

CHARLOTTE COUNTY AIRPORT AUTHORITY

MINUTES OF REGULAR MEETING – JUNE 23, 2022 – 9:00 A.M.

5 **1. Call to Order**

2. Invocation

 Commissioner Herston gave the invocation.

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3. Pledge of Allegiance

4. Roll Call

15 **Present:** Chair Hancik; Commissioners Andrews, Coppola, Herston and Oliver; Attorney Carr; CEO Parish; Mrs. McLaughlin; Mr. Laroche; Mr. Duncan; Mr. Montoya; Mrs. Miller; Ms. Desguin; Mr. Webb. **Others present:** Councilmember Kuharski; Commissioner Deutsch; Mr. Goin; Mike Grant; Richard Pitz; Jordon Lupella, others from the private sector and a member of the press.

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5. Citizen’s Input

6. Additions and/or Deletions to the Agenda

25 **7. Employee Service Recognition**

 Mr. Montoya presented Mr. Malagisi with a Five-Years of Service award and Mr. Webb presented Mr. Redona with a Five-Years of Service award.

30 **8. Consent Agenda**

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

35 **9. Secretary/Treasurer’s Report**

 Mr. Parish reported on revenue expenses. The year to date continues to be ahead of budget, both in revenue and expenses, but revenue is exceeding expenses. For the year to date the airport is \$4.7 million and budget was \$3.6 million over budget. On that we continue to be monthly. Keep in mind that we are entering the slow period and the numbers will start to decrease, which is budgeted every year for the last two months of the fiscal year. When you see negatives, those are always projected. Accounts Receivables, everybody is now paid as of April. All the overdue balances are in check. The balance sheet continues to be positive as we move forward. The airport is starting another round of PFC applications as we begin to approach the end of our collection period. Commissioner Herston asked on the PFCs, is there a limitation on how long each agreement can be in place? Mr. Parish responded no, but there is a cap and when you reach the cap, you can't collect anymore, and then each individual project must be started within two years of the PFC. Our budget 3.6% operating gain and profit. Chair Hancik commented to the people; those of you that are watching us on your computer, that all this information is provided to the Airport Authority members a week in advance of the meeting, and everybody has an opportunity to review the financials and develop any questions.

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10. Liaison Reports

- 5 a) **Punta Gorda City Council** – Commissioner Hancik reported a Joint Workshop meeting is scheduled between Punta Gorda City Council and the Airport Authority Board. It will take place on June 29 at 10:00 a.m. at the Punta Gorda Isle Civic Association. It's an advertised meeting, so we're all operating under Sunshine Law.
- 10 b) **Board of County Commissioners** – Commissioner Andrews invited Commissioner Deutsch to speak about our accelerated population explosion. We're wrapping up the budget review session and we're dealing with the challenges of new positions like everyone else. I don't know what impact you guys have faced out here, but whether you're looking at IHOP, McDonald's, the Sheriff's office or the fire department of the county, people don't seem to want to be out working in the statistics aren't real because so many people aren't in the workforce. Administration has been working on a different sense, doing what we call kill and combine where we're taking some part-time and seasonal positions and trying to wrap them up. Even the YMCA, they are having trouble getting lifeguards. This is across the board. We're also trying to work with the housing crisis we have and one of the things that I'd appreciate individually, personally, from everyone, some feedback on that. We're looking in terms of the possibility of legalizing and following through on some ancillary properties going on an existing property lots. In Charlotte County there are people that have lots with houses on them living in tents, they're living in sheds, they're living in campus, they're living in mobile homes, they're living under the stars. We know this is happening, and part of our concern in reviewing and dealing with the housing is do we want to look at making some of that legal? Technically, you can legally have an in-law place to live for someone, and it doesn't even need facilities because they can use the ones in the main house. It's one of the challenges that we're facing. The city is busy trying to deal with the employment and the housing issues and I think we're making some progress with the housing market. We're not alone in these problems. Every county has it, all of Florida has it, and probably, certainly at least the southern half of our country.
- 20 30 c) **Metropolitan Planning Organization/Economic Development** – Chair Herston commented last meeting on both the MPO AC and the MPO. My next meeting on the MPO AC is in Gainesville at the FDOT Materials Lab, and that's going to be July 28th and our next MPO meeting is July 18th.
- 35 40 d) **Community** – Commissioner Coppola commented I continue to be involved in the Port Charlotte Women's Club. They're a terrific group of women who raise money through different venues and help the kids in school, and they give out scholarships. and as I told you last time, even though Covid, they still were able to give out a nursing student scholarship and went to a young gentleman who graduated from the high school. I continue to be involved and just to let everybody know, they are doing an auction sometime in November. All money raised goes towards the children's scholarships. They also do a flyer flag for our veterans on Flag Day. You can bring a flag down with your name on it. They will put it up in a field by the school. I'm planning to go to the next Punta Gorda Republican Women's Club. I will talk about what we're doing at the airport. We're doing a lot of good things here at the airport, and a lot of people don't realize how active we are, not only at the airport, but also in the community. I went to the Last Liberty Caucus Group, which is an interesting group. If anybody is interested in information they meet once a month at IHOP.
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5 e) **State Legislation** – Commissioner Oliver commented our local state representative and majority leader, Mike Grant is here to give an update. It's been a long time since I've been to a board meeting, even long since I sat behind the dice up there. I came here today just thank you all for your cooperation with the school board on getting the grant from the state for the airframe and mechanics facility of \$3 million. I would like to acknowledge the fact that our Senate partners, Senator Gruters, and Senator Albritton, played a big part and it wasn't just me. It takes a team effort, and that's why I want to thank you, because you were working as a team with the school board to do something that I've been fighting for. Cathy and I remember coming down here in 1988 when your son worked for me part time, and I think he was on his way to med school that September and I'm sure that you were proud of him that he was he has a business right here in town and that he went off for school. It must be heartbreaking to think that he might not come back because there weren't the opportunities here. While you're working with the school board to get this project off the ground at the airport, you're creating jobs for the future. You're helping our community come together and become a three or four generational community, which, Kathleen, that's something that I know that you've fought for as long as I have. I want to thank you again for all of that. Kathleen, congratulations on your election. You may have also noticed in the paper today that there was a letter about privatization where I came out strongly saying that people were misquoting me or whatever. I've never been in favor of privatization. I've raised over \$9 million for this airport in the past six years since I've been in the legislature and it's unlikely that somebody who has done that kind of activity would be looking for privatization and having that state money go to a private entity. I want to reinforce that and if you hear anybody talking that Mike Grant was in favor of privatization, please shut it down. Thank you for everything that you do, James. Thank you for your letter. I appreciate it. Thank you.

11. Attorney's Report

30 Attorney Carr commented on several various matters always going on at the airport, but the only two major issues that are currently what I'd say, confronting us is Gulf Contours. As of April, of this year, Gulf Contours has gone delinquent on his 2021 taxes and the amount of about \$7,000. To my knowledge, he's made no payment, nor has any payment program in place to pay. No payments have been made since April on that debt. He did pay off the 2020 under his agreement of May of this year, but nonetheless, he still is \$7,000 delinquent on the two types of taxes, and as far as I know, it's making no effort to pay them, nor is there any agreement in place to repay. I've asked him repeatedly for information related to the fire repair. I have received no information. To my knowledge, the fire repair continues to not be done under his Abatement plan. He was supposed to continue to keep me advised of his plans to move. I have heard nothing from Mr. Goin despite repeated requests. As to the other only major issue is a force, the main issue, that lies on airport property that is owned by the city. For reasons that simply are incomprehensible to me, the city has not accepted responsibility to move this pipe despite an ongoing email between myself and Mr. Levin. After spending 25 hours of my time, not to mention an untold amount of time by Mr. Parish this week, not to mention having to invoke our surveyor and banks engineering, I've now supplied them a plethora of information that we actually own our own property and have requested that they please tell me who is authorized on their behalf to tell us if they're going to participate in the moving of the pipe or not. I'm awaiting a response.

12. CEO's Report

5 a) **Development Update** – Mr. Parish commented Golf Course Boulevard and Challenger is a project that we're working on. Working on getting comments from the city, the county,
and the fire marshal on the closure of Golf Course and the extension of Challenger out to
10 Piper. Met with all those entities, and we have formed a conclusion that it is a possible
project, and we're going to work forward on funding for that. If you recall, part of the master
plan required us moving Golf Course Boulevard. The cost to move that is as much as
15 extending Challenger and I think extending Challenger is a better solution for the future as
we want people to access the north side of the airport taxiway Gulf. The selection of an
engineer to move that project forward. Finalizing the terminal planning and rental car area
20 planning study. The terminal seating replacement is moving forward. Had our first meeting
with the terminal seating select D, and they are excited to get going. The airport is going
with a plastic molded injected seat that has an internal frame and won't have the issues we've
25 been having throughout the years of the screws coming out. The cost of the
seating/installation project is about \$600,000 and was approved at the last Airport Authority
Board meeting. These will have electricity about every third seat, and you will be able to
charge your phones with USB A and USB C. The contractor will have preliminary drawings
30 to us in the next couple of weeks and then we'll be able to move forward. Maintenance
facility and the new industrial facility have finalized all the contracts with the architects and
engineers. Hope to have 15% plans in the next few weeks on the industrial facility. That'll
give us the ability to start marketing and with a special emphasis on Gulf Contours, letting
them see what the building is going to look like. We'll have something to show and have
35 some preliminary pricing at that point. Self-serve facility is moving forward. The 50x50
and 60x60 as well as the T hangers are all in early phases of construction. Working on
permits on all of those and then start breaking ground soon. Taxiway Delta Reconstruction;
voting on that today. Building 101 ramp repairs, have some questions from the contractor
and will review and get back to the contractor. The roadway network, and that's the force
40 main, the right turn lane, and new lanes in and out. FDOT project; have reconstruction
meetings this week. 422 is the rehabilitation and reconstruction are underway and are
slightly ahead of schedule. They're working on the south end right now, which is requiring
some back taxing on 1533, which seems to be going okay. The General Aviation Facility is
close to being complete. They should be cleaning it the next few days. It's a very nice
45 facility, and hopefully today we can move forward on a restaurant inside the Air Center, but
we're very close to opening A ribbon cutting scheduled for the next board meeting. Chair
Hancik asked on the 24 T's; I heard that there's an issue with the Fire Marshall wanting us
to put in sprinklers in storage facilities? Mr. Parish responded not on the T's only the 60's.
Commissioner Oliver asked on the new industrial facility, when do you think you'll have
the preliminary pricing available? Mr. Parish responded should have 15% plans, which is,
in about two or three weeks. Commissioner Oliver commented in that case, can you
50 schedule for our August board meeting a renewal of the Abatement for Golf Contours if
they agreed to the pricing of the new building, just so that we're all in compliance and on
the same page. Commissioner Herston asked if the contract on the impact fees due to the
county on our new General Aviation Center? Mr. Parish responded the impact fees required
and paid.

b) **Marketing Update** – The marketing report has May activities, so we didn't have the great
news coverage we got from the aviation facility legislation appropriations. Thank you to
Mr. Grant, Mr. Gruters, and Mr. Albritton. In May we had our first honor flight, which was

5 great press coverage and involvement from the community, and everything went very successfully. Commissioner Hancik attended as well as our staff got together and worked with the group. The airport was recognized as one of the fifth most affordable airports in the country, which was great press coverage, nationally as well. From a terminal advertising perspective, the city of Northport joined the terminal advertising program. The city of Northport and the city of Punta Gorda with presence at the terminal. I want to thank the city of Punta Gorda and Northport for joining our terminal advertising program. We continue to have great engagements in the community with our social media and news coverage and continuing our marketing efforts locally and nationally.

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- c) **Aviation Report** – Mr. Duncan reported on passenger counts, fuel sales, gallons pumped, aircraft ops, hangar vacancies, uplifts and routes. Mr. Parish added that Allegiant proactively cut about 18% system wide before they flew the flights, where you'll see Delta and JetBlue in the paper daily for canceling thousands of flights a day for crew shortages.

13. Old Business

14. New Business

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- a) **Air Center Restaurant Proposal** – Mr. Parish commented bids were sent out for proposals for a restaurant and did not receive any interest. Then went to everybody who took the documents, plus talked to brokers and other aviation restaurant tours, as well as aviation caterers, and CTC's Culinary school. I was told because of the economy, because of employees, because of constricting money supplies, no one was interested. Rosati's Pizza came to us, talked to us, and took us to their restaurant. We ate some wings and pizza; wings are very important to our culinary experience. They were good and we continued our talks with Rosati's, and they have given us a proposal to take the restaurant. It would require a capital outlay from the airport and then there would be a payback over the years in an increased percentage per sale. That decreases over the years as we get paid back. The advantage to a restaurant like Rosati's is it's a breakfast, lunch, and dinner restaurant. We're also going to be making our percentage on deliveries off the airport. There's a larger potential for income, which means our potential for getting paid back is greater. It's the only fish on the line, so I'm going to let the Board discuss it. I can answer any questions. Jordan is here if you have any specific questions. For the restaurant tour. Kaley has provided a lot of background information and menus. It will be a Rosati's restaurant, but he'll also serve breakfast, which is not a typical pizza restaurant fair. Jordan will do catering for aircraft. Chair Hancik added I'd like to invite Mr. Rosati up here if he would like to address the Board. Mr. Jordan Lupella commented a little bit about myself; I'm born and raised in Chicago land area. I'm a Florida resident for roughly twelve years. Majority of my professional career, all of it, I worked in restaurants and food service until I realized that I was just tired of making money for them and opened my first Rosati's in 2017 and the second one in two years later. They were challenging and successful and are now kind of self-sustaining and running. I found myself talking with the airport about this deal and I'm excited to partner up with the airport and run a restaurant at the Air Center in Punta Gorda. Commissioner Coppola asked how large is the restaurant and how many people can it seat? Mr. Lupella responded its roughly 3500 square feet compared to what we could handle, we could do 5000 or 6000 square feet easily. Larger restaurants are 8,9, thousand square feet, but this is a little bit smaller, which it'll be very easy to manage for us and our team.

Depending on the way you lay it out, you can have plus or minus seating. I think it's calling for a little over 100 chairs. Mr. Parish added there will be event space, partition walls that we could have regular dining plus an EDP Board meeting, it has some flexible space.

5 Looking at the diagram and obviously this is an architectural rendering, that's not the actual layout. Mr. Lupella commented we'll have to come up with some fast food that's for airport packaging, and we'll have to have seven or eight different ways for them to eat and go or sit and go. I want to have a little bit more of a restaurant feel, but airport kind of thing going on. Commissioner Oliver asked in our past discussions, we talked about having the event space, and I couldn't remember if it was going to be for rent for weddings and such, too.

10 In which case, would our contract or any proposed agreement preclude folks from bringing in outside caterers? Mr. Parish responded I don't think we preclude it, but we would encourage a cake or something like that could be brought in. Commissioner Herston asked who's going to handle the architectural services? Are we going to be involved in that or is that on Rosati's? Mr. Parish responded no, we will be involved with Rosati's, but it will be our contract for the build out. Chair Hancik asked estimated return on investments? Mr. Parish responded ten years. The thing that's encouraging about this is if you look at his estimated monthly sales, it is significantly higher than our previous restaurants monthly sales and I think that's because of three meals a day and the takeout and delivery, there is not another restaurant within 3 miles. We're encouraged by the opportunity. I would love to

20 tell you that one of our local restaurant tours was going to come in and take this over. We have met with every one of them and there is just not the desire to take on something new right now. Chair Hancik commented I think it's an interesting opportunity for us from the standpoint of you have to provide services and not everything we do; we make a million dollars on. There is a need for it. There are 12,400 employees on the airport. You got Industrial Park across the way. Yeah, we've got the school. I think there's a good base out there and I think the idea that we've got a full-blown restaurant back on the airport, Mr. Parish commented I think the opportunity with CTC moving up there, with ABC Supplies moving across the street, and hopefully that will just continue to grow a demand off the airport and on the airport for a restaurant that will make this a successful opportunity. Chair

30 Hancik commented there's an element in southern Florida, the aircraft owners that like our group out of here, they leave every Wednesday morning, ten to twelve airplanes, and they fly to Sebring or Okeechobee for lunch or breakfast or whatever and will fly here. Mr. Parish commented It's something we've been working towards since we lost Sky View and I think this opportunity in our new facility is a great one for the airport community at large. It would be an investment from us as well as Jordan, but it's something that I think as airport management and airport directors, it's something that's expected, especially at an airport with the GA population as large as ours. Commissioner Herston asked I'm seeing a lot of restaurants come into my firm and some of them have a menu board and a drive-up window, but a lot of them are doing pickup window and I think it'd be a great opportunity for you to pick up all the businesses in the airport that only have an hour for launching. Employees could come to the pickup window and pick up their order; I would encourage that. I don't know if it fits in with your plan. Mr. Lupella responded we're going to try to take advantage of every avenue that people are coming through. Again, people coming in and grabbing something, maybe that's a package. We're going to tailor the functionality of the restaurant

40 and the movement of the restaurant to take advantage of every one of those things. Commissioner Herston asked can you call in an order over the Internet for your pick-up? Mr. Lupella responded we're a full-blown franchise nationwide. I've been operating two restaurants for four or five years and I bring with that everything is integrated. I have online ordering. We have a restaurant that can take advantage of the community, which will be

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substantial. I will work on tailoring it around the airport and figure out how to serve the staff, the people coming in/out quick, or if people want to sit down and have a full meal with a server; we'll figure all that out. We also want to capture the town as well. Commissioner Herston asked the \$140 grand a month, basically if you look at all 30 days, it's about \$4,700 a day. Mr. Lupella responded you're talking about the sales I projected. I was going to bring that up. James mentioned that's quite a bit more than any and you're talking about other airports. I wanted to project the numbers; I was going to go worst case scenario. This is not quite worse, but it's not a good projection by any means. What I did is take the sales of my small delivery place and multiplied it by 2 ½, which at that restaurant we don't have liquor, beer, or wine, we don't have breakfast, we don't have airport staff, we don't have all these things that we'll have at the airport and to say that all you have to do is double it to \$30,000 roughly a week. For me we can achieve that with our eyes closed. I wanted to base all the numbers off that. Chair Hancik asked if this is approved today, how long will it take to get the kitchen in order. Mr. Lupella responded I built the other restaurants in four months or less and prior to doing this, I had had a lot of experience with operators, and I've seen the build-up process, I had a little bit of headway, but this is a tiny bit bigger project. Depending on the county and the permitting there should be no reason we can't do it under six or seven months. Mr. Parish commented what's in place is the grease trap. The inside is ready for the architect and the end user to modify, put down on paper, and then we can apply for the permits to get it out the door. I've got a layout, tentatively. I've got architect on standby. Attorney Carr asked it's a franchise, correct? Mr. Lupella responded It is, yes. Attorney Carr asked is your franchise owner already on board relative to this concept? Mr. Lupella responded absolutely. Attorney Carr asked they're agreeable to you modifying the national menu to accommodate the process? Mr. Lupella responded yes. Attorney Carr commented I just need to make sure these things because I don't want to get down the road and then say, well, we don't want to franchise an airport. Mr. Lupella responded I have a close relationship with the franchise, and we won't have any issues. Attorney Carr asked do you need any further approval from the franchise to move forward with this? Mr. Lupella responded no; they have the architecture layout on standby for me already. The franchise is waiting for me to get approval for the business. Attorney Carr commented I needed to confirm that before we started the investment process because I don't want them to pop up. I noticed their menu doesn't have breakfast on it; that's why my concern. Mr. Lupella responded they'll make their money off the lunch and dinner. Attorney Carr commented many franchises don't allow the operator to modify the menu, is the reason I'm asking the question. Mr. Lupella responded that's a valid question. Rosati's is a little bit more unorthodox, and they have a little bit more room for their franchises. Commissioner Coppola asked do you have to adhere strictly to the menu, or can you have your own? Mr. Lupella responded we'll have to adhere strictly to the dinner, and we'll have some local flavors that we can add. They allow franchisees in different regions to add, for example, they let you offer coconut shrimp. I don't see much need to add too many other things, but we'll have all the opportunity to do whatever you like for breakfast. **Commissioner Herston motioned the Board authorize our CEO to finalize an agreement with Rosati's Pizza. Commissioner Oliver second. Motion passed unanimously.**

45 **b) Taxiway "D" Reconstruction – FAA Grant Offer and Construction Contract – Mr. Parish commented the Taxiway Delta project was bid and there are two bidders, which is difficult for pavement projects. There's two major pavement people in the area, Ajax, and Wright, who have been the two on our last five projects. Ajax was low bidder at \$9,641,840.80, which is \$2.8 million over our estimate, and we are working with the FAA**

to either find some more discretionary money or to use next year's entitlements. We will have to see how that affects other projects, but I think we're okay specifically with the BIL money, so we can stay on schedule with the FAA and the federal requirements for these grants to be issued before September. I'd like to get authority to execute the grant and the contract following the grant acceptance. **Commissioner Herston motioned the Board authorize Mr. Parish to execute the grant offer upon receipt, followed by the construction contract as presented. Commissioner Andrews second. Motion passed unanimously.**

- c) **Taxiway "G" Consultant Selection** – Mr. Parish commented on the three people on the score committee was a Board member, and two staffers. They scored six this time and Kimberly Horn was the high score, followed by AECOM, which for flat work they have been our top two consultants in the last few years. I would recommend that we continue with Kimley Horn. They've been doing our pavement work for a long time and are familiar with all the pavement on the airport. They are also DOT's pavement analysis team. Not the same people, but Kimberly Horn, so they're very familiar on the airport. Taxiway Golf, if you don't remember, is the extension of Echo, which we'll figure out what we ultimately name it. That will take Echo, which goes from 1533 intersection at the end of 15 to the new aviation facility that we've currently constructed. It'll take that onto Taxi Way Alpha, which will complete the loop of the airport. Chair Hancik asked Commissioner Herston, since you were our Board representative in evaluation, and an engineer, have anything to add to our CEO's report? Commissioner Herston responded I do not; other than to say that the two top ranked firms were very close, and Kimberly Horn put out just an excellent RFP booklet and I'd like to congratulate Paul. **Commissioner Andrews motioned the Board authorize staff to begin development of the scope of work, fee, and schedule with the top Frank firm. Commissioner Herston second. Motion passed unanimously.**

15. Public Comments

16. Commissioner's Comments

Commissioner Andrews - I'd like to thank everyone for attending today and it was a good meeting. I think we've got a lot of good things looking to look forward to, and I'm aware of the real estate and housing issues in the county. It's a challenge both on the sales side for the younger people to get a home, as well as rental properties, which are also, in short demand.

Commissioner Oliver - I want to congratulate Kathleen Coppola on her re-election. I've been admiring you since I was a kid, so it's nice to get to serve alongside you for another couple of years.

Commissioner Coppola – Thanks everybody for being here. I appreciated the remarks from our Representative Grant about schooling and keeping our kids here. I just lost a grandson to Honeywell in Chicago who graduated with a tremendously high average that probably could have benefited everybody here. We do have good schools in Charlotte County and Florida. I can attest to that just from my own children. Good work here guys and thanks for your kind words.

Chair Hancik - I'd like to echo the comments of the other Board members. I'd like to make a plug for the EAA, Experimental Aircraft Association B25 bomber on the field. It's on the south end of the field, and they're going to be available this weekend for rides. You can go look at it and take a flight, but you will pay a fee.

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Commissioner Herston - It is good to see our City of Punta Gorda officials and Commissioner Deutsch, and it's great to see Michael Grant. I appreciate all your clarifications at the podium today, but special thanks to staff. You guys just do a fantastic job. A real quick story, but I flew in from Akron, Ohio, Father's Day, a Sunday in the evening, and when in Akron, when we were departing, they pulled the ramp away from the plane. We were all boarded. They bent the door, and so we had a de-plane and it's 9:00 Sunday night, Father's Day. It took a long time to get a repair crew out. I received some good advice from Mr. Parish when I called him on the phone, but we did finally make it back. It's good to have our engineering firms here.

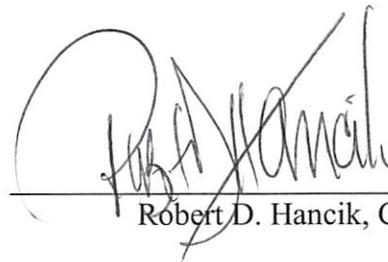
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15 **17. Adjournment**

Meeting adjourned at 10:07 a.m.

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Kathleen Coppola, Secretary/Treasurer


Robert D. Hancik, Chair