

CHARLOTTE COUNTY AIRPORT AUTHORITY

MINUTES OF REGULAR MEETING – SEPTEMBER 20, 2018 – 9:00 A.M.

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1. Call to Order

2. Invocation

10 Chair Herston gave the invocation.

3. Pledge of Allegiance

4. Roll Call

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Present: Chair Herston; Commissioners Andrews, Seay, Hancik, Coppola; CEO Parish; Attorney Carr; Ms. Hendren; Ms. Desguin; Mr. Hafenbreidel; Mr. Laroche; Mr. Mallard; Mr. Ridenour; Mrs. Hummer; Mrs. Miller; Mrs. Cauley. **Others present:** Dana Carr; Lucienne Pears; Jim Kaletta; Commissioner Deutsch; Steven Henriquez; Stan Smith; Richard Pitz; Gary Harrell; Alan Boynton, and others from the private sector.

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5. Citizen's Input

6. Additions and/or Deletions to the Agenda

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7. Consent Agenda

Commissioner Seay motioned to approve the Consent Agenda. Commissioner Andrews seconded. Motion passed unanimously.

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8. Adopt Budget Resolution 2018-03

Mr. Parish reported that the Board is required to pass a resolution for the FY 2018-19 budget based on the approval of the preliminary budget at the Authority's previous meeting. **Commissioner Seay motioned to adopt Budget Resolution 2018-03 as presented. Commissioner Andrews seconded. Motion passed unanimously.**

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9. Adopt FY 2018-19 Final Budget

Mr. Parish reported that the budget has been published in the newspaper and that no changes have been made. **Commissioner Seay motioned to adopt the FY 2018-19 budget as presented. Commissioner Andrews seconded. Motion passed unanimously.**

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10. Secretary/Treasurer's Report

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Mr. Parish opined focusing on the 60-90 days and 91 days and over accounts receivables. He commented that the Authority is on track to collecting all outstanding debts. He reported that the income statement continues to be positive as all goals for July have been met or exceeded pertaining to revenue. He reported that no significant assets were added to the balance sheet. Commissioner Hancik opined that the audience should know that the Board

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members do receive their financial packets in advanced to the meeting to have the ability to review the documents ahead of time. Mr. Parish also noted that all financials are also posted on the FlyPGD website seven (7) days in advance to the meeting. He also reported that he included a PFC report, that the remainder of PFC application one is almost a million dollars, and that everything to date is reimbursement for prior projects.

11. Committee Reports

a) **Land Use** – Chair Herston commented that there’s no significant land use issues in the area. He opined that the most significant issues he knows of is the Sun Seeker workforce affordable housing project. Commissioner Coppola inquired as to how close the proposed workforce housing is to the airport. Chair Herston commented that it’s either Airport Road and Cooper Street or Airport Road and Taylor Road.

b) **Metropolitan Planning Organization** – Chair Herston commented that he reported on the last MPO and MPOAC meetings at the Authority’s August meeting.

c) **Personnel** – Commissioner Coppola presented Mr. Mallard with a five-year service award.

d) **Public Relations/Special Events** – Commissioner Coppola reported that she attended a preview of the upcoming Airshow and complimented the presentation.

e) **Governmental Liaison** – Commissioner Seay reported that she and Mr. Parish meet with Jerry Paul to discuss the upcoming session. Mr. Parish commented that the meeting with Mr. Paul was more of a strategy meeting to discuss the schedule for this year because of the election. He reported that he’s been working with the FAC legal committee and the State Affairs committee to put together a program and plan for the upcoming legislative session. He commented that TNC’s, Toro, FDOT funding for the Aviation Program, and the fuel tax are high priority. He commented that he is looking at SIS funding for the runway extension project and two other projects that are in the outer years of this funding cycle. He reported that the FAA Reauthorization Bill is still on hold for truck driving rest time, regulations on airline fees, change fees, etc. He opined that he doesn’t see it being approved before the end of the year and that it may need a continuing resolution to be completed in a November or December session.

f) **Economic Development** – Commissioner Andrews reported on property sales and inventory, building permits, possible zoning changes, tourist tax revenues, and work force from The Florida Association of Realtors and Florida Gulf Coast University Lutgert College of Business.

g) **Aviation Activities Report** – Commissioner Hancik reported on passenger counts, fuel sales and gallons pumped, aircraft operations and hangar vacancies.

12. Attorney’s Report

Attorney Carr reported that there is no pending or threatened litigation against the Airport. He commented that there are four lease issues, two of which have been completed. He commented the new TNC contract has been completed and sent to Lyft and Uber, that there

is a termination of a lease in progress and that Aeronautical Services has been presented a final proposal of their lease with no counters accepted.

13. CEO’s Report

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a) **Development Update** – Mr. Parish reported that Mr. Ridenour has presented the Board with a detailed report of the current projects. He commented that initial meetings with the FAA to move the approval of property acquisition of the north and south side of the airport has been completed, that the next steps will not be taken until October and that he’d like to close on both properties in February. Pertaining to the GA Facility, he commented that staff is working with the engineers to develop scope and fees and that they will hopefully be finalized by the next Authority’s meeting. He commented that he has been in negotiations with the engineer for runway 15-33 but he feels that they’ve finally negotiated a scope. He reported that he has asked AECOM, in addition to the terminal, to rebuild the privately owned five-unit hangar that is currently near the rental car center and add two additional units that the airport would own in conjunction to the condo associations. He commented that would move the two-remaining tenants in the rental car center to that building. Commissioner Hancik asked Mr. Parish to expand on the design of the building. Mr. Parish reported that the building is currently a five unit building with 60 x 60 units and that the new building will be a seven unit building with 60 x 60 units. Commissioner Hancik inquired as to the status of any potential plans for T-hangar development. Mr. Parish commented that he’s waiting on pricing, but he’d like to look at the other storage facilities on the Master Plan on the west side of the T-hangars to possibility implement new 60 x 60 gang hangars. Mr. Parish commented that scope and fee has been negotiated for the Wetland Mitigation project, that an amendment is in progress based on conversations with the FAA, the design should be started later this month, and the grant applications should hopefully be started by November. He reported that the entrance and exit road projects are approximately 60 percent completed and that T-hangar doors should be completed by January.

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b) **Update on 2018 Florida International Air Show** – Mr. Dana Carr reported that the Air Show is on its 38th year and that this year, the Airport’s 75th anniversary will be showcased with a P40 aircraft being on static display, giving rides, and performing within the show. He commented that staffing is all volunteer and the proceeds go to the partnered charity groups, which included 23 groups last year. He commented that the Air Show is partnering with Allegiant and SunSeeker this year, which includes a display about the SunSeeker Resort during the show and a donated full-page ad in Allegiant’s inflight magazine for two issues in a row. He commented that Western Michigan University is also partnering with the Air Show for a STEM Program for 8th and 9th grade students. He reported that the Earn Your Wings Reading Program is in its third year to allow Kindergarten through 5th grade to read a book and report it to their teacher to earn a free ticket to the Air Show. He shared the Economic Audit that was recorded for the 2017 Air Show, shared the changes made due to complaints, the new Air Show hotline (1-833-PGD-FIAS), website (www.FloridaAirShow.com), and smartphone app (We Love AERO). Mr. Carr requested continued support from the Airport staff, a fuel credit and Board members to assist in the daily opening ceremony. Commissioner Hancik inquired as to if there was a commitment from staff or the Board for participation on the fuel credit. Mr. Parish commented that the Authority has yet to receive the requested fuel amount to discuss the price and that if the Board agrees to

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5 give the Air Show the full \$15,000 amount, that the new \$5,000 rider from the Airport's insurance company will need to be incorporated. Commissioner Hancik opined that the Authority absorb the insurance cost of \$5,000 and give the Air Show \$15,000 in fuel credit as it's the Airport's 75th anniversary. Commissioner Seay agreed with Commissioner Hancik if it can be found within the budget and inquired as to the FAA rulings allowing Air Show support. Mr. Parish commented that this year is acceptable however, the new FAA Advisory Circular that would mandate that aviation activity that requires staff time would have to recoup fully. **Commissioner Hancik motioned that the Charlotte County Airport Authority absorb the \$5,000 additional insurance cost and provide up to \$15,000 in fuel credits. Commissioner Andrews seconded. Motioned passed unanimously.** Mr. Carr thanked the Board and reported that the Thunderbirds will be back from November 1st-3rd, 2019.

15 c) **Update from Economic Development Department** – Ms. Pears thanked the Board for their service. She presented Economic Development's mission of creating high skill, high wage job opportunities, diversifying the tax base with the goal of creating the most prosperous Charlotte County possible. She commented that the mission is obtained through opportunity, talent and place. Ms. Pears reported that Metalcraft Marine and Amigo Pallets will have a facility located in the Airport Commerce Center. She reported that Economic Development is partnering on a Hotel Demand Study and that a grant has been applied for through the Florida Job Growth Grant Fund to build Challenger Boulevard from Gulf Course Boulevard to Piper Road. Ms. Pears reported that there is a public-private partnership within Murdock Village for expansion of infrastructure, as well as the sale of the property for up to 2,400 units in a variety of unit types (i.e.. Apartments, condominiums, villas, single family houses, a hotel and up to 200,000 sq ft of retail). She commented that there is a project off of US 41 and El Jobean Road (SR 776) that is a 150-acre Sports and Entertainment District that includes a waterpark, retail/commercial center and potentially one or two hotels. She reported that Economic Development has created a Comprehensive Business Retention and Expansion Program to assist existing businesses. Chair Herston inquired as to why the County cannot create an impact fee and tax-free zone for five years around the ECAP zoning. Ms. Pears opined that it is worth discussing with the policy makers of Charlotte County. Commissioner Hancik inquired if there was any feedback from the Florida Contingency that attended the Farnborough Air Show. Ms. Pears commented that she has been speaking with a few manufacturing supply companies that are currently located in high cost, high tax states and will continue doing so. She commented that she spoke with the Secretary of Commerce pertaining to creating a statewide strategy to celebrate the aviation industry as they do the manufacturing industry. Commissioner Coppola inquired as to how many people that have moved away for college return after graduation. Ms. Pears commented that she doesn't have an accurate figure but she can say there are a lot that return.

45 d) **Marketing Update** – Mrs. Miller reported on the Airports 75th Anniversary celebration, the October coin hunt, media monitoring tool, the PGD YouTube channel, the new PGD Buzz blog and a marketing strategy update. Mr. Parish commented that his goal is to have industrial development started in the Industrial Park.

14. Old Business

15. New Business

- 5 a) **CEO's Annual Evaluation** – Chair Herston commented that in the scoring sheet, Commissioner Hancik did not have scores for each category but did have an average. Commissioner Hancik commented that he does have a problem with some of the questions within the evaluation, that he did a narrative instead and that he doesn't feel anyone should ever receive the highest evaluation possible. Commissioner Andrews inquired as to if there's a better way to do the evaluation. Commissioner Hancik commented that he's never seen Mr. Parish's goals and objectives and that it's difficult for him to answer some of the evaluation questions due to not being in the day to day operations of the Airport. Commissioner Hancik commented that he feels the Commission is lacking in receiving information regarding what is happening in the industry and opined that the Board needs more workshops. He commented that he is aware that Mr. Parish's office is always open but feels Mr. Parish may have different twist on the things he says when explaining to each of the different Commissioner's. Commissioner Hancik inquired as to if there is a policy handbook for the Authority. Commissioner Coppola commented that the Authority has had one for years. Chair Herston commented that the last policy handbook that was voted on may have been before Commissioner Hancik's term started. Commissioner Hancik commented that he gives staff and Mr. Parish a lot of credit, especially regarding marketing and social media uses, and opined that although the marketing information is there, there is no opportunity to discuss it. Chair Herston commented that the conversation should stick to the evaluation. Commissioner Seay commented that to properly assess someone, you must break the information down by category, responsibility, requirements, goals and objectives that are set forth within their contract. She commented that the goals and objectives that should be evaluated are those set forth within the Authority's meetings through the Board asking Mr. Parish to do things such as negotiating an agreement or overseeing a project. She opined that in the two and a half years that Mr. Parish has been the CEO, it is easy to observe the changes that have been made and events that have happened. She commented that the Airport has made tremendous strides through Mr. Parish's leadership. She commented that Mr. Parish's contract is up for renewal in June and opined that the Board should create an opportunity to offer an extension that is further than the three years that is currently in the contract. Commissioner Hancik commented that Mr. Parish is under a contract that spells out his performance and everything above that is a gray area that needs to be defined. Commissioner Seay agreed that it is not just if the employee achieved the goal in the contract but also how well it was achieved and opined that Mr. Parish achieved the goals extraordinarily well. Commissioner Coppola opined that Mr. Parish had done a wonderful job and that in the last year, the Airport's achievements that have been made are due to him. Commissioner Andrews agreed that Mr. Parish has done an excellent job and inquired if there was a way to rate him without all of the numbers, in a way similar to Commissioner Hancik's scoring. Commissioner Hancik commented that Human Resources can do more investigation into the matter and inquired if it is required to hold the evaluation at a public meeting. Mr. Parish commented that it does have to be at a public meeting but it can be in the consent agenda and be approved by the Board that way and each member can talk to James individually. He commented that within his contract, all salaries are set forth and that it is a three year contract with a three year option that has to be approved. Commissioner Coppola inquired as to when the option needs to be approved. Commissioner Seay commented that it can be now.

Commissioner Hancik opined that Mr. Parish's contract needs to be looked at again before approving an extension. Chair Herston agreed and opined that the Board may want to increase Mr. Parish's income. Commissioner Seay requested that Mr. Parish's contract extension be placed on the agenda for the November meeting to give the opportunity to discuss with Mr. Parish a way to offer a reward for his performance and move forward. Commissioner Hancik inquired that the Authority receive information on competitive salaries from comparable airports around the state. Commissioner Seay commented that the raises are already incorporated within the current contract that was approved. Commissioner Hancik inquired if the renewal provision would give that opportunity. Attorney Carr commented that he would have to view the contract to answer that but an amendment to the contract can be performed at any time. Chair Herston commented that he prefers the subject matter categories of the evaluation and recommended possibly adding more. Commissioner Andrews inquired as to why Commissioner Hancik did not grade each category. Commissioner Hancik commented that he did within his document. Commissioner Coppola commented that she views receiving a five as meaning that Mr. Parish will always have to live up to a five. Chair Herston commented that Mr. Parish's ability to move up within the Authority has attributed to the success the Airport is seeing. Commissioner Coppola agreed.

b) **Resolution 2018-08 for Continuation of a Passenger Facility Charge (PFC) – Mr. Parish** commented that the Board has already approved the new PFC of \$4.50 and that it is an FAA requirement, after the airline consultation, for the Board to approve a Resolution. Commissioner Hancik inquired if there was any input from the air carrier. Mr. Parish commented that the FAA does not allow the air carrier to complain about the price but does allow complaints about the projects and that the air carrier does not have any complaints on the projects being funded. **Commissioner Hancik motioned to approve Resolution 2018-02 for a continuation and increase in the Passenger Facility Charge from \$2.00 to \$4.50. Commissioner Andrews seconded. Motion passed 3-2 with Commissioners Seay and Coppola voting no.**

c) **Proposed 2019 Meeting Schedule – Mr. Parish** commented that the proposed 2019 meeting schedule mimics the 2018 meeting schedule, a workshop can be scheduled early March and generally local governments take off in July. Chair Herston commented that all proposed dates work within his schedule. Commissioner Hancik commented that he would like more workshops. Mr. Parish commented that the Authority has not had a March meeting in numerous years and that any workshops can be scheduled later. Commissioner Hancik opined that he'd like a workshop at least three times a year to be informed on matters happening at the Airport. **Commissioner Seay motioned to approve the suggested calendar from January 2019 to December 2019 as presented. Commissioner Andrews seconded. Motion passed unanimously.**

16. Citizen's Input

Joe Makray – Inquired as to how the Board arrived at their final scores for Mr. Parish's evaluation pertaining to the judgement solving and conflict resolution portion. Commissioner Coppola inquired as to if Mr. Makray had a specific issue or incident. Mr. Makray stated that he was just asking a question. Chair Herston commented that he observes Mr. Parish when problems and conflicts are presented, even when he arrives at

the Airport unannounced, and has witnessed Mr. Parish engineer sound administrative judgement. The Board agreed with Chair Herston.

5 **Al Boynton** – Commented that he spent roughly 35 years at General Electric Company and that he was horrified of the process of Mr. Parish’s review. He opined that it’s unfair to Mr. Parish to evaluate him once a year as he used to evaluate employees at least once a quarter at General Electric and he doesn’t understand how the scoring is from one to five. Chair Herston inquired if he had any old paperwork that the Board could view as examples. Mr. Boynton commented that he’s been retired for 22 years but will look.

10 **Commissioner Deutsch** – Commented that the County cut and froze impact fees a few years ago and opined that it was a positive impact in helping the resurgent of development within the county. He commented that earlier this year, after a two-year break, the County added a percent increase for next year with impact fees. Commissioner Deutsch commented that he is willing to share the evaluation form that he fills out for the County Administrator, County Attorney, Director of Economic Development and the MPO. He commented that the County has recently gone through their legislative agenda and opined the Airport establish a direct link so that each Board can be supportive of the other.

20 **Jim Kaletta** – Commented that when he oversaw a corporation, he gave each director a challenge that would allow each director to double or triple his salary if the objectives were met. He opined that the challenge would work for the Airport and that he would be happy to discuss it with the Board. Commissioner Herston opined that it was a good idea and that he’d like some goals set for staff. Mr. Kaletta commented that each staff department needs to be different.

17. Commissioner’s Comments

30 **Commissioner Coppola** – Commented that while traveling for her campaign, she’s met many people that are thrilled with the Airport for reasons including convenience, location, price and destinations. She thanked staff for their work and Allegiant as she has not had one complaint regarding the Airport in the many places she’s spoke in the recent months. She inquired if the local travel agencies can offer tours around the area for visitors.

35 **Commissioner Hancik**- Commented that the Chamber of Commerce used to set up tours with cities of similar size for each to explore the other. He inquired if the Board has seen the comment made by Mr. Redmond for Allegiant Airlines. He opined that it was offensive. Mr. Parish commented that staff has made the Airport’s position well known at Allegiant headquarters. Commissioner Hancik opined that it would be appropriate for a letter to be sent from the Airport Authority to Mr. Redmond.

40 **Commissioner Andrews** – Thanked everyone for attending, commented that he’s happy with the Airport’s success and that the Relator Association speaks highly of the Airport’s success and impact on the community. He thanked staff for their work.

45 **Commissioner Seay** – Opined that it’s important to realize that evaluations in the public sector are vastly different than evaluations in the private sector. She commented that the public does not see the evaluations that are performed on regular basis when each

Commissioner visits Mr. Parish and discusses things individually and that she is satisfied with the success that has been achieved through the present leadership.

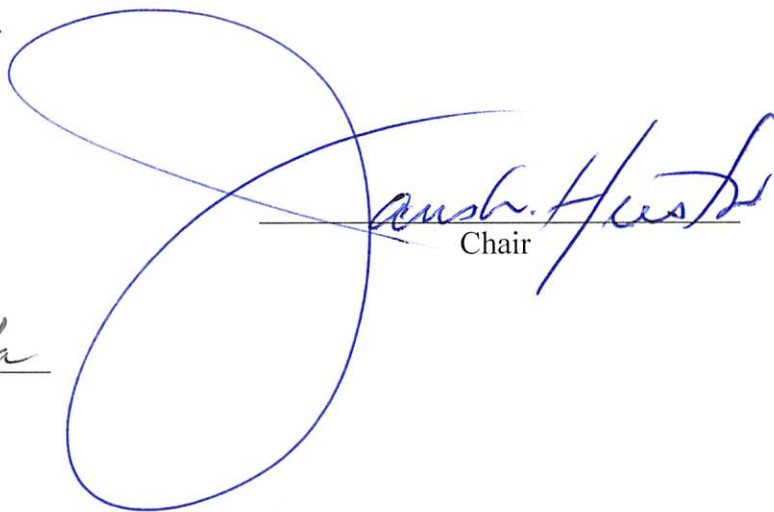
5 **Mr. Parish** – Commented that staff is frustrated at Mr. Redmond’s remark and that his staff understands that it was not the correct thing to say. Attorney Carr commented that it should be wrote off as an exuberance of an investor call, which was the context in which it was made, as opposed to any other process. Chair Herston inquired if Mr. Parish can draft a letter to be sent to Attorney Carr. Commissioner Seay commented that she disagrees with sending a letter to Mr. Redmond and that the matter should be dealt with privately. Mr. 10 Parish commented that there are four directors arriving for a meeting on Monday and that Mr. Redmond’s comment is listed to be addressed. Commissioner Hancik agreed with Commissioner Seay that a letter is not needed.

15 **Chair Herston** – Thanked Commissioner Deutsch for the great contact between the Airport and the County, staff for their hard work and everyone in the audience for attending.

18. Adjournment

20 Meeting adjourned at 11:10 a.m.

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Chair

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Secretary/Treasurer