

**CHARLOTTE COUNTY AIRPORT AUTHORITY**

**MINUTES OF REGULAR MEETING – FEBRUARY 20, 2020 – 9:00 A.M.**

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**1. Call to Order**

**2. Invocation**

10 Chair Seay gave the invocation.

**3. Pledge of Allegiance**

Commissioner Herston arrived at 9:03 a.m.

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**4. Roll Call**

20 **Present:** Chair Seay; Commissioners Andrews, Coppola, Hancik and Herston (arrived at 9:03 A.M.); Attorney Carr; CEO Parish; Mr. Mallard; Ms. Hendren; Mr. Ridenour; Mrs. Cauley; Ms. Desguin; Mrs. Smith; Mrs. Miller; Mrs. Harper; Mr. Laroche, and Ms. Pedigo. **Others present:** Jim Kaletta; Councilmember Miller; Paul Piro; Stan Smith; Jeff Tuscan; Venessa Oliver; Pierre Ciecioroko; Commissioner Deutsch, others from the private sector and a member of the press.

25 **5. Citizen’s Input**

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

**7. Employee Service Recognition**

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Ms. Desguin presented Ms. Pedigo with a Five Years of Service Award.

**8. Consent Agenda**

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

**9. Secretary/Treasurer’s Report**

40 Mr. Parish commented that the budget was off by approximately \$5,000 due to fuel cost but otherwise, the budget is on track. He commented that assets continue to be added, that most accounts on the account’s receivables report have since been paid in full or close to it and that the actual past due amount is much lower than reported. He commented that approximately \$6 million dollars has been collected in the current Passenger Facility Charge (PFC), with  
45 another \$6 million remaining to collect, and that Staff will begin working on the next PFC Application in June or July of this year. Commissioner Herston inquired if on the balance sheet, the net pension liability is a regulation. Mr. Parish commented that the number comes from the state every year and that the Auditor can discuss it more in depth during the Audit Presentation. Commissioner Herston inquired if the number appears to be lowering. Mr.  
50 Parish commented that the number is rising due to the Airport growing.

## 10. Liaison Reports

- a) **Punta Gorda City Council** – Commissioner Hancik had nothing to report.
- 5        b) **Board of County Commissioners** – Commissioner Herston commented that the County has a new electronic filing system for all projects that will go live on March 9<sup>th</sup>. He reported that County Commissioner Tiseo has notified him that he will be performing an audit on the ARFF agreement as he feels the station is underfunded by the Authority. Chair Seay inquired as to when the ARFF agreement between the Authority and County is set to expire. Mr. Parish commented that there is approximately three and a half years remaining, that the agreement requests full time staffing, and that overtime staffing is not included as the extra cost is a result of their scheduling. He commented that the Authority does not pay the individual salaries, just an upper mean of all of the salaries of the firefighters as there tends to be senior firefighters on staff for the Authority. Commissioner Herston commented that he has no issue with Commissioner Tiseo reviewing the numbers and inquired if there is any point when the Authority should consider building its own firefighting division. Mr. Parish commented that it is very expensive, that Sarasota tried it a few years ago but went back, that a new ARFF facility will cost approximately \$10-\$15 million and that it is proposed within the Master Plan but it is not something he expects to happen. He commented that the Authority's relationship with ARFF is very good and at the end of the cycle of the current contract, he plans to renegotiate. Commissioner Hancik commented that the reason the Airport needs an ARFF facility is due to commercial air service and opined that the Airport is not currently recovering the cost it's paying to the County for the ARFF facility from the existing airline and feels the subject should be addressed at a later time. Commissioner Herston opined that the subject can be discussed at a future workshop. Commissioner Coppola inquired if the ARFF facility also services the community. Mr. Parish commented that the station does service the community however, there are two designated personnel on staff at all times to only service the Airport. Commissioner Coppola inquired as to how the land for the ARFF facility was purchased. Mr. Parish commented that the land was provided by the Authority to build the facility.
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- c) **Metropolitan Planning Organization** – Commissioner Andrews commented that he attended an MPO joint meeting at the Charlotte Harbor Events Center on January 27<sup>th</sup> and spoke on the many discussed topics including the FDOT Transportation Plan Presentation, MCORES, I-75 interchange study and River Road regional interstate connector in Sarasota County, and household statistics regarding living location and internet access. Chair Seay opined that as the Authority transfers information online, it's important to remember that not everyone has internet access. Commissioner Andrews commented that he attended the MPO-AC meeting in Orlando on January 30<sup>th</sup> where freight committee performance and autonomous vehicles were discussed. He commented that for more information, the public can visit [www.mpoac.org](http://www.mpoac.org) or [www.ccmppo.com](http://www.ccmppo.com).
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- d) **Community** – Commissioner Coppola reported that Lieutenant Colonel Dave Curtis is the new incoming Commander for the Charlotte County Composite Squadron and thanked Commander Lewis, the outgoing Commander, for his dedicated service and leadership to the Squadron. She reported that she attended the Women's Forum, Charlotte-Desoto County Republican Club, the Women's Club, and that she will be attending an upcoming Ray's baseball game. She thanked Mrs. Miller for the printed destination cards.
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e) **State Legislation** – Chair Seay commented that regarding the Authority’s appropriation request for \$1.95 million, the House has said they’d like to provide \$1.2 million and the Senate would like to provide \$750,000. Mr. Parish commented that he’s visited Tallahassee twice this year and that there are numerous proposed bills that can affect the way Airport’s do business. He commented House Bill 519 and Senate companion 1258 will eliminate all Airport procurement procedures and put in place the State procurement procedure for all funds expended. He opined that the new procurement policy would cause issues as anything over \$65,000 will have to go out for sealed bids, even things such as janitorial supplies. He commented that the Airport’s current procedure for janitorial supplies is to get multiple quotes for items and negotiate contracts without a sealed bid. He opined that his concern is not complying with the procedure but that it would require a full-time staff person to put together and manage the bids. He opined that every contract in that scenario will have to be brought to the Board, which is not an issue with our Authority, but is with others that do not hold monthly meetings. He commented that the Bill requires Staff do things that are already being done but will require an additional layer, such as sending out reports to additional organizations, annual ethics classes for every member of the organization, and a required line item for every budget item over \$100,000 that has to be approved by the Board outside of the consent agenda. He commented that there is a push by the airlines to not just reduce but eliminate the special tax on fuel that funds part of the aviation trust fund and that FAC is currently looking at ways to hold Airports harmless within the State budget for future years. Mr. Parish opined that he believes the bill will pass and the tax will be eliminated as it is the number one priority for the Speaker of the House. He commented that the airlines have said the loss from the elimination of the tax will be made up through the increased flights to Florida and opined that it doesn’t work if you view other states that have tried it. He commented that he is watching a public procurement bill and a PFAS bill that does not appear it will have any requirements for the upcoming year and that he’s monitoring Toro, which is illegally operating as a rental car company. He opined that the elimination of sales tax on aircraft sales will not pass this year and that he can forward the weekly lobbying emails to those that wish to view it. Commissioner Herston opined that Bill 1258 sounds like it’s more work for the Auditor. Mr. Parish commented that the work is the same thing that the Authority is already having completed, just an additional layer and opined that aside from the procurement guidelines, the bill will not change much of how the Airport currently operates.

**11. Attorney’s Report**

Attorney Carr reported that there is no pending or threatened litigation against the Authority, that land acquisitions are either completed or in process and that he has attended to minor matters associated with things such as website guidelines.

**12. CEO’s Report**

a) **Development Update** – Mr. Parish reported that the property acquisition for the runway 33 runway protection zone (RPZ) is expected to close late this month or early next month, the T-hangar development is on hold as the North side is working to be developed, he is seeking funding for the roadway network improvements project as it is permitted, that there is a grant application in for runway 4-22 that he is awaiting word on, building 207 will be relocated within the new General Aviation Center (GAC), that the GAC ramp and taxiway access is out to bid, and the long-term parking expansion is out to bid. He

commented that the runway 15-33 rehabilitation project is in phase two (2). Commissioner Herston inquired if staff reviewed the possibility of rotating the parking lot in the long-term parking expansion project 90 degrees so that customers do not need to walk between the aisle ways to walk to the terminal. Mr. Parish commented that the bus stops are at the end of each parking aisle and that the location of the parking lot makes it unfavorable to walk to the terminal as opposed to taking the shuttle. Commissioner Herston inquired if the spaces can be rotated to see if more spaces can be made. Mr. Parish commented that the current design maximizes the number of spaces and that County variances were required in order to achieve the current design. Commissioner Heston inquired if the variance was approved to exclude the landscaped island every 10 parking spaces. Mr. Parish commented that the design is 40 spaces without an island and that the variance allows for palm trees in the islands and the shade trees on the boundary of the parking lot. Commissioner Coppola commented that she doesn't understand why the Airport has to have trees as they attract birds. Mr. Parish commented that Staff has worked with the landscape architects to use plants that do not attract birds and that it is a requirement to have trees. Commissioner Herston inquired if Staff has reviewed the possibility of putting the trees in an area of the property that is further away from the airfield. Mr. Parish commented that the landscaping has to be within the vicinity of the construction.

b) **Marketing Update** – Mrs. Miller commented that last week Claire Lavezzorio from NBC2 spent a day at the Airport and that on February 26<sup>th</sup> her three-minute story will be released about the Airport and its growth. She commented that the Congressional Art Competition will be held on April 7<sup>th</sup> at 5:30 PM, an email has been sent out to schedule the next set of EDP Rounds for April 13<sup>th</sup>, the Honor Flight will be on May 2<sup>nd</sup>, and that the TSA Precheck Mobile Enrollment RV will return from May 4<sup>th</sup> through May 15<sup>th</sup>. Commissioner Coppola commented that she rode on an Honor Flight from Fort Myers years ago and that she enjoyed it.

c) **Aviation Report** – Mr. Parish reported on passenger counts, fuel sales and gallons pumped, aircraft ops, hangar vacancies, and that the Ford Trimotor had a successful visit to the Airport.

d) **Economic Development Partnership Overview** – Venessa Oliver presented an overview of the Economic Development Partnership (EDP) (see attached). Chair Seay thanked Ms. Oliver for her presentation and EDP for all of their work. Commissioner Herston inquired how the Charlotte County economic development compares to Sarasota and Lee County's economic development. Ms. Oliver commented that Sarasota and Lee County have different models and that she believes Sarasota has a full public private partnership. Mr. Parish opined that the biggest hurdle for Charlotte County is that other Counties control more money to attract potential tenants and that as the County grows, it will be more capable of competing. Chair Seay opined that she can tell during her attendance at Economic Development's meetings that there is an effort to balance the character of the community with growth and success and opined that it's been successful so far.

### 13. Old Business

a) **Restaurant Proposal** – Mr. Parish reported that Mrs. Miller and Mr. Mallard met with the proprietors of the Restaurant following the Board's direction last meeting with request to stay open later and be open on Saturday's. He commented that the proprietors have expressed that they will not be able to accommodate the request and that they will not put

5 funding into the business as the Authority can cancel the lease with a year's notice. He  
opined that the question now is if the restaurant is the highest and best use for the location  
with a new restaurant being built on the north side of the airfield. He commented that he  
received numerous complaints and that a group of approximately 20 aircraft flew into  
Punta Gorda for lunch, but the restaurant was closed. Commissioner Hancik opined that  
the matter should be moved to a workshop for further Board discussion to weight the pros  
and cons of each decision. Commissioner Andrews agreed. Commissioner Coppola  
inquired if there is a specific reason that the restaurant is not open on Saturday's. Mr.  
Parish commented that the proprietors say it's due to a lack of employees. Chair Seay  
10 inquired if there is any incentive that can be given to encourage the restaurant being open  
on a Saturday. Mr. Parish opined that he doesn't feel there is as they have a very favorable  
lease. Chair Seay commented that the last few times she's flown out of the Airport, the  
restaurant has been closed. Commissioner Herston inquired as to what the time frame is  
to build the GAC. Mr. Ridenour commented that funding options are still being reviewed  
15 for the GAC terminal and that it will be brought up in a later agenda item. Mr. Ridenour  
reviewed the funding options presented within the Development Update. Mr. Parish  
commented that nothing can begin before July. **Commissioner Hancik motioned to  
move the subject of the operation and closure of the SkyView Restaurant to a future  
Workshop. Commissioner Herston seconded. Motion passed unanimously.**

#### 20 14. New Business

25 a) **Audit Presentation** – Mr. Tuscan presented the audit presentation for fiscal year 2018-  
2019 (see attached). Commissioner Herston commented that he was happy to see that the  
issue with the fixed asset tags was quickly addressed by Mr. Parish. Mr. Parish commented  
that the asset tag had fallen off of the asset. Commissioner Coppola commented that Mr.  
Tuscan did a terrific job. Chair Seay thanked Mr. Tuscan, Ms. Cauley and Staff for their  
work with the audit. Mr. Tuscan commented that audits are easier when the company is  
prepared, and that Staff did a wonderful job. Commissioner Herston confirmed with Mr.  
30 Tuscan that the Auditor General is not an elected position. **Commissioner Herston  
motioned to approve the audit as presented. Commissioner Coppola seconded.  
Motion passed unanimously.**

35 b) **State Infrastructure Bank (SIB) Loan** – Mr. Parish commented that the Airport applied  
for a \$9.8 million grant to construct the north GAC, apron and taxiway complex. He  
commented that grants have been applied for to construct the GAC building itself, access  
roads, the replacement of building 207 and T-hangars. He commented that when the  
Airport did not receive the requested \$9.8 million, Staff applied for a SIB loan for  
alternative funding. He commented that while waiting for the SIB loan, the Airport  
40 received \$6 million in grants to do most of the work but the application is wide enough  
and broad enough that development can move forward with the current SIB loan, future  
SIS funding and FAA and FDOT funding. He commented he would like the Board to  
review the documents as he is required to report back with any comments on the presented  
document by tomorrow in order to move forward. He commented that after the comments  
45 are received, final documents will be received for final approval at a later Board meeting.  
He reported the SIB loan amount is \$9,185,237.50. He opined that he'd like to propose on  
Exhibit A under Airside Elements that hangar facilities, box and/or T-hangars is added in  
order to make the Exhibit more specific. He commented that the top of the page states  
hangars and parking facilities, that FDOT's current exhibit does not specifically list it and  
50 that the Authority's request did specifically list it. He commented that the term is a 10-

5 year loan at 2 percent, that total interest paid will be \$1,400,368.48 at the end of the term, that there is not a pre-payment penalty, and that it requires one payment at the end of the year that would be in addition to the current SIB loan that has approximately three years of payments remaining. He reported that the majority of the loan is repaid with PFC funds and that due to that and the extra unexpected grant received, Staff will have to reallocate projects to provide a more accurate payment schedule. Commissioner Herston inquired if reallocating the projects will affect Exhibit B. Mr. Parish commented that Exhibit B is the loan repayment schedule and that he will need to sit down and review the repayment schedule based upon the Airport's current financial situation. He opined that the Airport will not need the full \$9.1 million but does not want to reduce the amount and that the last SIB loan was \$1.5 million more than what was needed at the time. Attorney Carr inquired if the loan will be drawn against or received all at once. Mr. Parish reported that the SIB loan received for \$11 million after Hurricane Charley was received up front, that the Auditor found that there was interest accrued on the loan while it was in the bank, that the last SIB loan required the money be drawn, that the presented document reads that it will be presented up front and opined that will change in the final document. Commissioner Herston opined that he likes that the loan will be compounded annually. Commissioner Hancik opined that it's a good idea for the Airport to have debt and take risk in order to accomplish projects. He commented that the document requires the previous \$5 million in borrowed debt be paid first before paying on the presented loan and that paragraph 7 on page 4 is broad but brings forward that the Airport needs to be aware of whether or not it is being sued for anything. Attorney Carr commented that the paragraph does not pertain to general litigation and that it only states that there is not any pending litigation to stop the Airport from entering into the agreement. Commissioner Hancik confirmed with Mr. Parish that paragraph 17 on page 5 is a State law. Commissioner Hancik opined that it's important to keep section 4.05 on page 8 in mind and confirmed with Mr. Parish that the Airport has a uniform schedule of rates, fees, and charges. Attorney Carr commented that an example of that section is if you pledged T-hangar income for repayment of the loan, the Authority cannot then turn around and give Commissioner Hancik a free T-hangar. He commented that to clarify, when you pledge a particular stream of income for a particular portion of the loan, you cannot take something within that stream of income and give it away for free. Commissioner Hancik inquired as to section 5.09 on page 12. Attorney Carr commented that an example would be if you used the funds to build a new building and then leased it to the operator for \$1 per year, which would materially adversely impact the Authority's ability to repay the loan and that if it is leased at fair market value, it would not materially adversely impact the ability for loan repayment. He inquired if the document is a draft of the loan and that it's not presented for approval. Mr. Parish commented that it is a draft and that any comments need to be provided back to the State before a final document is received for future approval. **Commissioner Herston motioned to approve submitting the proposed SIB loan document back to FDOT with one addition on page 24, Exhibit A, under Airside Elements, to add hangar facility, box and/or T-hangars. Commissioner Andrews seconded. Motion passed unanimously.**

- 45 c) **Set Date for Workshop** – Chair Seay commented that she asked the item be added to the agenda as Andy Vasey, the economic development consultant, has ideas that he would like to discuss to ensure he is working in the desired direction of the Board. She commented that there are two additional items from today's meeting that were requested to be added to a Workshop from Commissioner Hancik which was the restaurants operation and closure and payments from the airline pertaining to ARFF cost. Mr. Parish
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commented that if the date can be set, the agenda can be set later as other things may need to be added. Chair Seay commented that she'd like to clarify that if you are adding items to the agenda, please provide documents so that the entire Board has an idea of direction for the discussion. Mrs. Miller requested that if the Workshop is held on April 7<sup>th</sup> that it be held in the afternoon as she would like all Commissioners to attend the Congressional Art Competition at 5:30 p.m. that evening. Attorney Carr commented that he will be on a federal trial schedule in April, but he will try to be available. **Commissioner Herston motioned to hold a Workshop beginning at 1:30 p.m. on Tuesday, April 7<sup>th</sup> with an agenda to be developed and distributed at a later date. Commissioner Coppola seconded. Motion passed unanimously.**

### 15. Citizen's Input

**Commissioner Deutsch** – The Charlotte County Board of County Commissioners Liaison, apologized for his late arrival to the meeting as he was a presenter at the annual community leadership breakfast. He commented that during their meeting, the County approved giving the Airport four buses and that the alternative to giving them to the Airport would have been selling them by putting them out to bid.

### 16. Commissioner's Comments

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

**Commissioner Herston** – Thanked Staff for their work and Mr. Tuscan and Ms. Oliver for their presentations.

**Commissioner Coppola** – Thanked everyone for attending and Mr. Tuscan for his presentation.

**Commissioner Hancik** – Opined that it should be mentioned that the Workshop that was just scheduled will be advertised and open to the public.

**Chair Seay** – Commented that she had a wonderful flight to Richmond, Virginia last weekend, that she'd like to remind the audience that there is no March meeting, thanked the County for the buses, and Mr. Tuscan for his presentation.

### 17. Adjournment

Meeting adjourned at 11:20 a.m.



Pamella A. Seay, Chair



Kathleen Coppola, Secretary/Treasurer