

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., January 24, 2018 by Chairman Mathis.

The Invocation was given by Mrs. Rhonda Marchman.

The Pledge of Allegiance was led by Chairman Mathis.

The Executive Secretary called the roll and indicated that all Board Members were present except Mr. James Johnson.

Chairman Mathis announced that Mr. James Johnson was appointed by the City of Panama City as the newest member of the Board.

Reports:

Mr. Parker McClellan presented and reviewed the Activity Report.

Ms. Darlene Nelson presented and reviewed the Financial Report.

Consent Agenda:

a. **Board Meeting Minutes – December 20, 2017**

This item provides for Board approval of the December 20, 2017 Board Meeting Minutes.

b. **Approve Purchase – Computer Stress Voice Analyzer from NITV Federal Services L.L.C.**

This item provides for Board approval for the purchase of the described CVSA and training for examiners.

c. **Approve Purchase – Tasers from Axon Enterprise, Inc.**

This item provides for Board approval for the purchase of Taser X2 and warranty utilizing Treasury and Justice Federal Forfeiture Funds.

d. **Ratify Banner Tow Agreement – Aerial Banners, Inc.**

This item provides for Board ratification of a Banner Tow Agreement between Aerial Banners, Inc. and the Panama City-Bay County Airport and Industrial District for the operation of aircraft banner tow activities at the Northwest Florida Beaches International Airport.

e. **Resolution for FDOT JPA 42563119401**

This item provides for approval of a Resolution to request FDOT to redefine the use of Joint Participation Agreement 42563119401.

f. **Accept Ceramic Coating Bid – Terminal Building**

This item provides for the acceptance of a bid from Rhino Shield Gulf South for the application of an Adhesive Primer and Durable Finish Coat to the stucco areas of the Airport Terminal Building, including cleaning and prep work.

Mr. Nelson made a motion to approve the Consent Agenda. Ms. Sims seconded the motion. The vote was taken and the motion passed unanimously.

Business Items:

a. **Presentation – 2017 in Review**

Mr. McClellan addressed the Board and provided a presentation highlighting some of the Airport's accomplishments over the past year. Some of the highlights included:

- Ongoing increases in passenger activity and the Panhandle market share
- Standardization of financial reporting and a refined budget process
- Continued growth in general aviation and new corporate hangars
- Addition of Transportation Network Companies – Uber and Lyft
- Projects with FDOT and FEMA as well as upcoming commercial projects
- Improved employee health care coverage plans
- Upgraded security system, construction of the automated Exit Lane, and partnering with DeTect

This item was for informational purposes only and required no formal Board action.

b. **FY 2017 Financial Audit Report**

This item is submitted for Board adoption of the Audit Report for the Fiscal Year ending September 30, 2017.

Mr. David Tipton from Tipton, Marler, Garner and Chastain CPA Group presented the Board with an unmodified and unqualified report, indicating that the audit presents fairly. Mr. Tipton noted that the operating revenue of the Airport has experienced significant growth, going from \$3.6 million in 2008 to \$11.5 million in 2017.

The management letter of this audit, as presented on page 43 of the audit report, notes the following comments:

- There were no corrective actions taken to address findings and recommendations made in the preceding audit report, as there were no recommendations made in the preceding annual financial audit report.
- The District operates as an independent special district created by an act of the Legislature of the state of Florida and is not considered a component unit of any other local governmental unit.
- The District did not meet any of the conditions described in the Florida Statute 218.503(1) regarding financial emergency.
- The annual report filed with the Florida Department of Financial Services is in agreement with the annual financial audit report.
- There were no recommendations made to improve financial management.
- There were no findings regarding noncompliance with provisions of contracts or grant agreements or abuse that have occurred, or that are likely to have occurred, that have an effect on the financial statements.

In summary, the auditor's report expresses an unqualified opinion on the financial statements of the District and no reportable conditions were disclosed during the audit.

Mr. McDonald made a motion to adopt the FY 2017 Audit Report. Vice Chairman Lee seconded the motion. The vote was taken and the motion passed unanimously.

c. Moore Communications Group Communication Plan - Presentation

Ms. Katie Spillman gave a presentation to the Board, showing a highlight reel of media coverage over the past year. Total website sessions in 2017 were over 400,000, a 19% increase year over year. The webpage continues to drive people to purchase their airline tickets through links to the airline websites, with over 53,000 people clicking those links in the last year. There were about 120 media clips and 149 million impressions associated with them. Overall, the Escape marketing campaign was very successful.

Escape 2.0 is recommended for the 2018 paid advertising strategy. Key advertising objectives have not changed from year to year, just increasing the number of people who visit the website, subscribe to the newsletter and click the links to purchase airline tickets. The objective of Escape 2.0 is an 'always on' media approach, upping the digital footprint and focusing on the 100-mile radius of ECP.

Mr. Jay Tusa informed the Board that Walton County is moving forward with the process of contributing funds to go towards advertising efforts to help highlight the introduction of

American Airlines to ECP. About 50% of the people who fly into Walton County are using ECP for their travel needs.

Bay EDA:

Ms. Becca Hardin was excited to tell the Board about a French aviation company that was recently in town and looking into prospects in Bay County. She also discussed the business opportunities surrounding the impending arrival of American Airlines to ECP, the mechanical engineering program starting at FSU in Panama City, and the much anticipated Reaper program at Tyndall Air Force Base. International press releases helped to spark even more interest in the community and have received fantastic feedback. Ms. Hardin has hosted three prospect visits, two international and one domestic company, over the last few weeks. Communication continues daily and representatives for Project Soho are expected in February to discuss and begin construction.

Executive Director Report:

Mr. McClellan explained that with the addition of American Airlines, Staff and ZHA are working to refine terminal concepts for a positive effect on the airport. There was discussion on the announcement of American Airlines beginning service in June. The addition of American Airlines to the airlines serving ECP is significant because all four legacy carriers will be serving ECP. This could have an impact on the fares as a result of more competition.

Ms. Sims discussed the need to work with the Bay County, St. Joe Company, and the airport to ensure that support areas for restaurants, food trucks and other commercial needs are met.

Mr. McClellan discussed the lengthy and repetitive process of acquiring a new airline. Because of staffing changes and a merger, it took four years to bring American Airlines to ECP. Staff continues to try to bring new service to the Airport, both with new airlines and with new destinations.

Public Comments:

There were no public comments.

Adjournment:

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

Talisa Price, Executive Secretary

Russ Mathis, Chairman