

CHARLOTTE COUNTY AIRPORT AUTHORITY

MINUTES OF REGULAR MEETING – APRIL 18, 2019– 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 Seay; Commissioners Andrews, Herston, Hancik, Coppola; CEO Parish; Attorney Carr; Ms. Hendren; Ms. Desguin; Mr. Laroche; Mr. Mallard; Mr. Ridenour; Mrs. Cauley; Mrs. Miller; Mrs. Harper, Mr. Hafenbreidel. **Others present:** Jim Kaletta; Councilwoman Carey; Gary Harrell; Commissioner Deutsch; Scott Brady; Dave Gammon; Mark Kistler; Frank Rodriguez; Councilman Cummings; Richard Pitz, others from the private sector and a member of the press.

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5. Citizen’s Input

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Councilman Jaha – Spoke in support of the Intrepid Aerospace project. He commented that approximately a year ago he was contacted regarding a company that was licensed to do limited frame maintenance services, that they were looking to expand into the area, and that he opines it will benefit the region to have an MRO facility at the Airport. He commented that he met with the office of Economic Opportunity, who connected him with Space Florida, who would like to be involved with the Airport as they have an interest in doing anything outside of Brevard County, FL. He commented that it’s ideal to augment funds for building the full MRO facility through the Atlanta Economic Development Regional Office and Space Florida and that he’s spoke with Senator Albritton and Representative Grant regarding next years appropriation cycle. He spoke on a packet of information that he gave to the Board regarding an example of the placement benefit of a facility located in Lake Charles, Louisiana that has an Airport of similar size and location. He opined that the example is a very good model in terms of visioning how an MRO can be integrated into the Airport’s long-term plan and that he supports the Intrepid Aerospace project.

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40 **6. Additions and/or Deletions to the Agenda**

7. Employee Recognition

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On behalf of Gregory “Michael” Thames, Mr. Hafenbreidel accepted a five year of service award. On behalf of George “Donnie” Rawls, Mr. Laroche accepted a five year of service award. Both managers spoke highly of their employee.

8. Consent Agenda

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

9. Secretary/Treasurer’s Report

Mr. Parish reported that everything looks good, the budget estimates continue to be met, and that as expected, traffic has increased the past two months. He commented that an updated accounts receivables list has been provided and that everyone on the list has paid at least a portion of their overdue payments. Regarding the balance sheet, he commented that depreciation is being covered for the first time and that funds for building repairs and maintenance continue to rise. Commissioner Herston inquired if the Airport will reimburse a Commissioner when they attend a county function that involves a fee. Mr. Parish commented that it depends on what the function is as certain things that benefit the Airport are reimbursed but the political clubs are not. Commissioner Coppola commented that the County provided free tickets to the baseball game, which cost her \$10 to park, and inquired if the parking is covered. Mr. Parish commented that the best option to find that answer would be to ask the Auditor or Legal Counsel. Commissioner Herston inquired as to why the net non-operating expenses on the January income statement are \$1.4 million over budget. Mr. Parish commented that the Airport received a building at the end of its lease and that the \$1.4 million is the value of the building being added to the books. Commissioner Herston inquired why the February check register is showing a transfer of \$8.5 million dollars. Mr. Parish commented that money was moved, with each Commissioner’s signature, from SunTrust Bank to Centennial Bank. He commented that the Airport was receiving 1/10th of a percent in interest at SunTrust Bank and that the Airport is receiving approximately 2.4 percent through Centennial Bank in a government insured money market account. He commented that staff has unsuccessfully been working with SunTrust Bank for years to have the percentage increased. Attorney Carr commented that SunTrust Bank is being purchased by BB&T.

10. Liaison Reports

- a) **Punta Gorda City Council** – Commissioner Hancik reported that there is nothing relating to the Airport. Chair Seay inquired if there was anything related to pickleball. Commissioner Hancik commented that he read in the paper that someone had a stroke due to the pickleball noise at Gilchrist Park. Chair Seay commented that if the Airport had a pickleball court, no one would notice the noise.
- b) **Board of County Commissioners** – Commissioner Herston reported that he attended the City of Punta Gorda meeting, that there was a report from sound experts saying that the impact of the ball and paddle is what causes people stress and opined that the world needs a silent pickleball paddle. He commented that he doesn’t have a chance to attend the Board of County Commissioner meetings as they run long and that he has not heard or has knowledge of any areas of concern for the Airport.
- c) **Metropolitan Planning Organization** – Commissioner Andrews reported that he attended the March 25th MPO meeting that did not include anything Airport specific but did include issues pertaining to the County and its residents. He commented that all MPO’s are required to prepare a two-year Unified Work Plan, that the FY 2018-19 / FY 2019-20 plan was approved by the MPO in 2018 and that federal regulations govern the types of eligible activities for state funding. He commented that a motion to amend the MPO’s Unified Work Plan to reobligate \$39,500 from FY 2018-19 into FY 2019-20 carried. He reported on the TIP program, the 2045 Long-Range Transportation Plan, the consultant selection for the TDP update, and the Taylor Road Shared Use Path PD&E Study. He

commented that he attended the MPO-AC Institute and that the MPO has been a very enjoyable experience so far.

- 5 d) **Community** – Commissioner Coppola reported that the Charlotte Sun Newspaper wrote an article regarding PGD being the third fastest growing Airport in the United States, that there was a nice article in the “Viewpoint” section of the paper and that the GFWC Woman’s Club is searching for romance paperback novels to send to women soldiers oversea. She commented on her attendance at the Charlotte-Desoto Republican Club, Peace River Republican Club, Republican Executive Committee, an Economic Development luncheon, her tour of a sewer treatment plant, free tickets she received for the Charlotte Baseball Park, the Republican Women’s Forum, Piper Road Ribbon Cutting, Sheriff’s award luncheon, the Thunderbirds reception at AirTrek, and that she celebrated her birthday by visiting Painting With a Twist and the Escape Room in Punta Gorda.
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- 15 e) **State Legislation** – Chair Seay reported that she and Mr. Parish went to Tallahassee to speak with representatives and FDOT, including Aaron Smith and Nick Harwell to discuss current and future projects that might qualify for funding. She opined that it was a very productive meeting and that FDOT is now aware of many projects that will be going on in the future. She reported that they met with Senator Albritton, Representative Michael Grant, Dana Young from Visit Florida, Enterprise Florida, and Jerry Paul, whom were all impressed with the article from the Charlotte Sun Newspaper, to discuss expectations from the legislation delegation. She commented that legislation has given every indication that they will be supportive when the Airport is in need of their assistance for Master Plan projects, mostly due to their being a return on investment. She spoke of her experience regarding the trip to Tallahassee on Silver Airways and opined that the Airport should look at intrastate flights out of PGD.
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11. Attorney’s Report

- 30 Attorney Carr report that most matters have been closed out, except for one land acquisition for the property North of runway 22. He reported that he has been in discussion with DOT and Charlotte County regarding closing Pelican Road, that he is working on the subleasing of the WMU property, and that there is no pending litigation. Mr. Parish commented that there may be one pending litigation regarding rodents. Attorney Carr commented that a customer has threatened to call their lawyer regarding a \$220 repair bill for rodent damage to their vehicle that they allege occurred on Airport property. He commented that he has not received a lawsuit for the matter yet. Commissioner Coppola inquired if there are any fruit trees on the property. Chair Seay commented that rodents do get into palm trees. Commissioner Herston inquired if the closing of Pelican Road extends out to Country Road. Attorney Carr commented that it does not as it’s just a portion that runs along the IDA property and opines that he doesn’t think the road has ever been dedicated as an operational road.
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12. CEO’s Report

- 45 a) **Development Update** – Mr. Parish reported that the runway 22 RPZ property acquisition total land cost was negotiated down from the appraised value, a developers agreement is being worked on for the runway 15-33 RPZ, staff is working on the budget for the GA facility as it is currently over budget, the runway 15-33 and wetland mitigation phase one bidding advertisement will go out Friday, construction design for replacement of Building 207 is ongoing, that the roadway network improvements, terminal curbside and long-term
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parking are still in the development phase and T-hangar door replacement installation is complete. He commented that the air carrier ramp and pavement sweeper close out reports were submitted in October, but quarterly reports are still being submitted as required and the Master Plan is completed as the EA was approved and ALP was signed. He commented that the PFC Application is in process as the hold up was the approval of the EA and that the CFC charge will go into effect next month. Commissioner Herston commented that there was a typo on the front page of the project report packet and inquired as to the total amount of land for the runway 22 RPZ property acquisition as there are two different amounts in the project description. Mr. Parish commented that the Airport requires a 45.3-acre acquisition but is acquiring additional property for a total of 60 acres. Commissioner Herston inquired which SWFM MD permit is described under the report for the General Aviation Facility. Mr. Parish commented that the Airport has a master drainage permit which generally allows only modifications to the existing permit, but with the GA center, a full submittal is required. Commissioner Herston inquired if Airport Road listed within the Roadway Network Improvements is the same as Airport Road on the other side of Piper Road. Mr. Parish commented that it is Viking Ave until it comes into the terminal area and changes to Airport Road. He commented that Airport Road on the east side of Piper Road does not line up with Airport Road on the west side of Piper Road. Commissioner Herston inquired as to the distance to line them up. Mr. Parish commented that it's over 600 feet and that it does line up with Cheney Way. Commissioner Herston commented that the back page is hard to read, confirmed that the total is \$81 million, and inquired if there are any CFC's for 2022 or 2024 as they aren't listed on the chart on the back page. Mr. Ridenour commented that staff has identified initial projects and that the plan is to begin collecting the CFC charge, hire an engineering firm, sit down with the rental car agencies to discuss the projects, and then develop the capital improvement program for the CFC funds. He commented that he is estimating that the chart will be updated around July.

b) Marketing Update – Mrs. Miller reported on the many positive articles that have been written and news stories recorded regarding the economic impact study, reviewed the marketing report, and discussed the upcoming Congressional Art Competition and Aviation Appreciation Day. Chair Seay spoke of Mrs. Miller's good work. Commissioner Coppola commented that the Flybrary is a fantastic asset. Mr. Parish inquired how many books the library system reported they restocked so far. Mrs. Miller commented approximately 1,000 books and magazine in the past two (2) months and reported that she does have copies of the economic impact study if anyone would like one. Mr. Parish commented that the economic impact study is on the Airport's website and on FDOT's website. Commissioner Herston inquired as to who the webmaster for the Airport is. Mr. Parish commented that Mr. Montoya changes the coding and Mrs. Miller and Ms. Hendren keep it updated. Commissioner Andrews commented that Mrs. Miller does great work.

c) Aviation Report – Mr. Mallard reported on passenger counts, fuel sales and gallons pumped, aircraft ops, and hangar vacancies.

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14. New Business

a) Personnel Policy – No Smoking Section – Mr. Parish commented that he would still like to maintain a Smoke-Free Workplace but would like to eliminate the full no-smoking

5 requirement as it has become very problematic to the hiring process. He commented that many companies are changing their policies as they are also having problems hiring non-smokers. Chair Seay commented that she does understand the reasoning behind it as smoking is legal. Regarding the section stating smoking is prohibited on any area controlled by CCAA, Commissioner Herston inquired if there is any area on Airport grounds that CCAA does not control. Mr. Parish commented that the Airport does not prohibit smoking for anyone other than employees, who are not allowed to smoke anywhere at the Airport, including at the ARFF Station. **Commissioner Herston motioned to approve the update to the Smoke-Free Workplace Policy. Commissioner Andrews seconded. Motion passed unanimously.**

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b) **Megal Corporation LOI** – Mr. Parish commented that Megal Corporation has been working within the county for many years attempting to find a site, that about a year ago they viewed many locations on Airport property, and that they have now presented an LOI to lease land. He commented that there are a few provisions within the document that he is working through with the Airport’s FAA Attorney to ensure FAA lease requirement are met. He commented that the lease would include a 12-acre site for \$1.50 per square foot, that 8% of fair market value is approximately \$62,700 per year, which will increase through out the years. He commented that Megal Corporation would like to have the right to first refusal on additional land around the lake. Chair Seay confirmed that it’s the Nordell Pond and opined that it is a good use for the pond. Mr. Parish opined that the area could develop into an industrial complex. Commissioner Herston inquired if there’s water quality in that area. Mr. Parish commented that there was prior approval from SWFM MD to use the pond. Commissioner Herston inquired as to the monthly rent amount for the first 20 years. Mr. Parish commented that the annual rent is \$62,726 for the first five years. Commissioner Hancik commented that Mr. Parish is asking for the Board to execute a lease that does not yet exist and opined that the final lease should be placed for review by the Board. Mr. Parish commented that once the lease is finalized, a survey has to be performed and that the idea was to have that completed within the next 30 days so Megal Corporation can begin their permitting. He opined that the lease can be approved during a special meeting or an emergency meeting in the future. Commissioner Hancik commented that he’d rather utilize the option to approve the lease during a special or emergency meeting. Chair Seay agreed. Commissioner Herston inquired if there should be a consumer price index. Mr. Parish explained the rate increase. Commissioner Hancik opined that the proposed cost of the land lease appears accurate. **Commissioner Hancik motioned for staff to move forward with lease negotiations based on the LOI provided by Megal Corporation and Board comments, as well as to hold an Emergency Meeting to approve the final lease. Commissioner Herston seconded.** Commissioner Coppola confirmed that Attorney Carr will review the final lease documents prior to the Emergency Meeting. **Motion passed unanimously.** Commissioner Hancik opined that the business would be a great addition to the Airport.

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c) **Intrepid Aerospace LOI** – Mr. Parish commented that if the Board agrees, he can negotiate a lease based off the LOI provided by Intrepid Aerospace to bring a final lease back for approval at an emergency meeting. He opined that he would like to discuss the terms of this LOI as the terms are not as straight forward as the Megal Corporation LOI. He commented Councilman Cummings spoke of Intrepid Aerospace during Citizen’s Input, that Intrepid Aerospace would like to lease approximately 20-acres in the area of the General Aviation development where the old UPS site was, for a fairly large facility, and that they would like to build an approximately 160’ x 180’ temporary facility on

5 approximately 2.3-acres on the north ramp to allow their work to begin quickly. He discussed the conditions of the lease, including the lack of income for the first five years and the upfront cost of the Airport to build the site foundation and parking lot. He opined that over time, the Airport will make a return on profit and requested Board input as it is not a simple lease to negotiate. Commissioner Herston confirmed the dimensions of the site foundation and parking lot and opined that it does not seem like an issue to build and that he's concerned about the LOI listing the Airport will provide up to \$750,000. Mr. Parish commented that the Airport will only build the two things they're asking for, which is the site foundation and parking lot, and that it is not a blank check. Commissioner Hancik opined that he is concerned as he does not know who Intrepid Aerospace is and opined that the company should provide a presentation to the Board as they're asking for the Airport to spend money for their business. He inquired as to if the company is discussing bringing Airbus size aircraft in. Mr. Parish commented that Intrepid Aerospace has been marketing to airlines that have Boeing 737 or Airbus A320 aircraft, that the company is concerned about the availability of MRO space in the Miami area, and that the company has a current user that would like them to perform maintenance on a few MD-80 aircraft. Commissioner Hancik opined that it would be a great addition to the Airport. Commissioner Coppola commented that she would also like to know more about the company. Commissioner Andrews commented that he did some research about Intrepid Aerospace but would also like to know more and agreed that it would be a great addition to the Airport. Commissioner Herston inquired as to the status of the lease at the old UPS site. Mr. Parish commented that the company currently has a year-to-year lease on the site as they are developing a new facility on US 17. Commissioner Andrews inquired if the listed \$750,000 is a realistic figure. Commissioner Herston and Mr. Parish opined that it is way too high. Commissioner Andrews opined that if the cost will be that high, he'd like to see the up to amount lowered. Commissioner Hancik opined that the matter should be negotiated, Intrepid Aerospace should provide a presentation, and the final lease should be brought back for final Board review. Mr. Gammon spoke about the meetings leading to the LOI that he and Intrepid Aerospace have had with staff, the benefits of having the company in Charlotte County, and the urgency of construction. Mr. Rodriquez, the vice president of Intrepid Aerospace, spoke on his experience, background, and company history. Mr. Parish opined that he'd like to set up one-on-one meetings with individual Board members and Intrepid Aerospace to discuss concerns and that he strives to have a final lease to present during the first or second week of May. Commissioner Hancik opined that it would be better for the Board to hear collectively from Intrepid Aerospace, instead of one-on-one and that he would like to have a workshop to review numerous projects. Chair Seay opined it appears the Board is in agreement to welcome Intrepid Aerospace. Commissioner Coppola confirmed with Mr. Rodriquez that the company consist of Mr. Rodriquez and two other partners. Chair Seay opined that she'd like to approve the concept, have staff proceed with negotiations and prepare a lease. **Commissioner Herston motioned to approve the concept and allow Mr. Parish to proceed with negotiations to present a lease to the Board. Commissioner Andrews seconded.** Commissioner Coppola confirmed that there will be time to review the lease prior to any Emergency Meeting. Chair Seay inquired if Mr. Rodriquez will be available if any Commissioner has questions regarding the lease. Mr. Rodriquez gave each member of the Board his business card so Board members can email him any questions. **Motion passed unanimously.** Mr. Parish requested that all Board members include him in any questions emailed to Mr. Rodriquez so he can ensure all concerns are addressed.

