This item provides for Board approval of the August 27, 2025 Board Meeting Minutes.

c. Approve Budget Workshop Meeting Minutes – September 4, 2025

This item provides for Board approval of the September 4, 2025 Budget Workshop Meeting Minutes.

d. Approve Audit Engagement – Tipton, Marler, Garner & Chastain

This item requests approval by the Board for the acceptance and execution of a Letter of Engagement with Tipton, Marler, Garner & Chastain (“TMGC”) to perform the FY25 financial audit.

e. Approve TSA Lease Amendment No. 1 to Lease GS-04P-LFL01319

This item provides for Board approval of a TSA Lease Amendment No. 1 to Lease GS-04P-LFL01319.

f. Approve Policy Update to Administrative Policy 8.7 Management Benefit Program

This item provides for Board approval of a Policy Update to Administration Policy 8.7 Management Benefit Program.

g. Approve Amendment to AVCON Master Service Agreement No. 2023-02B

This item requests Board approval of the Amendment to the AVCON Master Service Agreement No. 2023-02B.

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

Business Items:

a. Approve and Adopt Resolution #2025-02 for FY26 Operating and Capital Budget

Ms. Darlene Gordon stated the staff met with the Airlines on August 14th for the FY26 Budget Meeting. The Airlines understood the recommended budget and offered no changes to the proposed budget. Airlines were complementary of the process and the development of the FY26 budget.

Ms. Gordon also acknowledged the FY26 Board Budget Workshop that occurred on September 4th and commented on the changes the Board requested were included in the Proposed FY26 budget to be voted on today.

The budget highlights included increases in budgeted enplaned passengers for FY26 of 964,081 or an increase of 1.1% over FY 25; landed weight increased by 1.6% to 1,119,531 lbs. operating revenues increased by \$3.7 million or 15.1% over FY 25; operating expenses also increased for FY26 by 6.2% or \$880,000.

Capital equipment purchased for FY26 total \$422,238 and capital projects total \$104,251,652 with the airport funding \$13,745,799. The majority of the capital projects is for Phase 1 and 2 of the terminal expansion for a total of \$95,247,249.

The FY26 Revenue Budget is increased due to the increasing rates and charges the airlines pay to operate at the airport. Other changes include a slight reduction in interest earnings as the airport we begin to draw down bank balances to fund our portion of capital projects, increase in parking rates is also included and rental car revenue was held flat for FY 26.

FY26 overall operating expenses are increasing by 13.8% or \$1,842,598, personnel costs are up 14.8%, health insurance is increasing 11.5%, and a base increase of 3% to wages is included in the proposed Budget. Also included are two additional law enforcement officers.

Budgeted rates and charges for FY26 reflect an increase over Budget FY 25 with the Terminal Rental Rate to \$84.85, an increase in the Landing Fee rate to \$4.83, and the signatory CPE has increased to \$4.77.

When comparing FY26 Budget to the FY25 Budget, there is an increase of \$880,391, or 6.2%, with the largest part of the increase attributed to personnel costs at \$497,249, parking lot management fees of \$89,522, expensed capital items at \$68,668, and increased insurance costs of \$98,859. The FY26 Budget reflects an amount which will provide for the efficient operation of the Airport and will provide the necessary resources to meet the Airport goals for the upcoming year.

Ms. Melzer made a motion to Approve and Adopt Resolution #2025-02 for FY26 Operating and Capital Budget and Ms. Williams seconded the motion. The vote was taken and the motion passed unanimously.

b. Approve Amendment 2 with the Moore Agency

Mr. McClellan presented Contract Amendment 2 with the Moore Agency, discussing the Airport's continued need for creative advertising and paid media support with the Agency. This Amendment will allow Moore to continue to lead marketing in this area, while scaling back in others. The Airports Manager of Marketing and Communications will continue to assume some responsibilities that Moore has previously handled; therefore, this amendment reduces the scope of the Moore agreement and the related fee. Mr. McClellan requested the Board's approval for Amendment 2 with the Moore Agency.

Mr. McDonald made a motion to Approve Amendment 2 with the Moore Agency and Ms. Melzer seconded the motion. The vote was taken and the motion passed with Chair Sheldon voting no.

c. Approve AVCON, Inc., Task Order 23B-13 Qualified Mitigation Supervision (QMS)

The Airport is required to provide QMS to oversee all aspects of mitigation site implementation, management, and corrective actions and mitigation monitoring in accordance with the FDEP WRP Permit #03-0212186-004-DF. These services will be provided by AVCON and their sub-consultant ERC who have performed these services for the past 12 years (September 2012 thru August 2024) while having an option to provide services from October 2025 through September 2026. The Permit requires continuous inspection presence on-site to monitor mitigation activities.

Vice Chair Cramer made a motion to Approve the AVCON, Inc., Task Order No. 23B-13 for Qualified Mitigation Services (QMS) and Mr. McFatter seconded the motion. The vote was taken and the motion passed unanimously.

Construction Updates (Information Only)

a. Ardurra Group

Mr. Aaron Buob presented an update on the following projects:

- Rental Car Facility (RAC) Design – 30% design plans have been submitted and under ECP review. On-going project coordination efforts on the Loop Road, utilities, power, and lighting. Target is to hit 60% design plans in four weeks.
- SMS Manual – FAA provided comments. Ardurra/ECP to respond by September 26 and FAA will provide official Acceptance Letter.
- Escalator Installation – Solicitation for specification plans and pricing are out, back by September 26. Cardella to review and finalize by October 3rd. Required to submit to FAA for Buy American Approval.

- Terminal Expansion – Mr. Sebastiano “Sebass” Cardella provided a construction update including targeted timelines and the steps moving forward to including, the Haul Road, Temporary Road Diversion.

b. AVCON

Ms. Tonya Nation provided an update on several projects that are on-going, including:

- Development Overview (DO) have been issued for the North Terminal Expansion and Temporary Access Road (TRD), the Building Permit is pending.
- Development Overview (DO) for the Terminal Loop Road full design is under review by Bay County and is expected soon.
- Stormwater Master Plan has received comments from Florida Department of Environmental Protection and response is being prepared
- ECP Pen and Inc Airport Layout Plan (ALP) revisions are pending with for FAA review.
- Fuel Farm design has received Notice to Proceed (NTP) and the schedule and milestones are being developed
- Qualified Mitigation Supervision (QMS) submitted and approved earlier today by the Board.

Project Planning Update (information only)

a. Project InSPIRE

Mr. Nick Harwell stated he is in communications with Florida State University and the planning efforts are moving forward.

b. Florida National Guard Armory

Mr. Harwell shared images of the Florida National Guard Readiness Center, stating the completion date has moved from September to end of October.

Bay EDA Update (information only)

Ms. Becca Hardin, Bay County EDA provided an update on the following projects:

- IAG Aero Group is moving ahead, contracting with an architect and using Triumph Gulf Coast funds to construct and operate an MRO facility at ECP.
- Premiere Aviation has contracted with a development group to fine-tune proposals for their project.
- Bay County EDA to attend Europe MRO show with other projects on the horizon, including Project Venus.

Executive Director Report:

Mr. McClellan reported staff are working on the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan application and FAA Notice of Funding Opportunities (NOFO) for the Terminal Expansion as well as other projects.

Staff is working with the contractors on public messaging for the North Terminal Expansion construction that will go out one week prior to start.

Mr. McClellan shared a graphic with a QR Code explaining that the Airport is a contender for the USA 10Best in two categories, Best Small Airport and Best Resort Airport, encouraging votes and to share.

Chair Sheldon believes with the growth of the Airport and Region, there is a need to develop Strategic Plan that includes funding opportunities for sustainability and continued growth, create a wish list, and develop measurable goals and expectations.. .

Discussion ensued about steps forward in the development of a Strategic Plan as well as Strategic Planning Workshop. It was requested the Strategic Plan be included as an agenda item at the October Meeting for further discussion.

There were no additional public comments.

Next meeting scheduled: Board Meeting: October 22, 2025 – 9:00 a.m.

The meeting was adjourned at approximately 9:48 a.m.



Parker W. McClellan, Jr., AAE
Executive Director



Mark Sheldon, Chair