

CHARLOTTE COUNTY AIRPORT AUTHORITY

MINUTES OF REGULAR MEETING – SEPTEMBER 19, 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, Coppola, Hancik and Herston; CEO Parish; Attorney Carr; Ms. Hendren; Mr. Ridenour; Mr. Mallard; Mrs. Cauley; Mr. Payne; Mrs. Harper; Mrs. Delph; Ms. Desguin; Mr. Laroche; Mrs. Miller, and Ms. Pedigo. **Others present:** Jim Kaletta; Mark Kistler; Councilwoman Carey; Gary Harrell; Commissioner Deutsch; Stan Smith; Traci Jacobs; Richard Pitz; David Gammon; Deborah Ederer; Mike Mapstone, others from the private sector and a member of the press.

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5. Citizen's Input

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Jim Kaletta – Thanked staff for their assistance with finding an available hangar to store the Civil Air Patrol (CAP) aircraft that needed to be moved out of the way of Hurricane Dorian. He reported that CAP deployed to the Bahamas and Puerto Rico to assist in the relief effort, CAP will be working Page Field's Aviation Day, the Cadets and Seniors will be taking courses to be certified in first aid, the Seniors are 75% IC certified, and that Harbor Patrol will begin October 1st.

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6. Additions and/or Deletions to the Agenda

35 Mr. Parish removed the Enterprise Leasing Company, LLC Lease from the Consent Agenda to bring back at a future meeting.

7. Employee Service Recognition

40 Mr. Parish congratulated Ms. Desguin for being the President Elect of the Charlotte County Society for Human Resource Management.

8. Consent Agenda

45 **Commissioner Andrews motioned to approve the revised Consent Agenda. Commissioner Hancik seconded. Motion passed unanimously.**

9. Adopt Budget Resolution 2019-02

50 **Commissioner Herston motioned to adopt Budget Resolution 2019-02 as presented. Commissioner Andrews seconded. Motion passed unanimously.**

10. Adopt FY 2019-20 Final Budget

5 **Commissioner Andrews motioned to adopt the fiscal year 2019-2020 final budget. Commissioner Herston seconded. Motion passed unanimously.**

11. Secretary/Treasurer's Report

10 Mr. Parish reported that most accounts listed as behind on the accounts receivable sheet are paid in full and the income statement shows that revenues and expenses are both above estimated. He reported that the total operating gain is above estimated and that there will be a decrease in parking revenue due to Allegiant pulling back flights. He opined that the decrease is a result of a lack of aircraft and pilots, that Allegiant just hired 100 pilots with aircraft deliveries on track, and that the Airport should be back to at least last year's passenger numbers by this coming summer. Commissioner Coppola inquired if the decrease is due to expansion. Mr. Parish opined that it is a result of the retirement of the MD-80 aircraft. Commissioner Herston inquired as to when day zero (0) is on the account's receivables sheet. Mr. Parish commented that the report is based on the first day of the month.

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12. Liaison Reports

- a) **Punta Gorda City Council** – Commissioner Hancik had nothing to report.
- 25 b) **Board of County Commissioners** – Commissioner Herston reported that the Board of County Commissioners held their second budget hearing and there was not a tax rate increase. He reported that there's flood insurance issues with FEMA that will affect the whole county, as well as issues with water quality and housing supply.
- 30 c) **Metropolitan Planning Organization** – Commissioner Andrews had nothing to report.
- d) **Community** – Commissioner Coppola reported she attended the REC meeting and thanked Mrs. Miller for the airport destination cards as they've been a benefit for her to hand out to the public.
- 35 e) **State Legislation** – Chair Seay discussed the articles she's handed out regarding Public Private Partnerships (P3's) and asked the Board to consider the positive and negatives of utilizing P3's for future projects. She reported that an email was sent out by Charlotte County Public Schools requesting support with their legislative agenda. She opined that the Board should consider a request to the legislator for funding in the amount of \$1.95 million to support the advancement of General Aviation on the north side of the Airport. She commented that the legislators are currently in Committee Weeks, the Legislative Delegation meeting is coming up soon and that she is working with Mr. Parish and Jerry Paul on a one-page summary of how the requested funds will be used. Commissioner Hancik inquired if the \$1.95 million is specific to any portion of the project. Mr. Parish commented that it has yet to be fully broken down but will most likely be dedicated to taxiway access to the north side with PFC and other state funds going into the remainder of the ramp area. Commissioner Hancik inquired as to what will happen with runway 9-27. Mr. Parish commented that the Airport will most likely rehabilitate runway 9-27 itself as it's hard to receive state funds for a runway and that he'd like to finish the development
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on the north side before runway 9-27 is completed. He reported that Mr. Ridenour has detailed reports on cost estimates for projects and believes the requested funds will go towards taxiway lighting, the taxiway extension and the two (2) access points. Commissioner Coppola inquired if the legislators have approved something like this before. Mr. Parish reported that they have as Sarasota Airport received \$3 million last year. He commented that it is important to consider where the \$1.95 million comes from as if it comes from FDOT, the amount will come out of the Airport's dedicated funds, resulting in other projects not being funded. Mr. Parish opined that he'd like the requested amount to be in addition to the economic development funding. **Commissioner Herston motioned to authorize CEO Parish and Chair Seay to work with legislative liaison Jerry Paul to draft a legislative request, to be presented at the upcoming Legislative Delegation meeting requesting funding in the amount of \$1.95 million for the purposes of development on the north side of the Punta Gorda Airport in support of the Master Plan goals relating to general aviation.** Commissioner Coppola inquired as to if the amount would need to be paid back. Mr. Parish commented that the request would be for a grant. **Commissioner Coppola seconded. Motion passed unanimously.** Mr. Parish reported that FAC is tracking the new CEI requirements which include the inability to use the same engineer that designed the project to perform construction administration and that it increases the cost of the project. He commented that Airports had an exemption that was pulled due to last minute issues on the Senate side, that the Senate is putting it back in and Representative Grant is assisting with finding a House sponsor. He reported that he is tracking a bill that allows elected officials to have guns at meetings and opines it violates other laws. He reported that FAC is going to begin weekly meetings and this year's priorities include aircraft sales tax exemption and sales tax rates.

13. Attorney's Report

Attorney Carr inquired if the Board would like him to cover the lease discussions during his report or wait until Old Business. Mr. Parish opined that since the leases will not be voted on, he'd like Attorney Carr to cover them now. Attorney Carr reported that most of his time has been devoted to the two (2) concurrent lease negotiates with AeroGuard and the School Board of Charlotte County and that the leases are not completed. He reported that during the School Board's workshop, it was disclosed that the preliminary meeting with the FAA is not until October and that they are progressing. He reported that the School Board was provided a draft of the proposed lease and should have it back to him later today or tomorrow. He reported that AeroGuard has concerns relative to quick termination and requested modifications. He opined that he has a working resolution associated that does not impact the School Board. He commented that the resolution involves allowing AeroGuard to terminate with a 180-day notice of cancellation to their lease once the School Board submits their formal application to the FAA. He reported that AeroGuard has also requested a shorter lease term and opines that AeroGuard has extreme high hopes for the number of students they can obtain. He commented that he will continue finalizing negotiations with AeroGuard and the School Board and that all other matters are calm. Commissioner Hancik opines that he disagrees with paragraphs B and C on page two (2) of the leases as he feels adjusting rents and space should be in the purview of the Airport Authority, not the Executive Director. He opined that on page 12, under Assignment and Subleasing, that there should be a very specific clause included that states neither tenant is to sublease the space for aircraft storage. Mr. Parish commented that both are master leases and that the change on page two (2) would require a change at a later Board meeting for approval. Attorney Carr commented that if there is a concern with Mr. Parish's scope of authority associated with a lease, it should be part of the Board's policy, not within

the lease document as the lease only sets the parameter between the Tenant and Landlord. Commissioner Hancik opined that it is not in the policy and it needs to be reviewed. Mr. Parish opined that the only modification that needs to be made to the lease is to include any changes must be approved by the Board as he will still have to negotiate the change. Commissioner Hancik opined that it should be brought to the Board as it's an addendum to the lease. Attorney Carr opined that the policy has previously been for Mr. Parish to negotiate the lease and then bring them to the Board for final approval. He opined that if there is a major modification of the lease, it would fall under the same process. Commissioner Hancik opined that he is okay with that but would like to eventually delegate away from staff handling matters that the Authority should be concerned with. He opined that on page 12, there should be a specific clause that states the lessee should not engage in the storage of aircraft. Attorney Carr commented the purpose associated with the operation of the premises is set forth in the early phases of the lease. Commissioner Hancik commented that he did not see that anywhere in the lease. Mr. Parish commented that any subleasing would have to be approved by the Authority. Commissioner Hancik opined that the Authority may not always know about the subleasing that is taking place. Mr. Parish commented that in that scenario, it would be a breach of the lease, just as if you sublet your T-hangar for more than you're paying. Commissioner Coppola inquired if Mr. Parish is notified when a tenant subleases. Mr. Parish commented that he is notified as the lease states that subleasing is subject to the Authority's written consent. He opined that he can only recall one previous time that a lease had to be modified. Commissioner Herston opined that on page 11, section 7.1 under III, Commissioner Hancik's concern is addressed. Commissioner Hancik opined that if the Board is satisfied with the language that he is okay with it, but he did want to draw attention to it as he has knowledge of subleasing default previously occurring. Chair Seay inquired if Commissioner Hancik is aware of a current default happening. Commissioner Hancik commented that he has knowledge of it in his previous experiences and opined that staff would never know of the default. Attorney Carr commented that he will add a subparagraph under section 1.1 titled Scope of Use that limits the property to the purpose of which it's intended. Commissioner Herston inquired as to why the School Board lease discusses years one (1) through five (5) and six (6) through ten (10) but under AeroGuard's lease, years one (1) through four (4) and five (5) through ten (10) are discussed. Attorney Carr commented that the years were completed off of their RFP responses. Commissioner Herston opined that the two (2) leases should be cleaned up regarding the sales tax as AeroGuard's lease list a sales tax of 7% and the School Board's lease only list that sales tax is included. Mr. Parish opined that it should be changed to say sales tax if applicable as the School Board does not pay sales tax, but it needs to be included in case a State law changes that allows it in the future. Chair Seay inquired if the organizations sign the leases within the next week if an emergency meeting will need to be held for approval. Attorney Carr commented that he anticipates changes and opines that it will not be ready within the next week. He opined that the commencement date can be prior to the approval date. Chair Seay inquired how that affects AeroGuard as they are looking at an October 1st start date. Attorney Carr commented that the signing and completion of each lease is separate and distinct, even though there is concurrent use of the property. He commented that Mr. Parish can grant AeroGuard access to the premises prior to the lease being signed and opines that an emergency meeting cannot be set today as he does not know when the lease will be signed and returned. Commissioner Hancik inquired if the Authority can allow AeroGuard to operate in advance of the lease and opined that he would only be concerned about their insurance. Attorney Carr commented that AeroGuard would like an address to recruit students as soon as possible and opined that they need access to the premises immediately for those means. Commissioner Hancik inquired if they can have access to the space without operating. Attorney Carr commented that the Authority can grant them access

for the purposes of set up or letting a student tour. Mr. Parish commented that the Authority has an indemnification form that is utilized to allow access to property. Commissioner Andrews opined that he does not see an issue with granting access for set up. Chair Seay inquired as to how that will affect AeroGuard's employees. Attorney Carr commented that he can work out an interim process to allow employees to set up the space through a Letter of Intent (LOI) and the Authority listed as an additional insured on AeroGuard's insurance policy. Commissioner Herston inquired if AeroGuard has a business license in place. Mr. Parish commented that they did not at the last check and that they still have to go through the process of getting the training facility through FAA at this location, which is a multi-month process. Attorney Carr commented that based upon his understanding from his conversation with AeroGuard, there will not be a student training under a part 141 approval for a minimum of two (2) months. Chair Seay inquired if the Board can approve the lease today if AeroGuard were to agree with the lease currently presented. Attorney Carr confirmed that it could be done but he has knowledge that AeroGuard will not be agreeing to the current proposed lease terms. He commented that if a final lease is negotiated and signed prior to October's regular meeting, an emergency meeting can be scheduled for the purpose of approving the lease. Mr. Parish commented that he and Attorney Carr will keep the Board updated moving forward.

14. CEO's Report

a) **Development Update** – Mr. Parish reported that the runway 15-33 project is moving forward. Chair Seay commented that she noticed the Airport was late on the SIS funding deadline. Mr. Parish commented that the application was submitted based upon FDOT requirements and that he was not informed there was a cycle deadline until after submission. He commented that this is only the second year the Airport has submitted for SIS funding. He commented that SIS is faster funding however, the funding request often exceeds the funding availability and if you request funds through SIS, if denied, you cannot put in the same request through JCIP. He reported that he is requesting funding for a quick fix project for a right turn lane from Piper Road to the main entrance road. He commented that the project was not far enough along prior to the deadline to be submitted. Commissioner Hancik inquired if there is going to be consideration during the relocation of Building 106 to build all or partial hangars for cabin class aircraft. Mr. Parish commented that there is not adequate taxiway access in that location for larger aircraft. Commissioner Hancik opined that access can be built and that there is no way currently for the Airport to accommodate the larger aircraft. Mr. Parish commented that the first 50 people on the hangar waitlist do not have cabin class aircraft, that there are ten (10) cabin class hangars being built in the first phase of the General Aviation expansion and opines that building larger hangars in an area designed for smaller aircraft would complicate development.

b) **Marketing Update** – Mrs. Miller reported on the Airport's story within the Business View Magazine, spoke about the upcoming EDP rounds, and her marketing report. Chair Seay commented that Charlotte County Tourism and the City of Punta Gorda do not advertise in the Business View Magazine and encouraged them to do so.

c) **Aviation Report** – Mr. Mallard reported on passenger counts, fuel sales and gallons pumped, aircraft ops, and hangar vacancies. Mr. Parish reported that he and Attorney Carr agreed to modify the waitlist so that if you do not take the hangar when it is your turn, you have to reapply as opposed to being dropped to the bottom of the list. Commissioner

Andrews inquired as to approximately how many vacancies the Airport experiences in a month. Mr. Parish commented that there's approximately two (2) vacancies per month.

- 5 d) **Leasing Update** – Mr. Parish reported that he is negotiating a lease with Megal Corporation as they have an issue with the revisionary clause and that he doesn't think there's anything that can be done aside from explaining to them why it exists.

15. Old Business

- 10 a) **AeroGuard Flight Training Center Lease** – Discussed during agenda item 13. Attorney's Report.
- b) **School Board of Charlotte County Lease** – Discussed during agenda item 13. Attorney's Report.

16. New Business

- 20 a) **Move October 2019 Regular Meeting** – Mr. Parish commented that he would like to attend FAC's State Legislative Fly-In on October 16th and 17th, that pushing the Board meeting a week would conflict with Attorney Carr's schedule, and that he and Mr. Mallard will be unavailable for meeting preparations due to their attendance at the Allegiant Conference if it is brought to the week prior. Chair Seay inquired if the meeting can be moved to October 15th or 18th. Mr. Parish commented that due to travel, the only option would be to hold the meeting on the morning of the 15th and that he'd have to leave by 10:30 am. Attorney Carr commented that it could be set on the 15th with only the AeroGuard and School Board leases being listed on the Agenda. Commissioner Hancik opined that the meeting can be run without Mr. Parish if staff is available for any potential questions. Mr. Parish agreed that Mr. Mallard can fill in for him on the 17th if the Board desires. The Board agreed to leave the meeting as set with Mr. Mallard filling in.

- 30 b) **Commissioner Hancik Travel Reimbursement Request** – Commissioner Hancik commented that his trip to AAAE in Boston was approved to exceed his travel budget and that as his budget was depleted, he paid to attend the FAC conference on his own. He inquired as to if the registration fee is still accounted for within travel expenses or charged to the education and training account. Mr. Parish commented that the registration fee is charged to a separate account but is still counted towards travel expenses. Commissioner Hancik opined that registration was not previously taken from the travel budget. Mr. Parish commented that it was previously against the total travel cost, but it was taken from the training budget, as opposed to the travel budget that's utilized for airplane tickets and things of that nature. Commissioner Hancik commented that he has requested reimbursement from FAC as he feels it's an investment in his continuing education. He opined that there shouldn't be a heavy focus on FAC by the Commissioner's and that they should look at exploring alternative conferences. Chair Seay commented that there are aviation law conferences that she would prefer attending instead of FAC. **Commissioner Hancik motioned to approve his reimbursement in the amount of \$1,291.13 for attending the FAC Conference in Fort Lauderdale, FL. Commissioner Herston seconded.** Chair Seay opined that approving the motion would set a bad precedent and commented that she will be voting against it. She reviewed the Board's steps to approving the Travel Policy, including the agreed upon individual travel budget of \$2,500 that was suggested by Attorney Carr after he researched what the County and other airports do for

5 their travel. She opined that each Commissioner needs to be personally fiscally responsible
and that it would not be appropriate to authorize the reimbursement. She acknowledged
that it is a benefit for Commissioner Hancik to sit on the Board, but she cannot approve
the motion. Commissioner Hancik commented that he was unable to bring the matter to
10 the Board prior to the Conference as there was not a July meeting and that he would have
gone regardless. Chair Seay commented that she agreed and that she would have had the
same argument in July. Commissioner Hancik opined that the Board should not arbitrarily
limit Commissioner travel to an amount. Commissioner Herston commented that he
15 registered for FAC but was unable to attend and that he is now being asked by the
accounting department to reimburse the Authority for the \$591 that was paid towards the
conference he did not attend. He opined that he would like his \$2,500 travel budget to
cover his \$591 in expenses as well as Commissioner Hancik's reimbursement of
\$1,291.13. Chair Seay confirmed with Mrs. Cauley that Commissioner Herston can
20 transfer his funds. Mr. Parish commented that no additional motion is needed if the Board
has decided the travel budget is interchangeable. Attorney Carr agreed. **Motion passed 3-
2 with Chair Seay and Commissioner Andrews voting no.**

c) **Runway 33 RPZ Developers Agreement** – Mr. Parish reported that the presented
25 Agreement is labeled draft as it is not signed but all parties are in agreement. He reported
that the Agreement allows the Authority to relocate Woodlawn Drive, acquire the property
necessary for the RPZ to extend runway 15-33, and that there is no money involved within
the Developers Agreement aside from survey work. Commissioner Hancik opined that the
parties responsible for negotiating and assembling the agreement did an excellent job.
30 Attorney Carr reported that Attorney Hackett, a skilled real estate Attorney, worked with
numerous individuals to assemble the agreement. Mr. Parish commented that there was a
Developer's Agreement completed when Woodlawn Drive was developed and that this
Agreement is much stronger than the previous one. Commissioner Herston commented
that he believes where the stormwater pond will be built is within an area that prohibits
35 excavations. Chair Seay inquired how that would affect the Agreement. Mr. Parish
commented that it is part of a stormwater treatment system that will be a benefit.
Commissioner Herston opined that he doesn't know how the County will handle the
situation and inquired why parcel A1 is depicted larger than the required RPZ. Mr. Parish
commented that the Agreement includes a small triangle of land that is not within the RPZ
40 to allow the Airport to control and own the entire parcel fee simple. Commissioner Herston
inquired if Woodlawn Drive and its existing location will be vacated. Mr. Parish
commented that the right-of-way will be vacated, and some existing utility easements will
remain. Commissioner Herston inquired as to who will pay for that. Mr. Parish commented
that it is all part of the runway extension project. Commissioner Herston inquired if the
45 new alignment will require a right-of-way plat map. Mr. Parish commented that it will
either be a plat map or construction and maintenance easement. Mr. Parish discussed how
drainage will reach the stormwater management pond through the easement and that the
current SFWMD plan does not show development in that area. Commissioner Herston
inquired as to how Woodlawn Drive will be handled as the relocation is planned through
50 a wetland. Mr. Parish commented that the rehabilitation will be included within the
runway 15-33 project and that the funding is accounted for. Commissioner Hancik
confirmed with Mr. Parish that the old Woodlawn Drive pavement will be removed.
Commissioner Herston inquired if as to the size of the stormwater management pond. Mr.
Ridenour commented that the size is not currently known as he's still awaiting the survey.
Commissioner Herston inquired as to how deep the excavations will be. Mr. Parish
commented that it has yet to be determined. Mr. Ridenour commented that the developer

is required to submit a design to the Airport for approval before beginning excavation. Commissioner Herston opined that there should be a royalty for each cubic yard excavated. **Commissioner Herston motioned to approve the CEO to execute the Developers Agreement upon final receipt of final survey data for the legal descriptions and Attorney approval. Commissioner Hancik seconded. Motion passed unanimously.**

d) Administration Building Build Out – Mr. Parish commented that the bids received were much higher than he'd like to pay and opined that the Board should reject all bids, allowing the Authority to negotiate directly with specific contractors to eliminate time constraints and reduce the cost. Chair Seay agreed with Mr. Parish's suggestion. Mr. Parish commented that he spoke to some contractors that were expected to bid lower that stated they cannot do the work within the time constraints, so they did not bid. Commissioner Hancik opined that his concern is that it's a sizable project that would not be placed back out for bid. He inquired if there's an urgency to complete the project. Mr. Parish commented that there is no urgency but a strong desire as the administration office is out of space. Commissioner Herston commented that the lowest bid is \$72.55 per square foot. Mr. Parish opined that he'd like it around \$50 per square foot and that the problem is that most contractors will not hard bid the project again as they're too busy. Commissioner Coppola inquired as to the availability of the contractors Mr. Parish spoke to that were unable to bid due to time constraints. Mr. Parish commented that their availability is six (6) months to one (1) year out. Commissioner Herston opined that it would be a good idea to change the time constraints to one (1) year to save money by allowing contractors to use the project as fill in work. **Commissioner Herston motioned to reject all bids and review alternative delivery methods at a later date.** Mr. Parish opined that he is hearing the Board would like to put the project out to bid again but Commissioner Herston's motion does not reflect that. **Commissioner Herston amended his motion to reject all bids and rebid the project at a later date under different time constraints. Commissioner Andrews seconded. Motion passed unanimously.**

e) Proposed 2020 Meeting Schedule – Chair Seay opined that the only deviation from the normal schedule is no meeting in March or July of 2020 and a Budget Workshop in early August 2020. Commissioner Hancik inquired as to why there will be no meetings in March or July. Mr. Parish commented that the City Council and County Commission take July off and that March is the busiest month of the year for staff. He commented that an emergency meeting can be held during those months if needed and that there has not been a March or July meeting in almost four (4) years. **Commissioner Herston motioned to approve the suggested 2020 calendar as presented. Commissioner Coppola seconded. Motion passed unanimously.**

17. Citizen's Input

Commissioner Deutsch – Board of County Commissioners liaison, reported the final County budget hearing will be on Monday at 5:01 PM. He discussed the many groups willing to assist the Airport and that Emily Lewis of the MPO has accepted a new position.

Attorney Carr notified the public that there is a litigation matter that is before the Board and under Florida Statute 286.011, an Executive Session needs to be called to discuss settlement negotiations and strategy. He commented that the public must leave the room for the session and may return

after. Chair Seay commented that there will be meeting minutes kept that will be available at a future date.

Attorney Carr called for Executive Session at 10:52 a.m.

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Regular Meeting reconvened at 11:30 a.m.

Attorney Carr reported that the Executive Session has concluded, a Court Reporter was present, and a transcript will be available once the litigation settles or is resolved.

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18. Commissioner's Comments

The Board thanked everyone for attending. Mr. Parish commented that the process has changed for this year's Air Show ticket request and that he needs a list of how many tickets are requested and who the tickets are for to ensure the list does not have duplicates. He commented that the Air Show paid for a lot of food last year that was wasted. Mrs. Miller requested that any Commissioner interested in doing the opening ceremony at the Air Show contact her. Chair Seay complimented the new FlyPGD lapel pins.

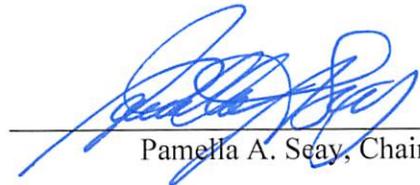
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19. Adjournment

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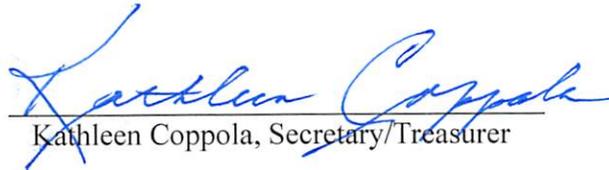
Meeting adjourned at 11:33 a.m.

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Pamella A. Seay, Chair

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Kathleen Coppola, Secretary/Treasurer