

**MEETING MINUTES****PANAMA CITY – BAY COUNTY AIRPORT AND INDUSTRIAL DISTRICT**

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**Opening:**

The Board Meeting of the Panama City-Bay County Airport and Industrial District was called to order at 9:00 a.m., March 28, 2018 by Chairman Mathis.

The Invocation was given by Mrs. Rhonda Marchman.

The Pledge of Allegiance was led by Vice Chairman Del Lee.

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

**Reports:**

Mr. Parker McClellan presented and reviewed the Activity Report.

Ms. Darlene Nelson presented and reviewed the Financial Report.

**Military Welcome Center Presentation:**

Mr. Steve Geczy, from the Military Welcome Center (MWC) at ECP, gave a presentation to the Board regarding what the MWC does at the Airport. He spoke about things such as how many volunteers and visitors there are annually, how the public can help, as well as the welcome that the MWC and Warrior Watch Riders offer to greet troops. Ms. Carol Roberts, of Bay County Chamber of Commerce, and Mr. Darrell Hertz briefly spoke about the growth and positive changes that the MWC has undergone since it began at ECP. Mr. A.J. Bacon, Sr., Bay County Veterans Council President, presented Mr. Parker McClellan with a challenge coin to thank him and the Airport for all efforts in helping the MWC succeed and supporting all veterans and troops.

**An Amended Agenda was presented to the Board. Ms. Sims made a motion to accept the Amended Agenda. Mr. McDonald seconded the motion. The vote was taken and the motion passed unanimously.**

**Consent Agenda:****a. Board Meeting Minutes – February 28, 2018**

This item provides for Board approval of the February 28, 2018 Board Meeting Minutes.

**b. Accept Bid for Waste Removal Services**

This item was moved to the Business Agenda.

**c. Accept Bid for Backflow Preventers**

This item provides for the acceptance of a bid from Seago Fire Protection for replacement of four (4) 10-inch backflow preventer valves, testing, and certification.

**d. Approve Disposal of Surplus Property**

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

**e. Approve Equipment Purchase – Batwing Mower**

This item provides for Board approval for the purchase of a 15 foot - batwing, PTO rotary mower to be used in support of the Airport's grounds maintenance program.

**f. Approve Equipment Purchase – Zero-turn Mower**

This item provides for Board approval for the purchase of a 72-inch, zero turn, rotary mower to be used in support of the Airport's grounds maintenance program.

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

**Business Items:**

**a. Release of Restriction on Marine Transportation Services, Inc. Property**

Marine Transportation acquired property through several transactions from the Panama City-Bay County Airport and Industrial District (the "District"). The property was subject to an option in favor of the District and restrictions aimed at ensuring that the property be used for commercial purposes. The option arises if commercial activity on the property ceases and provides for the District to repurchase the property for the original purchase price plus the fair market value of the improvements which have been constructed on the property.

The property is located in a portion of Panama City that is transitioning from industrial to residential. It appears that the District already released the restriction from a portion of the property previously. The District does not have an opportunity to exercise the option now, because the use of the property still complies with the restriction. However, the owner would like to explore other opportunities for the property without it being encumbered by the restriction. Airport legal counsel has reviewed the restriction and option closely. If an opportunity arose in the future for the District to exercise the option, the validity of the option rights would be uncertain and would become even less certain at end of a forty-year period that will expire in May 2020. The District should anticipate litigation if the District attempts to exercise this option and the property owner would have credible arguments against the option's validity. Furthermore, the condition and value of the property has not been studied, although frequently decades of industrial use makes property more complicated and costly to acquire. More complete documentation regarding the request and the property records that established the restriction and option is attached. Airport legal counsel would not object to granting Marine Transportation's request.

Airport legal counsel's opinion is that the Board has authority to release the restrictions on the Property, but the decision is a business matter for the Board's determination.

**Mr. McDonald made a motion to approve the request and authorize the Board Chairman or his designee to execute the Termination of Purchase Options and Restrictions any other required documents, following satisfactory legal review. Vice Chairman Lee seconded the motion. The vote was taken and the motion passed unanimously.**

**b. Authorization to Execute Airport/Airline Use Agreement (Signatory) with United Airlines, Inc.**

On May 17, 2010, the Airport entered into an agreement with the passenger air carriers establishing an interim signatory agreement to operate at the new airport and establish rates and charges the air carriers would pay. These charges were based on the old rates paid at the old airport. At the September 28, 2011 meeting the Board approved adjusted rates and charges based on the business model being negotiated with the air carriers and on March 28, 2012 approved an Airline-Airport Use and Lease Agreement effective from October 1, 2011 through September 30, 2015. In September 2015, the Board approved a five (5) year Airline-Airport Use and Lease Agreement effective from October 1, 2015 through September 30, 2020.

The framework of the business deal is to charge two basic rates, one for landing fees and one for terminal rental. This business framework also calls for a revenue sharing program with the airlines after all operating expenses, capital equipment, capital reserve and annual debt service have been paid. The agreement also builds capital reserves and sets aside up to \$2,800,000 over the term of the Agreement prior to any revenue sharing calculation.

The airlines that presently are Signatory to this Agreement are Delta and Southwest. Recently, United Airlines, Inc. advised us they intend to execute the Airline-Airport Use and Lease Agreement and become a signatory air carrier. The Agreement has been provided to United and is expected to be executed in the next 45 days.

**Ms. Sims made a motion to approve the execution of the Airline-Airport Use and Lease Agreement with United Airlines, Inc. and to authorize the Chairman to execute all necessary documents upon satisfactory legal review. Vice Chairman Lee seconded the motion. The vote was taken and the motion passed unanimously.**

**c. Ground Transportation Concession**

Mr. McClellan advised the Board that the Operating Agreement between ECP and Sunshine Shuttle will be expiring in May and options need to be weighed for Ground Transportation at ECP. There were two respondents to the Ground Concession bid request in 2013 and with Transportation Networks Companies now providing service, it will be even more challenging to get responsive bids. Discussion was held regarding things to consider like coverage for passengers arriving on the last flight of the evening, possibly terminating the indoor kiosk, and having all companies take turns in the queue. Ideas need to be considered for emergency transportation in the instance there are no cabs on the curb and no one available from the kiosk. Currently, the Airport does have a list to utilize in this situation. Staff will present a recommendation to the Board for moving forward at the April Board Meeting.

**This item did not require action by the Board.**

**d. Accept Bid for Waste Removal Services**

Mr. McClellan discussed the recently distributed Invitation to Bid for Waste Removal Services for the Northwest Florida Beaches International Airport. Pricing was requested for three bid options, as follows:

#### Bid Option 1 - Dumpsters

- Terminal Building                      6 6-yard containers with casters   3x per week service
- Rental Car Service Facility           2 6-yard containers with casters   1x per week service
- Maintenance Building                1 6-yard container                      1x per week service
- Price for unscheduled pickup

#### Bid Option 2 – Solar Compactor at Terminal

- Terminal Building                      Solar Compactor                        As needed
- Rental Car Service Facility           2 6-yard containers with casters   1x per week service
- Maintenance Building                1 6-yard container                      1x per week service
- Price for unscheduled pickup

#### Bid Option 3 – Electric Compactor at Terminal

- Terminal Building                      Compactor                                As needed
- Rental Car Service Facility           2 6-yard containers with casters   1x per week service
- Maintenance Building                1 6-yard container                      1x per week service
- Price for unscheduled pickup

On March 20, 2018 at 2:00 pm, six bids packages were received in accordance with the Invitation for Bid:

- BCC Waste Solutions
- Coqui Disposal Services
- Mr. Trash
- Nate’s Sanitation Service, Inc.
- Waste Management
- Waste Pro

The Airport is currently under contract with Waste Management for waste removal utilizing dumpsters, which is similar to Bid Option 1. With the increase in activity and amount of waste generated by airport operations, staff recommends moving to the use of a compactor, which is Bid Option 3. The compactor will increase the capacity as well as improve the esthetics at the north end of the Terminal. The compactor will accommodate both current and anticipated growth. Only three of the six bidders submitted bids for compactor operations.

Staff recommends awarding the contract for Bid Option 3 to Nate’s Sanitation Service, Inc. at an annual cost for the first year of \$21,524.52 (\$1,793.71 per month). The term of the contract will be for three years with the possibility of two additional one year options, at the discretion of the Airport to begin on June 1, 2018.

**Mr. Johnson made a motion to award the bid and to Nate’s Sanitation Service, Inc. and authorize the Board Chairman to execute any necessary documents following satisfactory legal review. Mr. Tusa seconded the motion. The vote was taken and the motion passed unanimously.**

#### **Bay EDA Update:**

Ms. Becca Hardin thanked Vice Chairman Lee and Mr. McClellan for the update on ECP that was given at the Bay EDA Investor’s Meeting. Ms. Hardin said there is a lot of activity going on right now to include: a recent visit from the president of the company for Project SoHo, she and Mr. McClellan will be attending the MRO show and conducting twelve meetings with companies like GKN and the Project Blue Star representatives, and Mr. Garret Wright will be attending an aviation interior show in Germany.

**The Moore Agency Update:**

Ms. Jordan Jacobs explained changes to the Communications Report that make it easier and faster to get information about how the marketing plan is working for ECP. She discussed what was happening during Phase 1 of the marketing strategy, like spadeas on the Panama City News Herald. Website traffic is up and the newsletters and email blasts for fare sales are doing very well. The number of Instagram followers exceeded the goal for February. ECP Perks are still a hit with passengers. She also announced that Moore Communication Group recently had their 25<sup>th</sup> anniversary and have undergone a name change to Moore.

**Executive Director Report:**

Mr. McClellan informed the Board that land at the Airport is at a premium and in order to utilize areas outside Phase 1 there is a requirement for an EA to be conducted and a permit modification be made to the USACE 404 permit. This process requires a prospective tenant to send a valid letter of interest. Mr. McClellan will have further discussions with Gulf Power about the site certification and if there will be additional opportunities. In the meantime, options are being researched as to the permitting phase for new or prospective tenants.

Ms. Sims would like to further explore ideas on how to get a better grip of the advantage ECP has for development in Bay County.

**Other Business:****Public Comments:**

There were no public comments.

**Adjournment:**

The meeting was adjourned at approximately 10:20 a.m.

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Talisa Price, Executive Secretary

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Russ Mathis, Chairman