

**CHARLOTTE COUNTY AIRPORT AUTHORITY**

**MINUTES OF REGULAR MEETING – MAY 16, 2019– 9:00 A.M.**

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**1. Call to Order**

**2. Invocation**

10 Commissioner 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. Ridenour; Mrs. Cauley; Mrs. Miller; Mrs. Harper; Ms. Straw; Mrs. Delph; Mrs. Pitter, Mrs. Smith. **Others present:** Jim Kaletta; Councilwoman Carey; Larry McClure; Gary Harrell; Commissioner Deutsch; Mark Kistler; Jeff Tuscan; Paul Piro; Jerry Paul; Jim Williams; Steven Henriquez; Gary Bayne; Lionel Schuman; Richard Pitz, others from the private sector and a member of the press.

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**5. Citizen’s Input**

25 **Larry McClure** – Read a letter to the Board that he wrote on behalf of EAA 565 to compliment all the work and effort staff put in for Aviation Appreciation Day.

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

30 Mr. Parish moved Mr. Jerry Paul (agenda item 10f) and the Audit Presentation (agenda item 14a) up on the agenda to before the Secretary/Treasurer’s Report (agenda item 9).

**7. Employee Recognition**

35 Ms. Desguin presented Glenn Keller with a Five Years of Service Award. Mr. Keller spoke highly of the time he’s spent so far as a CCAA employee.

**8. Consent Agenda**

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

**9. Legislative Update (listed as 10f on agenda)**

45 Mr. Paul reported that the Aviation Work Program was funded at over \$260 million, that 3,600 bills were filled this year with 197 passing and that \$500,000 was received for the local Firefighter Training Facility. He commented that there were no aviation fuel tax bills, concealed weapons bills affecting Airports or drone related bills. He reported that the Airport Liens bill passed, and the Emotional Support Animals in Public Airports bill did not pass. He  
50 commented that Chair Seay and Mr. Parish’s visit to Tallahassee was successful, the collaboration with Florida Airports Council (FAC) is effective, and the Airport’s standing with local delegation and key members of the House and Senate Transportation Committee is

strong. Chair Seay inquired if Mr. Paul thought it would be a good time for the Airport to look at priorities to see if there's any items that the Airport would like to seek funding for. Mr. Paul opined that it would be a good time to look at seeking funding between now and August. Chair Seay commented that she'd like to schedule a meeting with Mr. Paul, Mr. Parish and herself to discuss priorities to bring to the Board. She thanked Mr. Paul for the hard work that he's put in for the Airport. Mr. Parish commented that he is aware that Mr. Paul pushed to eliminate the sales tax on aircraft, that it did not pass the committee, and inquired what needs to be done on the Airport and FAC's side to ensure it passes. Mr. Paul opined that it needs to be pushed higher on the list of priorities for FAC and individual Airport's and suggested putting it on the agenda as the legislative delegation hearing approaches. He commented that the hearing is not scheduled yet but predicts it will be late September or early October as the legislative session is earlier this coming year and that he'd be glad to sit down with Chair Seay to discuss appropriations request. Commissioner Coppola inquired as to the benefits of not having sales tax on aircraft. Mr. Parish commented that majority of aircraft sales are performed in states without sales tax and that the upgrade of avionics and interiors are often performed in the state in which the aircraft is purchased. He commented that if the aircraft sells in Florida, that work can be performed within state. Mr. Paul opined that there needs to be a better job done in distinguishing the aircraft sales tax and the aviation fuel tax as they are items that are easy to get confused if you don't often deal with Airports. Commissioner Coppola inquired if legislatures are aware that the Airport is the third fastest growing airport within the US. Mr. Paul opined that the most enduring point and lasting image that Chair Seay and Mr. Parish left in Tallahassee was the return on investment from the Airport to state revenues.

#### 10. Audit Presentation (listed as 14a on agenda)

Mr. Tuscan presented the audit presentation for FY 2017-2018. He reported that this was the first year required for auditing the PFC and that slightly over \$1.5 million was collected in the FY. He reported that there was one compliance instance found due to two items not having proper asset tags. He reported on cash and investments, liabilities, net assets, and operating activities. Commissioner Herston commented that Mr. Tuscan did a good job. Mr. Tuscan commented that he'd like to remind the Board the Management's Discussion and Analysis (MD&A) is written by staff, reviewed by Tuscan & Company for validity, and is not allowed to use any accounting terms while comparing this FY to the last FY. He commented that due to changes in OPEB, the audit is being presented later in the year as it takes additional time. Commissioner Herston inquired if the compliance issue with asset tags was corrected. Mr. Parish commented that the audit was performed in the middle of a new barcode system being implemented, which resulted in two out of the tested 25 assets not being tagged at that point. Mr. Tuscan commented that asset compliance is tested every year and that this is the first year it wasn't in compliance due to the transition. Commissioner Hancik inquired what Mr. Tuscan felt was a comfortable net cash position to maintain from an Auditor's standpoint. Mr. Tuscan commented that it is the most asked and most difficult question to answer as every government is different. He suggested that one small benchmark is to have three months of operation cost including depreciation, in addition to an emergency reserve and opined that the question should be referred to management to view future estimated cost. He opined that he encourages building reserves so there can be an option to improve, replace, and/or operate normally during a disaster. Commissioner Coppola thanked Mr. Tuscan and opined that building reserves is very important. Commissioner Herston inquired if Mr. Tuscan opined that the Airport is the strongest financially that it's ever been. Mr. Tuscan opined yes. Chair Seay thanked Mr. Tuscan and staff for their work. **Commissioner Coppola motioned to approve the audit as presented. Commissioner Hancik seconded. Motion passed unanimously.**

## 11. Secretary/Treasurer's Report

Mr. Parish reported that many listed on the account's receivables sheet have paid a large sum or their balance in full and that the Airport is slightly ahead on the budget.

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## 12. Liaison Reports

a) **Punta Gorda City Council** – Commissioner Hancik reported that he attended the City Council's May meeting and that aside from a language change to the Airport Overlay District, there was nothing of major importance to the Airport.

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b) **Board of County Commissioners** – Commissioner Herston reported that he was not aware of any controversial issues, there has been an increase in impact fees, and Charlotte County Utilities has increased utility rates.

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c) **Metropolitan Planning Organization** – Commissioner Andrews reported on the updates to the Transportation Improvement Program (TIP), 2019 project priorities, and the 2045 Long-Range Transportation Plan. Commissioner Coppola inquired if the MPO discussed adding more roundabouts on Edge Water Drive. Commissioner Andrews commented that they did not.

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d) **Community** – Commissioner Coppola commented that Aviation Appreciation Day was wonderful and that she attended the Republican Women's Luncheon, Economic Development Partner Luncheon, Women's Club of Port Charlotte, the Flybrary introduction, Congressional Art Competition, and Republican Executive Committee Meeting. Commissioner Andrews commented that the students that submitted artwork for the Congressional Art Competition are very talented and confirmed with Mrs. Miller that anyone can donate books to the Flybrary.

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e) **State Legislation** – Chair Seay commented that a legislative update was provided by Mr. Paul earlier in the meeting.

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f) **Jerry Paul (Moved up)**

## 13. Attorney's Report

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Attorney Carr reported that there is no pending litigation, that all tenants that were behind in taxes have either paid or worked out arrangements, and that he will be monitoring to ensure the arrangements are complied with. He commented that his firm continues to work on the land acquisition for the property North of runway 22.

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## 14. CEO's Report

a) **Development Update** – Mr. Parish reported that staff is working on the second PFC application, that he's hoping for approval early or mid-summer to ensure the Airport does not run out of authority to collect and reported that he was successful in having the ILS cost deemed refundable. He commented that the GA terminal and apron project was pushed forward due to the one-billion-dollar supplemental funding but unfortunately, the Airport is not on the initial list to receive those funds, that he's searching for different routes to fund the project and that he'll bring it back to a future meeting with more details

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to discuss. He commented that the land acquisition process is in phase two as there was an old diesel tank found on the property. Commissioner Coppola inquired if the tank was full. Mr. Parish commented that it couldn't be determined. Attorney Carr commented that the problem with the tank is that it is abandoned, and no one knows when or if it's leaked. Commissioner Coppola inquired if the testing to determine that is expensive. Mr. Parish commented that phase two is \$6,000 and that phase three, which would be the cleanup, could be very expensive but would be the seller's responsibility. He commented that regarding the one-billion-dollar supplemental funding, he is going to reach out to the three Airport's listed to see if they're ready to accept the funds to determine if the initial list will be adjusted. He commented that the projects funded were a majority of high priority projects, even though it was originally listed for the funds to go to low priority projects. Commissioner Coppola inquired if the Airport is allowed to challenge the list. Mr. Parish commented that you cannot challenge the list, but he will be putting in an inquiry to see where the Airport ranked for the funding. Commissioner Herston inquired if the seven projects listed under CAP 0095-0101 are all commencing this year. Mr. Parish commented that those projects are all dependent on funding. Chair Seay inquired as to when the rehabilitation of runway 15-33 will require shutdown of the runway. Mr. Parish commented that runway 15-33 will be shut down for nine to ten months, the entire Airport will be shut down for three to five 30 hour periods with advance notice, and the plan is to extend runway 15-33 enough that it will not have to be shut down as much during the rehabilitation of runway 4-22. Chair Seay inquired as to the time frame for the shutdown. Mr. Parish commented that construction is expected to begin in November.

**b) Marketing Update** – Mr. Parish commented that there was a lot of good media coverage last month and that he hopes the Congressional Art Competition will continue in the coming years. Mrs. Miller commented that she hopes the program will grow through out the years. Commissioner Coppola commented that she'd be happy to visit local high schools to promote the program next year. Chair Seay opined that it is always a wonderful thing for the students to be encouraged.

**c) Aviation Report** – Mr. Parish reported that Mr. Mallard is in Washington D.C. attending the Contract Tower Workshop on his behalf. He commented that due to Allegiant's fleet transition, passenger numbers for August and September may fall below the previous year's numbers and that the budget for FY 19-20 will be based off flat growth for airline traffic unless notified otherwise. He commented that next month, Mr. Mallard, Mrs. Miller, and himself will be attending the ACI-NA Jumpstart Conference to meet with other airlines. He reported on fuel sales and gallons pumped, aircraft ops, and hangar vacancies.

**d) Leasing Update** – Mr. Parish reported that he is still negotiating the two leases from last month's agenda. He commented that Intrepid Aerospace has instead requested a five-year land lease with options on the site that include parking and hangar space and that Space Florida is interested in financing Intrepid Aerospace's equipment and possible future building if necessary. He commented that he is waiting on comments back from Megal Corporation regarding their lease and that there's two potential leases on the WMU facility, one being with Charlotte Technical College and another with AeroGuard Flight Training, who's working with Florida Gulf Coast University (FGCU) to create a training program. Chair Seay commented that AeroGuard has submitted a letter of intent (LOI), met with representatives from FGCU, and opined that having a flight school with that form of connection can be very beneficial and that Charlotte Tech does not need the hangar space as they won't be flying. Mr. Parish commented that the Charlotte Tech's preliminary

5 site plan fences the hangar area out, that staff will continue working with both parties, that multiple parties are interested in Building 210, and that Flight Fast Track is working to sublease Building 208 from Florida Southwestern. Attorney Carr commented that the County will be allowing the lease to terminate on the WMU property, which will allow the Authority to lease it to whomever. Commissioner Hancik confirmed with Mr. Parish that the location for Intrepid Aerospace's land lease is the same as the initial request. Mr. Parish commented that Intrepid Aerospace would like to have both phases, with phase two listed on the north side of the property, listed within their lease.

- 10 e) **FAC 2019** – Mr. Parish commented that the Florida Airport's Council (FAC) has released their registration packets for the 2019 conference in Fort Lauderdale, FL. Chair Seay inquired as to the dates of the conference. Mr. Parish commented that the conference will be held from August 4<sup>th</sup> to 7<sup>th</sup> and that Ms. Hendren has registration packets for those who wish to attend. Chair Seay inquired as to when the approval for travel will be needed. Mr. Parish commented that due to the new travel policy, no approval is required as long as it fits into the budget.

20 Mr. Parish commented that his Leadership Charlotte 2019 class is holding a fundraising event called Havana Nights on June 8<sup>th</sup>, from 6 PM to 11 PM at the Fair Grounds. He commented that tickets are \$75 per person and that he has additional information for those who wish to attend.

## 15. Old Business

## 25 16. New Business

### a) **Audit Presentation (Moved up)**

- 30 b) **Move Budget Workshop** – Chair Seay commented that the current budget workshop is currently scheduled for 9 AM on Thursday, August 1<sup>st</sup> but Mr. Parish is out that week, resulting in a suggestion to move the workshop to Thursday, August 8<sup>th</sup> or Friday, August 9<sup>th</sup>. Chair Seay opined that she'd like to move it to Friday, August 9<sup>th</sup> if possible. Attorney Carr commented that he will not be able to attend that day and opined that he doesn't need to be there for budgeting. **Commissioner Andrews motioned to move the Budget Workshop from Thursday, August 1<sup>st</sup> at 9 AM to Friday, August 9<sup>th</sup> at 9 AM. Commissioner Herston seconded. Motion passed unanimously.** Mr. Parish commented that staff will be working on the budget earlier as he and Mrs. Cauley will both be on vacation and requested that the one-on-one meetings be held two weeks prior to the meeting schedule. Attorney Carr commented that if legal coverage is needed, he can send another attorney but opined that legal coverage may not be required. Mr. Parish commented that it can be discussed later.

- 45 c) **General Aviation Center Restaurant RFP** – Mr. Parish commented that previously, the Board has not reviewed nor approved Request for Proposals (RFP's) and that he's doing so now to ensure the Board is comfortable with the material. He opined that he would like a company to build out the space and operate seven days a week within the General Aviation Center. He commented that it is a lot of information, that there are still dates to fill in, and that he's waiting for the General Aviation Center to be progressing before the RFP is released. Commissioner Hancik inquired if there is any advanced interest. Mr. Parish commented that there is information on the FlyPGD website about it, that many

local restaurants are interested, and opines that it may be a combination of a local and national restaurant when complete. Chair Seay opined that the RFP information looked great and confirmed that there was no motion needed for the agenda item.

- 5           **d) Ground Transportation Concession RFP** – Mr. Parish opined that he would like to Board to concur on the idea before moving forward. He commented there are multiple ground transportation providers currently at the Airport and opined that due to this, it's difficult to ensure that each provider is presenting themselves in the matter requested by the Authority. He commented that he's spoke with other Airports, that most are changing to utilize a single provider and that it does still allow those taxi companies with single cars to work under the umbrella. He commented that Mrs. Pardal, who is the terminal manager, Mr. Mallard and himself all opine that one provider would be the best option and that the cost of service would remain the same. Commissioner Andrews commented that he sees the option as a positive idea. Mr. Parish opined that it will be positive for the passengers and staff. Commissioner Coppola confirmed with Mr. Parish that there is a code of conduct required for the taxi companies. Commissioner Hancik opined that there may be a lot of independent operators disagree with the idea. Commissioner Herston inquired as to what would happen if he calls for an Uber after a flight. Mr. Parish commented that Uber picks up in the short-term parking lot and that the Authority has a contract with the company, which includes the fee of \$3 per ride. He discussed the previous issues that have occurred between the many different independent taxi providers on site. Commissioner Herston inquired as to how switching to one provider would stop the issues. Mr. Parish commented that all drivers would be working for the same provider and that if the issues are not resolved, it allows staff to have one person to direct the issue to instead of multiple different people. The Board agreed that the RFP was a good idea.

## 17. Citizen's Input

- 30           **Lionel Schuman** – Congratulated the Board and staff for the wonderful and clear audit presentation, discussed how wonderful Aviation Appreciation Day was, opined that the Airport does wonderful things for the community and wished the Board a happy summer.

## 18. Commissioner's Comments

- 35           **a) Aircraft Hanger Development** – Mr. Hancik opined that a lot of problems are being solved by moving the General Aviation Center, but he does not see a firm commitment from the Authority to review a hangar development program. He commented that the hangar waitlist is 61 people long and opined that the lack of hangar space is not being addressed as it should be. He opined that if nothing else, a site should be prepared for future hangars when the General Aviation Center is built as there will be a contractor onsite with knowledge of doing so. He commented that the Airport generates approximately \$770,000 per year from current hangar rentals and opined that using that income source to finance new hangars would result in new hangars being paid in full in three to five years. He opined that he would like the Board to direct staff to develop a program to build hangars and that all surrounding Airports are currently building hangars as there is a demand. Chair Seay commented that some income from hangar rentals is used for the maintenance on the buildings and inquired if Commissioner Hancik would be willing to assemble a development plan with Mr. Parish to bring back to the Board. Commissioner Hancik commented that the engineers should be assembling a plan as they should be familiar with that type of plan and that the Airport does not have hangars to

accommodate the medium twin type aircraft. Chair Seay inquired if that is the main aircraft type on the hangar waitlist. Commissioner Hancik commented that the type of aircraft is all over the place. He opined that he isn't sure how many businesses or corporations in the immediate area are in need of an airplane and that if they do need one, they would have  
5 no place to store it. Commissioner Andrews inquired as to what is driving the other Airports to build hangars. Commissioner Hancik commented that it is demand. Commissioner Andrews inquired as to where the demand is coming from. Commissioner Hancik commented that it comes from local residents and retirees moving south. Mr. Parish commented that he has spoken to Fort Myers and Naples Airports who are both  
10 replacing old hangars that will be torn down, that Venice Airport is building new hangars, and that he is hesitant to move forward with new development as DOT has cut back on funding for hangars. He commented that there will be drainage incorporated in the General Aviation Center plan to go around the area north of the 600 hangars to allow further future development for T-hangars. He commented that Sarasota is paying approximately \$75,000  
15 per unit, which rents \$600-\$700 per month, to replace hangars, which does not include the cost of site development. He commented that when he spoke previously with private developers about building new T-hangars, he was told the developers could not compete with the Authority's current T-hangar rates. Commissioner Hancik opined that what he's hearing is that there is no interest in pursuing additional hangars at this time. Mr. Parish  
20 commented that he does have a large amount of interest in pursuing additional hangars. Commissioner Andrews commented that he is interested but he would like to explore the matter further. Commissioner Hancik opined that AECOM, who is moving building 207, should be tasked with developing a cost for building a series of hangars and opined that with Sunseeker being built, more corporate airplanes will be flying into the Airport. He  
25 opined that the cost to build hangars is expensive but existing revenues can be used to build them. Commissioner Coppola inquired as to how many hangars Commissioner Hancik would like to build. Commissioner Hancik commented that it depends on how many people on the waitlist are willing to supply a payment of \$2,000, or another set number, to hold a hangar and that \$75 is too low for a hangar waitlist fee. Chair Seay  
30 opined that asking whether those on the waitlist are willing to wait for a hangar or pay X amount of dollars for a brand new one would be a beneficial survey. Commissioner Hancik opined that the program should be in place before contacting those on the waitlist. Commissioner Herston opined that it might be a good idea to have Attorney Carr involve Attorney Hackett in the matter. Mr. Parish commented that he is more than happy to work  
35 with Attorney Carr on the matter, that they have discussed it before, that they have a format for taking larger deposits, that the area is laid out on the Master Plan, and that moving forward with the design of 24 new hangars is not a significant engineering task. He commented that if the Board's desire is to have the cost of hangar development, he can task an engineer with putting it together. Commissioner Andrews inquired what the  
40 anticipated cost of rent would be. Commissioner Hancik commented that it depends on what the build cost is and that hangars in Venice are approximately \$550 per month. Mr. Parish commented that the Authorities cost of hangars is significantly cheaper than the surrounding areas. Commissioner Hancik opined that low rental rates tend to work against T-hangar development and opined that he doesn't understand why rent was recently  
45 decreased by \$25. Chair Seay commented that rental rates can always be increased. Commissioner Hancik commented that the new leases have an automatic escalation clause and opined that rates will be back to \$300 per month shortly. He opined that the Authority is not addressing part of the responsibility required to the general aviation members. Commissioner Herston commented that he agrees with Commissioner Hancik regarding  
50 the need to build hangars. Commissioner Coppola inquired if during the FAC conference,

Mr. Parish could receive information from other Airport Directors regarding their hangar occupancy. Mr. Parish commented that he has that information for the surrounding Airports and opined that having project developments ready for future use is always a good idea. He commented that if the Board agrees, he will bring back a task order for a consultant to do a design on at minimum, a T-hangar row. Attorney Carr opined that it is known that there is no desire for buying T-hangars as the marketing of the second phase for the Through the Fence hangars went nowhere and commented that when the Authority went out for a public bid for hangars, the developers made it known that they could not build the hangars for what the Authority wanted to rent them for. Commissioner Herston opined that the rent cost should not control whether or not the Authority builds hangars. Chair Seay commented that the Authority has to be able to afford the building cost. Commissioner Hancik commented that there is \$12-\$14 million dollars in the bank and that there is ample money available to build hangars as the cost will be rebuilt by growth. He commented that the Authority should be able to provide a reason to the general aviation members as to why new hangars aren't being built. Mr. Parish commented that the project can be put out to bid again and that he will task one of the engineers with the work to bring back to the Board next month.

**b) Public Private Partnership** – Chair Seay commented that Mr. Mallard previously provided the Board with information on public private partnerships and opined that there are things the Authority should be exploring on better utilizing current assets. She commented that in the future, she would like to provide information on what other Airport's are doing in terms of public private partnerships, including the good and bad side. She gave examples of potential opportunities and inquired if the Board would be willing to discuss the matter further if she provides more information in the future. Commissioner Andrews opined that the Board should look at the opportunities. Chair Seay commented that she will send Mr. Parish more information. Mr. Parish requested that Chair Seay also sent the information to Ms. Hendren.

**Commissioner Coppola** – Commented that someone inquired to her about building a storm shelter on Airport property and that Mike Grant told her that it would have to be approved by the FAA. She opined that a shelter at the Airport would be more accessible than the Babcock Ranch shelter for those residents in Punta Gorda or in downtown Port Charlotte. Mr. Parish commented that through research, he found that the American Red Cross does not like to co-use facilities that are important for recovery or getting back to normal after a disaster as some shelters can continue in use for months after a storm. He opined that a hangar facility is not good for use and that it would have to be a specific building on the Airport, which also requires the parking, and is unsure that there is space within the Master Plan as that idea was not looked at during the process. He commented that Babcock Ranch is utilizing approximately 25 acres for their shelter and that it's dual purpose will be a community building. He opined that to build a shelter of that size on the Airport, there would have to be additional community support from the County or City and that fair market value rent would be charged for the land to the entity that builds the shelter. He opined that the lack of approved shelters within the County is an issue and that he is not against looking into a partnership to build a shelter. Commissioner Coppola inquired if the Airport can request State funds to build the shelter. Mr. Parish commented that the Airport is only eligible for 50% funding and that an additional party would have to obtain the other 50% of funding.

**Commissioner Andrews** – Thanked everyone for attending.

**Commissioner Hancik** – Thanked the Board for listening to his concerns.

5 **19. Adjournment**

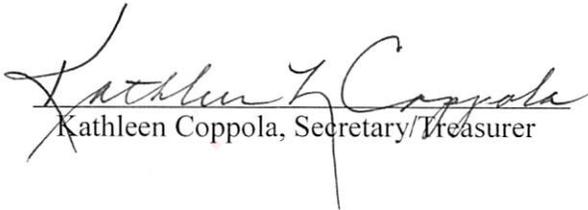
Meeting adjourned at 11:03 a.m.

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Pamella A. Seay, Chair

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Kathleen Coppola, Secretary/Treasurer