

CHARLOTTE COUNTY AIRPORT AUTHORITY

MINUTES OF REGULAR MEETING – OCTOBER 20, 2022 – 9:00 A.M.

5 **1. Call to Order**

2. Invocation

 Chair Herston gave the invocation.

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3. Pledge of Allegiance

4. Roll Call

15 **Present:** Chair Hancik; Commissioners Herston, Andrews, Coppola, and Oliver; Attorney Carr; CEO Parish; Mrs. McLaughlin; Mr. Laroche; Mr. Duncan; Mrs. Miller; Mr. Montoya; Mr. Rosenstein. **Others present:** Councilmember Kuharski; Commissioner Deutsch; Tom Ash, Steve Schwank, Mark Kistler, Michael Baker, David Gammon, Dr. Pitts, William Clay, Steve Harper, Ms. Allen-Emrich a member of the press and others from the private sector

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Chair Hancik Opening Remarks – I’m opening this meeting with a statement in recognizing our staff and employees for their response to hurricane Ian in getting us operational in the face of enormous challenges. Employees were faced with their own storm issues but also answered airport needs. Besides getting us up and running in days were the logistics of staging of hundreds of power company vehicles and their employees plus air operations associated with the aftermath of the storm through the new Air Center Terminal. Employees from bottom to top did an exceptional job.

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5. Citizen’s Input

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

 Mr. Parish added section 14F-Equipment Purchase to the agenda under new business.

7. Employee Service Recognition

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 No employee recognition awards.

8. Consent Agenda

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

9. Secretary/Treasurer’s Report

45 Mr. Parish commented on the financial review. As of August, the airport continues to meet our budget estimates and slightly over in both revenue and expenses, but a positive variance in our operating gain. As year to date, we exceeded our expenses and revenue by \$1.8 million. Our total, \$6.7 in profits. Keep in mind, a lot of that was spent on construction projects, and we will be moving forward with a lot of rebuilding. Accounts receivable has only one past due is Allegiant and they did pay \$109,000. Allegiant and their AP system is not the greatest in the world, but they are up to date. Working with all our tenants that are currently having issues.

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The revenue and expenses continue to be positive, and the balance sheet continues to be positive. Net assets increasing. Transferring the new runway to the balance sheet soon. You'll see a major increase as well as the air center and the ramp will be transferring from construction in progress to the balance sheet. Before I move on, I want to introduce our new employee. Sandy Cauley retired last month and hired Chad Rosenstein. He has a long career in aviation, both in the airlines and airports, and he is a great addition to our staff.

10. Liaison Reports

- 10 a) **Punta Gorda City Council** – Chair Hancik commented that he reviewed the City of Punta Gorda's agenda and didn't see anything that effected the airport. Nothing else to report.
- 15 b) **Board of County Commissioners** – Commissioner Andrews invited Commissioner Deutsch to give an update on the County Commissioners. Commissioner Deutsch commented you may have noticed we had a hurricane a few weeks ago. Just a brief comment on the storm. We all have our own stories. My favorite is not the one being stuck on the fifth floor of the building and not being able to get out. Wednesday night, it was the ride home, and then the next morning, my whole rear window was gone. I didn't even know it. I've been through a bunch of storms. I did several of them when I was on active duty in the coast Guard and at several government levels. I was on a town council when Bob came in and destroyed New England et cetera and worked in the legislature on the state. This is the second, I wasn't in my house with Charlie, I was wise enough. I closed a week before, so I got to redo the house. One I just want to share with you, and I think this is well known, but it would be almost beyond comprehension for me to conceive of a team that was better prepared, better quick equipped, or act better than the county staff and our first responders. As a team, we were running four meetings a day, but from the prep work that went through the EOC. Last Sunday, we had to cut the hours at the EOC. The volunteers wouldn't go home. We had attorneys at shoulders. We had people from HR answering phones while their own homes hadn't been attended to. I've been around a while in government, and I finally realized why I run for office. It's probably a selfish thing, but when I can help somebody else, I feel good. I was getting 130 phone calls a day. The first four or five days and not getting sleep and dealing with the issues of the storm didn't get me. What got me was not being able to help everyone. We're doing the best we possibly can, as you guys are, to deal with it. Our county staff, the volunteers, the agencies, the interaction, and you guys are part of this as well. Absolutely amazing. Maybe we'll learn some stuff from this so we can do better as we go into the future. Most of the county parks are closed. The swimming pools are closed because we want to make sure that they're all sound. We lost a couple of fire stations. The mid county library is down. We're having to redo voting. We're doing it at the center. We're all making the same types and kinds of adjustments. We're in this together, but we'll survive. We'll do it, we'll get through it, and maybe we'll even be better from the experience.
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- 45 c) **Metropolitan Planning Organization/Economic Development** – Commissioner Herston commented on a meeting he was supposed to meet with the MPO, and it was canceled due to the hurricane. The next meeting is in December, which I will be attending. I am attending an MPACO meeting in Orlando, October 27th and prior to that meeting, I have a Freight and Rail Committee meeting that'll be tele video, but in terms of economic development, I think from a public perspective, commissioner Deutsche could talk about that better than anybody. On the private side, it was complicated before the storm and it's even more

complicated now after the storm.

- 5 d) **Community** – Commissioner Coppola commented on the community, well, I don't have to remind everybody, just look around at the devastation. I lost my roof, all kinds of things. Thank God for family, thank God for neighbors, good people in this community. We all have our own stories to tell. Again, I say thank God for the people in this community, for their thoughtful and considerate and kind behavior, especially towards me, I have no phone. It's been difficult waiting for the insurance company to knock on my door. I'll get through this and thank God again for people that live here.
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- 15 e) **State Legislation** – Commissioner Oliver commented on the election coming up and I have been incorrectly stating that our legislative delegation meeting is in November, it's in January. Waiting to find out from our legislators. Can't set the delegation meeting until we know who they are and that will be in January. I've seen all our legislators out and about touring the area. We've had legislators from all over the state here dropping off supplies. I really appreciate everyone who's been coming in here to help our area and our folks in their time of need.

20 11. Attorney's Report

25 Attorney Carr commented on the City of Punta Gorda send the information on the actual utility agreement. This was under discussion and was asked to reconsider or negotiate. They've agreed to the number that we've included. They've added one paragraph that I think is acceptable, simply that we will grant them an easement over the specific area. If there is ever a need to move the pipe in the future, then it will be at our expense. Mr. Parish reviewed with Mr. Ridenour and everybody's in agreement. I have responded to the city attorney, Mr. Levin, thank you for efforts in this regard, and asked them to get it approved by the city. I've dealt with a plethora of issues post Ian. There are two things that have dramatically changed because of the hurricane. One is a row hanger. Two, this is the structure that we're looking to remove from a land lease for the purposes of constructing, eventually, a rental car. Probably a quick turn facility. A gushing with their leadership, which has been recently revamped, and we now have a leadership. Mr. Parish and I took an opportunity to meet with Mr. Ash and Mr. Schwank at their hangar to see how they were doing. They suffered significant damage to their building. Four of the doors are gone. Looks like the whole face of it has been pushed in. They are self-insured and are proceeding with safety efforts for the purpose of securing the building and putting it in a condition at least that they can habitat, but at least park their aircraft. The issue becomes, still. Do we want to buy this building? And if so, and then put them in another building in the valuations? We're working to try and determine a process which we can get them out of what I'll call these unsafe hanger, unsecured hanger, perhaps, into the new hangers that we're going to build temporarily and then we're going to work out an agreement whereby we build them another building. If you recall, at the conclusion of the last meeting, they asked us, was that possible? There's a lot of discussion to happen associated with that process, but I've had some very good conversations with Mr. Ash and Mr. Schwank, both on site and then subsequently via email and via phone. I've spoken to Mr. Parish and Mr. Duncan and conceptually, we're working on that, and I hope to bring you a better report or a more complete report on that as it progresses next month. The litigation with Golf Contours. At the last board meeting, there was a discussion associated with the follow up of the Abatement agreement. I proceeded with litigation to evict them. I filed that cause of action both as an action for a rid of

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possession, commonly referred to as eviction in commercial cases as removal. The counterclaim and defenses predominantly based upon promissory stopple. I filed the motion, dismissed their counterclaim, and to strike their affirmative defenses. I've also placed their attorney on notice that it lacks merit and placed him on notice of a potential 57 105 plane. During the hurricane their building was destroyed. I believe most of the doors were removed. It was independently evaluated by our insurance people and then slated for destruction. The insurance carrier has determined it is not worth rebuilding and a safety problem. Golf Contours was in the building, devoid of even rudimentary safety equipment. He was basically in sneakers and nothing else. I spoke to Mr. Parish about this. I sent the attorney a letter asking him to please stop doing this. This building is slated for destruction. We will help you secure the building; we will help you remove the items. We offered to aid him for this purpose. Cease and desist putting both yourself and the employees at risk. I was told that they were continuing to assert the right of possession. Golf Contours has requested if we would agree to abate the action, again, for the purposes of them selling off their equipment and surrendering possession of the property to us as of January 1. Mr. Parish and I agreed that to avoid the expense of litigation and again accommodate Golf Contours requests to at least mitigate the damages and salvage their equipment, we would give them that opportunity. I sent a settlement agreement, asked to have it returned by 04:00pm yesterday. They wanted one modification, which I was agreeable to, again asked for it by 04:00pm yesterday and didn't receive it. I received an email from the council signing this agreement. This agreement is count one of our litigations that we are entitled to proceed with getting a rid of possession. This is a court order telling the sheriff to put us in possession of this building. I've agreed to debate the enforcement of that rid of possession in that court order until January 1 to give them an opportunity to remove their equipment. We are going to reiterate to Golf Contours to please quit entering this building in unsafe conditions. In addition, all their counts against us are now going to be dismissed with prejudice and we should have possession of this building as of January 1 and if they should leave the building prior to that date, we'll be entitled to take possession of the building, and they are aware that we are going to destroy the building. Should Golf Contours not leave the building as of January 1, we have all the property or any assets remaining in it will be deemed abandoned and the agreement says that we have a right to remove it. Chair Hancik asked concerning Golf Contours, is there any action required by providing their continued occupancy or utilization of the building for insurance purposes through January 1? Attorney Carr responded the lawyer was quick to point out to me, they have not surrendered their right of possession. I don't believe there's anything we can do from an insurance standpoint. Chair Hancik asked having to deal with the 207 hangars are you in negotiations and there's no policy direction needed by this Board at this point? Attorney Carr responded no, sir, there is not. I believe that we're working with them conceptually to the extent that we can formulate a conceptual plan. The hurricane is now ameliorated even further, and everybody just wants to make the best economic decision. Mr. Duncan, Mr. Parish and I had a conference to extend a telephone conversation and we'd like to bring that back to the Board as soon as we can.

12. CEO's Report

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- a) **Development Update** – Mr. Parish reported on the development of Challenger Road and Golf Course Boulevard redesign. CTC Tech aviation facility is on the agenda today. Completed with a planning study. Working on flight tracks and Northside plan drawings. Have completed documents and we're starting to send out to potential tenants, so they know

what we're looking at for that area as well as the rental car area that we discussed. The terminal seating and construction on taxiway Delta is about to start. Working with the federal government on bipartisan infrastructure projects, both in the entitlement phases of them as well as discretionary. Moving some work forward, most notably taxiway Golf, which is the taxiway that connects the new GA ramp to taxiway Alpha and ultimately 422. That is starting design soon and then there's a lot of terminal monies out there that we're in for as well as we're still working with the TSA on their inline baggage system. The terminal expansion associated with a lot of moving parts and trying to keep it all together.

b) Marketing Update – Mrs. Miller commented on the marketing report. September was busy with hurricane preparations and the weeks after. I'll be sending you an email about the Charlotte County Chamber luncheon on November 4th at the Holy Trinity Greek Orthodox Event Center. I returned from a Routes airline conference and it was a great networking experience on sharing our low-cost model with airlines and other airports. I want to inform everyone on how resilient we are and how the airport is open and running. Allegiant had flights five days after the hurricane. Of course, there's still a lot of challenges out there in the airline business with pilot shortages and aircraft constraints. As we look around the community and see our hotels need to be rebuilt, Airbnb and the community needs to be rebuilt, but we're resilient and that's the message that I shared with our potential airlines. I'm confident we'll have the right airline again, join us along with Allegiant and Sun Country. The right routes will materialize when we have that critical mass of population and demographics.

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

d) Hurricane Recovery Update – Mr. Parish presented a presentation on hurricane Ian recovery update (see attached).

13. Old Business

14. New Business

a) CEO's Annual Review - Chair Hancik commented that Mr. Parish ended up with an overall Board average of 4.6 out of 5 and opined that it would be a good time to consider Mr. Parish's compensation. I've done some industry research and salary ranges on airports our size, various measurements by size, by budget, and by employees. I will mention all the data that's available, they all indicate that our current CEO is somewhat underpaid and we're looking at 8.2% increase in the cost of living. The current contract has a renewal of 2.75%. If you want some numbers of where this all fits in a national scale, how it relates to our regional airport, and Southwest Florida. I can give you those numbers. This is for the Chief Executive Officer aviation only, and annual base pay is \$289,477 and if you look at that as it relates to the annual airport revenue for an airport authority, it's at \$242,000. Now, that's on a national level and if you look at it in relationship to what our budget is and they have a range of from \$10 million to \$25 million, it's \$233,000. The \$242,000 is based on airport revenue. If you look at an hourly rate, you're looking at for our geographic area, it's \$139 an hour. If you look at an airport authority revenue budget, you're \$116 an hour and if you're looking at the budget itself, you're looking at \$112. Mr. Parish's current salary is \$206,000.

If you look at what occurs for the 2022/23 budget with his contract increase of 2.75%, that goes to \$212,000. The 2022/23 increase at cost of living 8.2%, which would also include the 2.75%, the salary would increase from \$206 to \$222,842 or \$107 per hour, which is still below what you see nationally.

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Chair Hancik recessed the meeting at 10:20 A.M.

Meeting reconvened at 10:30 A.M.

10 Commissioner Andrews commented on recommendations. Chair Hancik responded the averages for someone in his position at a similar size airport, similar size budget, similar size revenue. **Commissioner Oliver motioned to the Board of 8.2% is right in line regionally is appropriate for our airport size and our revenues. It would be 8.2% inclusive of the 2.75%. Commissioner Andrews second the motion.** Chair Hancik
 15 advised we have a motion and a second. Any further discussion? Commissioner Herston commented on our geographic region, including Alabama and Louisiana, which is my understanding, kind of rural in nature. We are the third fastest growing airport for our size, I think, in this country, as best I can determine. I think we have the best CEO in this country. Well, if there isn't any further discussion, I'll call for a vote on the motion and that is to
 20 increase the base salary of our CEO to 8.2% cost of living increase included, of a 2.75% as in the employment contract. **Motion passed unanimously.**

b) **Tenant Rate Abatement Application** – Mr. Parish commented on the ability for staff to negotiate with tenants without bringing it back to the Board for reasonable rent abatements due to damage. I'd like to keep as many tenants as possible and I need the authority to do it without bringing each individual item back to the Board. We're going to look at our budget moving forward, and that would be one thing we're going to have to report back to the Board. **Commissioner Herston motioned that the Board approve to authorize staff to exercise discretion for current tenants in good standing to provide rent abatement for hurricane damage facilities that are partial and completely unusable as described in our package. Commissioner Andrews Second. Motion passed unanimously.**

c) **Purchasing Thresholds** – Mr. Parish commented on our purchasing policy and ultimately bring a new policy to the Board. Reviewed other airports and other entities, such as ourselves. The staff looked at the thresholds of our ability to purchase things without bringing to the Board. The airport is limited to anything under \$25,000 of what can be purchased. I'd like to increase that to \$100,000, which is still lower than most of the airports around us. For executive purchasing, the COO from \$2,501 to \$25,000, and then directors \$2,501 to 5,000, and managers from \$.01 to \$2,500. This is one of the first things I tasked Chad with, and he's going around and done a lot of research. There have been a lot of state changes and wanted to reference the state policy. **Commissioner Oliver motioned the Board approve the CCAA purchasing thresholds in the amounts for Executive Director \$25,001 to \$100,000, COO/CAO to \$2,501 to \$25,000, director from \$2,501 to \$5,000 and manager from \$.01 to \$2,500. Commissioner Herston second. Motion passed unanimously.**

d) **Golf Course Blvd./Challenger Blvd. Roadway Improvements** – Mr. Parish commented on the awarded design contract for the Golf Course Blvd/Challenger Road Improvements. This includes removing a part of Golf Course that's in the RPZ, which is the runway

protection zone. The FAA is requiring us to remove Golf Course Blvd. Instead of moving Golf Course Blvd, FAA is going to allow us to cut Golf Course Blvd off and then extend Challenger, which would do the same thing, but allow Challenger to go out to Piper. We'd like to award the contract to Michael Baker for \$349,100. That's for design, permitting and bidding services. It's funded through PFC's. **Commissioner Andrews motioned the Board to authorize the CEO to execute a contract with Michael Baker in the amount of \$349,100 for work as described in the scope of work. Commissioner Herston seconded. Motion passed unanimously.**

- e) **CTC Aviation Tech Facility** – Mr. Parish commented on the request for qualifications for the CTC Tech facility. This is the new hangar and classroom facility that we are under grant to construct for \$3 million. I'd like the Board so chooses to have one Board member on the selection committee. Commissioner Herston asked is it architectural, structural, land development or both? Mr. Parish responded both, site and facility design, architectural engineering. Commissioner Andrews recommended to assign to Commissioner Herston.
- f) **Equipment Purchase** – Mr. Parish commented on equipment that was damaged, most of it's not total, most of it's reusable, but it's going to take time at the shop and with the supply chain issues, I don't know how long it's going to take to repair. Looking to purchase a new 96" Mower under state contract, a Kubota tractor, which is one of the large tractors we use for Mowing. Current one had significant damage and will take six months to get it repaired from a government contractor Sourcewell, which is currently in the budget under state contract from Kelly Tractor. One of the things that is not budgeted, but it's something we're financially renting right now, is a lull to pick up steel, pick up aircraft and two work trucks. We have multiple prices from Chevy and Ford. We found (2) 2500 Chevys. I will need permission from the Board to purchase all the equipment. The total amount is \$446,850. We're working with the insurance company on repairs or totaling out the other equipment as needed. For operational continuity, we need to go ahead and purchase this equipment before it's out of stock. The airport continues mowing grass, we can continue cleaning soils, and people won't be driving trucks that don't have windshields. **Commissioner Oliver motioned the Board to approve the CEO to purchase a Mower Kubota tractor, lull, skid steer, and two work trucks for a price not to exceed \$460,685 and pursuant to state contract procedures as presented. Commissioner Herston second. Motion passed unanimously.**

17. Public Comments – Punta Gorda Airport:

Tom Ash - The manager for row hanger 2. I wanted to take a moment to extend our appreciation and thank all the employees, the staff, management, the leadership management and of course, the government oversight Board that provided guidance to the airport through this whole process. The planning that you did in advance of the hurricane in preparation was impressive. We've seen some beneficial results of that. The cleanup efforts and the restoration efforts are commendable as well. Addition to that, all the hard work that is yet to be done by all the staff and to send our appreciation. I also want to acknowledge that we appreciate the communication. I was impressed as I was visited out there literally a day or two after the storm and the restoration and things we were doing. Mr. Parish came out and at first I didn't recognize him with his sleeves rolled up out there assessing what's going on, communicating with us as constituents and owners and basically members of the airport community. Thank you all for that effort and the much work that has yet to be done.

About the row hangar 2 and the discussion and negotiations, I do want to take a moment to recognize Mr. Carr in the communications that we've had has been very productive. He's approached us as a problem solver, very intelligent, capable, individual, and professional that I've appreciated working with him.

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Vanessa Oliver - I would like to speak as CEO of Ambitrans. As many of you know, I'm CEO of Ambitrans Medical Transport. We run nonemergency ambulance company, and so we don't do 911 rescues. We transport patients from hospital to hospital to higher levels of care or from hospitals to nursing homes. It turns out that our dispatch center is in zone A, which is a red zone, and mandatory evacuation. We had no place to put our dispatchers, and the airport was so gracious and let us come in and utilize the air center. We were able to continue operations through the storm. Immediately after the storm, as many of you know, we lost a lot of hospitals in Lee County. They became completely unusable due to no running water and Englewood lost its roof. Charlotte County was basically on an island for the first couple of days following the hurricane before all the state and federal resources came in. We were on our own, except that we weren't because we had the airport, we had Mr. Parish, Ray, Gary, Deron, and the entire airport team. We were able to safely move patients even when the roads were closed and there was no fuel to be found. They kept our ambulances going. I can't thank them enough and let the entire staff know how much we appreciate it, how much your work saved lives. But honestly, it's because of this team that we were able to maintain communications, able to safely house our ambulances so that they weren't flooded, and they were operating. I can't thank you all enough. It's when the chips are down or when in times of great distress, you really see who stands up and you see people's character and the character of this team.

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18. Commissioner's Comments

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Commissioner Coppola - Well, thank you all for being here. It's been an interesting couple of weeks. My own house has substantial damage. I wasn't there when it happened. I went to my son's house in Northport. Thank goodness it was much calmer their, it's just an interesting experience. This is my second hurricane in Florida, and you think you learn from the first one, but there's a lot to learn even when you get to the second one and it's no fun at all. I hope everybody out there is healthy, I hope your family is fine and we'll get through this.

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Commissioner Hancik – I would like to echo everyone's comments. I'd like to make everybody aware of the young lady in the back of the room, she is our new newspaper reporter and her name Elaine Allen-Emrich.

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Commissioner Andrews – I want to thank everyone for attending. I can't really improve on what everyone has said other than to personally thank the staff for all your dedication and hard work. This has been a few rough years with the pandemic and now the hurricane, the damage, the trauma that it has caused. For those who may be experiencing trauma, I would recommend seeking out the resources and I would encourage people to seek out any help or assistance that they need. Again, thank you all for coming and thank you all for everything you've done.

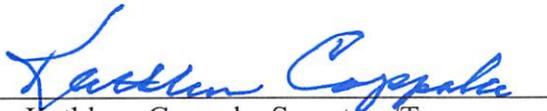
Commissioner Herston - Staff did a great job, I say that every month but just amazing. But I'd like to welcome Mark Kistler, Michael Baker, David Gammon from Charlotte County

and Dr. Pitts in the audience. We also have William Clay and Steve Harper sitting back in the back and wife Jordan. They have amassed a general contracting company with equipment and employees, and they've moved into Charlotte County. They've basically followed storms for 15 to 20 years, I believe. I'm going to introduce them to Mr. Parish, but it sounds like they need to contact Synergy. It's good to see everybody and I'm glad that it worked out for Ambitrans.

Commissioner Oliver - I want to thank you all so much again. I'm amazed by the staff and so humbled to be a small part of this organization. Thank you all so much.

19. Adjournment

Meeting adjourned at 10:51 a.m.


Kathleen Coppola, Secretary/Treasurer


Robert D. Hancik, A.A.E., Chair