

CHARLOTTE COUNTY AIRPORT AUTHORITY

MINUTES OF REGULAR MEETING – MAY 16, 2013 – 9:00 A.M.

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1. Call to Order

2. Invocation

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Commissioner Andrews gave the invocation.

3. Pledge of Allegiance

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4. Roll Call

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Present: Chair Herston; Commissioners Andrews, Coppola, Lee and Seay; Executive Director Quill; Attorney Garrard; Assistant Director Parish; Mrs. Cauley; Mr. Coulter; Mrs. Smith and Mrs. Sutcliffe. **Others present:** Jim Kaletta, Jim Deutsch, Lionel Schuman, Councilman Cavanaugh, Carl Parsons, Gary Bayne, Matt Herston, Paul Piro, Bob Mauti, Andy Stultz, Commissioner Deutsch, other people from the private sector and a member of the press.

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5. Additions and/or Deletions to the Agenda

Mr. Quill pulled A-1 Aero Flight Services, LLC from the Consent Agenda and moved it to New Business 13 d). There was discussion on the Personnel Policy.

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6. Citizen's Input

Tom Cavanaugh - informed the Board that the City Council had voted to install a reverse osmosis plant which meets the TDS requirements of the DEP and they will offer the water district alternate source of water if there is a drought or whatever issues that might come up in the future.

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Lionel Schuman - stated that there will be five Conquistadors attending the One Million Passengers celebration.

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7. Consent Agenda

Commissioner Seay made the motion to approve the Consent Agenda. Commissioner Lee seconded. Motion passed unanimously.

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8. Secretary/Treasurer Report

Commissioner Coppola presented the Board with the Accounts Payable, Profit and Loss Statement and the Balance Sheet. Mr. Quill commented that the month of April ended relatively close to budget and that there are higher expenses due to the lawsuit against the Federal Aviation Administration. He opined that the Authority will do okay this year. He commented that there is slow improvement on the Accounts Receivable due to the reflection of the economy. He commented that the Authority received payments from a couple of tenants which is not shown on the statements.

9. Committee Reports

a) **Land Use** - Chair Herston reported that the Suncoast Trucking Academy is still under construction. He reported no activity on the private side. He commented that new construction for adult congregate living facilities seems to be the hot item in all counties.

b) **Economic Development** - Commissioner Lee had nothing to report. He commented that there will be a meeting next week.

c) **Personnel** - Commissioner Coppola reported that personnel are quiet. She commented that the Board needs to review the employee manual and she suggested that a special meeting be held for that.

d) **Public Relations/Special Events** - Commissioner Coppola reported that she had attended three Republican organizations.

e) **Governmental Liaison** - Commissioner Seay reported that the Board was informed by their representatives that the Authority's Enabling Legislation has gone through both Houses with no problems and it is waiting for the Governor's signature. She reported that the FAA has given a reprieve to all the air traffic control towers that were going to be closed and they will remain open through the end of the fiscal year. She commented that next fiscal year the Airport may have to face this again. She stated that the Authority will continue with what the Authority needs to do to ensure that any changes that happen related to sequestration, the Authority has funding for the tower. She commented that it is good news, but it is only a delay and not an absolute and the Authority needs to be aware of that. Attorney Garrard commented that there is a bill that has passed both Houses and is waiting for the Governor's signature. He explained that it will basically change how the Authority will be able to hold public meetings.

f) **Metropolitan Planning Organization** - Chair Herston reported that the regular meeting was held at the County Complex and all members were present, including Commissioner Deutsch and there is nothing exciting to report. Commissioner Deutsch commented that the transportation study was completed on the fixed routes for bus service into Port Charlotte from Sarasota County. Commissioner Seay commented that the bus route should come to the Airport. Chair Herston commented

that the bus route will stop as far south as Parkside. Commissioner Deutsch commented that there could be 400 riders a day.

- 5 g) **Aviation Activities Report** - Commissioner Andrews reported that April was a good month. He reported on Avgas, jet and airline fuel gallons. He commented that it is a good way to end the season. He reported 15,000 enplanements for the month of April. He reported that the tower operations are up for the month of April with April being the best month of the calendar year. He reported that hangar vacancies are up for the month of April. He reported that construction is coming to the end at the terminal entrance and it is much smoother. He reported that construction is underway for the rental car area. He suggested that the general aviation pilots check the websites for updates. He reported that the gate on Golf Course Blvd. is operational. He reported that the Mooney gate will be converted to Airport access only. He opined that the season has wrapped up very well.

10. Attorney's Report

Attorney Garrard had nothing to report.

11. Executive Director's Report

- 20 a) **Development Update** - Mr. Parish reported that the access road changes around the terminal will soon be completed. He explained that the short term parking pay stations will be moved to new locations and landscaping will be done. He commented that the rental car parking area expansion has started and the old vault building will be torn down. He commented that the Authority will have new lighting for the ramp and the parking lots. He reported that the Authority has finally closed the Master Drainage Plan. He explained that the Master Drainage plan was started in 1994 and finished in 2001 with 18-19 revisions, and this will close everything that goes into the Nordell Pond. He commented that the Authority had purchased 140 acres and converted it into drainage for 80% of the area south of 9/27 and west of 4/22. He commented that the Authority has some pipes to put under Golf Course to get into the pond at the end of 9/27 which will open all of Challenger and part of the mid-field if the Authority would ever want to develop in there. He commented that things have changed with the tower going in that location which modified the mid-field, so the Authority wants to keep that section open and change the pipes because they are larger than they need to be. He commented that the Authority has split the master drainage plan into two basins and the south basin will be closed. He commented that the Authority has submitted the terminal space planning study to the FAA and the Authority is waiting for approval. He explained that the study showed a current need of 639 peak hour passengers which will give the Authority four gates and that is what the Authority is looking for. He commented that the FAA will only fund for the current needs, not for the future needs. He commented that the Authority hopes to get the FAA's approval so the Authority can finalize the design. Chair Herston commented that a representative from the FDOT had commented at the MPO meeting that there are 15 organizations who are working on a Master Plan for the

5 region which involves I-75 and a huge drainage basin. The representative had
commented on how the Authority had given up valuable land along I-75 for
additional attenuation and that he would be happy to work with the Authority to come
up with an alternate plan. He commented that they had talked about a massive storm
water management area currently restoring some of the wetlands. Mr. Parish
commented that they had talked to the Authority about using the Nordell Pond and
expanding it, but there is no additional capacity in the pond beyond what the
Authority is using. Chair Herston commented that FEMA is involved in this study
and that there is an opportunity for a lot of offsite flood plain attenuation type areas
10 available. He commented that they were interested and would be happy to work with
the Authority and that they understood the loss of property and how it can affect an
operation.

15 **b) One Million Passengers** - Mr. Quill reported that a celebration for the one million
passenger will be on Tuesday with the Lexington, KY flight arriving at 2:50 pm. He
asked if any of the Board members plan on attending, to arrive by 2:30 pm and there
will be balloons, cake, banners and some give a-ways. He opined that it will be a nice
celebration of the passenger milestone. He commented that the Airport had 28,000
20 passengers for the month of April and, since the restoration of service, a grand total of
1,049,000 passengers. He commented that April was a busy month with general
aviation. He opined as we go into the summer months the flying will taper off. He
commented that the Authority is very happy that Allegiant has loaded their schedule
through late October and the Authority anticipates some additional growth when
Allegiant loads their fall schedule.

25 **c) IDA Land** - Mr. Quill reported that the Authority has been talking with IDA
(Industrial Development Authority) to try to acquire 5-8 acres of land the County has
transferred to IDA. He explained that this land is on the east side of the Airport and
this will preserve the capability of extending the runway in the future, which is shown
30 on the Authority's Master Plan. He commented that there is not a near chance that
the Authority will be extending the runway, but this will preserve that capability
down the road. Commissioner Coppola wanted to know who the original owner was
of that property. Mr. Quill opined that it was private property which came back to the
County on a tax sale. Discussion was held on that property.

35 **d) Air Traffic Control Tower Sequestration** - Mr. Quill reported that an
announcement was received from the FAA stating that all the towers are good
through the end of the fiscal year. He commented that the litigation played a factor
and the Authority ended up with legislation that passed which required the
40 furloughing of FAA employees to end. He commented that they had enough money
to operate the contract towers but the language that would have required the contract
towers to remain open was taken out by Senator Harry Reid. He commented that
after a couple of weeks of drama, the FAA did announce that is the situation. He
commented, consequently, all of the parties involved in the litigation had agreed to
45 fold the litigation. He commented that the litigation cost is approximately \$40,000
which is less than it would have cost the Authority to operate the tower for one

month. He commented that the Authority is convinced that the litigation stirred the political support and the Authority's Senators and Congressmen supported this. He commented that after the legislation passed, they then signed the letters going to the FAA asking them to operate the towers. He opined that it was a very good move. He stated that it is incredibly frustrating that all the airports had to spend all this man power to straighten out what ultimately was a political game. Commissioner Seay commented that the Authority does not like to spend money on lawyers, but in this particular instance it was the best money spent on a lawsuit and with the lawsuit the Airport made news around the country. She commented that this lawsuit was in every aviation magazine, mainstream newspapers and the international news services, and it included the action that the Authority needed to take in order to preserve the safety of aviation in America. She opined that it was a difficult move for the Authority to make and one that needed to be done and she is very proud of the Board members and staff that they were able to take that step. She opined that it did make that difference.

e) **Small Community Air Service Development Program** - Mr. Quill reported that last year the Authority received a grant from USDOT and their share was \$140,000 with matching shares of \$30,000 from the Airport Authority and \$30,000 from Charlotte County Tourism. He commented that the Authority has talked with Allegiant to put together a media schedule to utilize the grant money in anticipation of additional markets in the fall. He opined that the money will be well spent and will show some impact. Commissioner Seay opined that this is further proof of politicalization of the sequestration. She commented that the Airport had received funds for additional airline services and to promote the Airport, which the air traffic control tower is an important factor for doing this, and the same people months later will be taking away the air traffic control tower. She opined that there is no reason other than a political motivation for having that happen and the Authority did the right thing in pursuing it. Chair Herston asked if the lawsuit was officially dropped. Commissioner Seay commented that the lawsuit is in the process of being dropped. Mr. Parish commented that the Department of Justice asked the Authority to drop the lawsuit but the Authority refused until the FAA officially rescinded the order of closure. He commented that the Authority dropped their case when the FAA officially rescinded the order taking away the May order to close the 149 towers. Commissioner Coppola asked what will happen when the fiscal year is up in October. Mr. Parish commented that he will be in Washington in June meeting with the Authority's Senators and Congressmen on this issue along with about 250 other contract tower operators. Commissioner Coppola commented that if it is safety first with the FAA, why would they do this in the first place. She commented that the safest thing is to have a tower at your Airport.

12. Old Business

a) **Speedway Bid Update** - Mr. Parish reported that the Authority had an open house at the Speedway and four entities were interested with a fifth requesting to send them a package. He commented that one group that is interested in making a full price offer. He commented that the Authority has told everybody that there are two ways to do it,

a full price offer now or put it out to bid. He commented that if the Authority received a full price offer, the Authority would offer everyone that has a package 10 days to counter offer. He commented that when the Authority receives an offer and after negotiations an emergency meeting will be held to accept the offer. He commented that the Authority is advertising nationwide and are on Circle Track Magazine's website receiving 188 inquiries and the Airport is getting attention. He opined that the Authority will get an offer that the Authority is giving it plenty of time to sit out there getting as much attention as possible.

13. New Business

- a) **Line of Credit with SunTrust Bank** - Mr. Quill requested the Board approve the Line of Credit Agreement with SunTrust for \$1,000,000. He explained that this is coverage if the Airport ever got hit by a hurricane or something similar and the cost is \$2,500 a year. **Commissioner Lee made a motion to approve the Line of Credit with SunTrust Bank for \$1,000,000. Commissioner Andrews seconded.** Commission Seay asked if there are other banking entities that would offer better terms. Mrs. Cauley commented that the Authority has met with quite a few banks. Commissioner Lee commented that in looking back to the hurricane and what the Authority was able to do within days, the Authority needs to do this. Commissioner Coppola commented that the Authority used to have a \$3,000,000 reserve fund, which was used in the last couple of years. She asked if the Authority had some kind of funding system in place. Mr. Quill commented that the Authority may bring a proposal to put a few hundred thousand dollars in a reserve account for repair and replacement. He commented that it will take a long time for the Authority to build a \$3,000,000 reserve. He commented that one of the challenges that had been discussed is the Authority needs to fund depreciation and it would be incredibly hard to do that in the economic downturn. He opined that it is a long term challenge and he sees no way to do that in a short term. Commissioner Coppola asked if the Authority is seeing any problems with the condition of the Authority's equipment. Mr. Quill commented that the bulk of the Authority's buildings were rebuilt in 2005 so in 18 to 30 years there will be a major roofing expense and the Authority receives grants for the airfield pavement. Mr. Parish commented that the Authority does a budget every year for ongoing repairs and maintenance, and the Authority does not budget for major repairs to buildings and at this point there is not a need. He commented that the Authority's reserve is higher than they have been and the reserve is not specific for buildings, but it could be. He commented that the Authority has been able to handle all the repairs and maintenance for the airfield buildings for the last five years with the budgeted maintenance fund. He opined that the Authority has sufficient funds in the general budget to cover most unexpected major repairs. He commented that the Authority does not have a fund that will replace every roof in 20 years. He opined that the Authority will not need to because the materials that are being used today are considerably better than what was used in the past and meet the new hurricane codes. He commented that the Authority has funds for air conditioners and major mechanicals that need replacements. Commissioner Coppola asked if there any insurance or guarantees involved in those hangar doors. Mr. Parish commented that

the engineer that sealed them has died and the company is out of business. **Motion passed unanimously.**

5 **b) Select Budget Workshop and Hearing Dates** - Mr. Quill asked the Board for their approval on the proposed dates for the required Budget Workshop on August 28, 2013 at 9:00 am, and the required Budget Hearings on September 11, 2013 and September 25, 2013 at 5:01 pm. **Commissioner Seay made a motion to approve August 28th, 2013 for the Budget Workshop at 9:00 a.m. and September 11, 2013 for the Budget Hearing at 5:01 p.m. and September 25, 2013 for the final Budget Hearing at 5:01 p.m. Commissioner Lee seconded. Motion passed unanimously.**

10 **c) Personnel Policy** - Mr. Quill explained that the Authority is proposing a number of changes to the Personnel Policy. He commented that all of the changes except two are required to comply with various federal laws and regulations that have changed in the past 10-15 years since the Authority has modified the Personnel Policy. He commented that the two policy changes that the Authority is proposing is the smoke free workplace and the vacation/annual leave. He commented that if there is a concern about the two policy changes that they could be postponed, but the Authority needs to adopt the ones to bring the Authority into compliance. **Commissioner Seay made a motion to adopt all changes required by the federal rules as proposed with the exception of the proposed smoke free workplace and annual leave changes for further discussion. Commissioner Lee seconded.** Commissioner Coppola commented that the smoke free environment workplace is not mandatory. Mr. Quill commented that it is recommended by a lot of places and it is tied to the County Health insurance which will require a higher rate for smokers unless they go through a smoking cessation class. He commented that it is the coming trend in a lot of work places. Commissioner Coppola asked if the Authority would be paying the higher rate. Mr. Quill commented that the smokers would have to pay. He commented that the intent is to try to help people to quit smoking. Commissioner Coppola commented that she would like to discuss the annual leave changes. She commented that her concern is if the Authority does not have the money to pay she would rather have the people working a full time job with less benefits then to lay them off or put them on part time. **Motion passed unanimously.** Commissioner Seay commented that if there are no objections on the smoke free workplace the Board should adopt that one. **Commissioner Seay made a motion to adopt the proposed smoke free workplace section. Commissioner Coppola seconded.** Commissioner Lee opined that the entire program should have been brought to the Board to discuss and the Board should have been involved which was not done. He commented that it not a way to run a business and the Board should have had some input and if the Board had had that there would not be this discussion. **Motion passed unanimously.**

20 **d) A-1 Aero Flight Services LLC Lease** - Mr. Quill commented that this item was taken off the Consent Agenda because the Authority does not have a signature from A-1 Flight Services LLC which is being split from A-1 Aero. He asked the Board for approval of the lease subject to execution of the lease. **Commissioner Lee made a**

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motion to approve the A-1 Aero Flight Services LLC lease subject to execution. Commissioner Seay seconded. Motion passed unanimously.

14. Citizen's Input

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Jim Kaletta - Commented that the Civil Air Patrol will be practicing along with the Charlotte County Squadron to prepare for the upcoming hurricane season. He commented that there is an individual who is going to the various boards in the community asking for a town hall meeting to try to get the general public to support eliminating the noise and the expansion of the Airport. He commented that major communities have been approached and have been asking for dates. He commented that his sources have been pretty accurate with the tower situation and opined that they will close the towers after the fiscal year because of political pressure. He opined that the FAA will first close the smaller towers with less movement.

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Commissioner Deutsch - Commented that the County has gone through the smoking issue and it is absolutely amazing the higher degree of health that people have if they don't smoke. He commented that he will not be able to attend the one millionth passenger celebration day. He stated that on behalf of the County Commissioners they are excited and wish the Airport well. He commented that the economic development and tourism offices are focused on the Airport. He commented that with Cheney going in, things will move quicker and the County is excited about the partnership that they have through the economic development and tourism offices. He commented that the Airport is one of the big focal points. He commented that if the County Commission, economic development or tourism offices can do anything to entice other airlines to the Airport, they are only a phone call away. He commented that the County wants to make sure that the Authority does not lose sight of that and it is real important to him. He commented that he has dealt with the state for 40 some years and has never seen an indicator of cooperation from the environmental group and since the Governor has set regulations the County has seen cooperation and flexibility. He suggested that if the Authority has some things that needs to be wrapped up, such as drainage, to do it now. He congratulated the Airport and wished them well on the celebration.

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Bob Thompson - Commented that he is a retired pilot and at the suggestion of Commissioner Lee, he had discussed with Mr. Quill about trying to get USAir to come to the Airport on a regular schedule. He commented that he had sent out numerous emails only to receive negative responses, but he did receive a letter from Mr. Jason, Manager of US Air Express Route Planning, and he had forward the figures from Mr. Quill to US Air Express. He commented that US Air is in the process of merging with American Airlines. He commented that US Air will keep Punta Gorda in mind for future growth and he has copies of all the correspondence. He recommends that the Authority continue pursuing US Air. He suggested to initially offer three flights a day, a morning flight, midday flight and an evening flight. He commented that the morning flight should go to Charlotte, because from Charlotte you can go anywhere in the world, and the midday flight will come back to Punta Gorda and turn around to go back to Charlotte and the evening flight will come to Punta Gorda and that crew will be the next morning's flight.

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He commented that with the proposed merger, the market for Punta Gorda will be potentially greater. He suggested that the Authority should have US Air come to look at the Airport or Mr. Quill to go out to further propose it. He opined that Allegiant Air is not scheduled regularly and it has very limited service. He commented that US
5 Air/American will offer an unbelievable market for the Punta Gorda area and he had mentioned to US Air that Sarasota and Fort Myers are nearby. He commented that the Airport is showing good performance with Allegiant Air and that the Airport has good potential.

10 **Lionel Schuman** - Commented that this is his last meeting and he wished the Authority a great summer.

15. Commissioner's Comments

15 **Commissioner Coppola** - Thanked everybody for attending the meeting. She commented that the Chair from a town hall meeting had introduced her as being with the Airport Authority and how the Airport was an economic engine for the entire community, and after the adjournment a woman came up to her and asked for a list of air destination. She commented that the woman had friends in one of the Illinois cities that would like to
20 come to Punta Gorda. She thanked the gentlemen on the commission for giving her that plug that night which proved to be beneficial. She thanked Mr. Kaletta for keeping the Board updated on all the changes and commented that the information he comes across is amazing. She wished Mr. Schuman good luck and to have a nice summer in the mountains. She commented that it would be beneficial for the Authority to get the IDA
25 land and she had asked for the entire piece before the County gave it to IDA. She thanked Mr. Thompson for his information and it was very ambitious of him for doing that on his own time.

30 **Commissioner Andrews** - Thanked everyone for coming to the meeting and he stated as we get into the slower summer season he is looking forward to some R&R. He commented to Mr. Schuman to fly safe as he heads home and he will see everybody next month.

35 **Commissioner Lee** - Thanked everyone for coming to the meeting. He stated that Mr. Thompson is here because he invited him. He commented that Mr. Thompson is a wealth of information and the Authority needs that. He commented that it has been a great group and will see Mr. Schuman next year.

40 **Commissioner Seay** - Commented that it is nice to see everybody and thanked them for coming and for the good work that they do. She commented that there are several things that go on at the Airport that the Authority does not address which the Authority needs to start doing on a more aggressive basis. She commented that the Authority's staff is doing a great job with the funding in promoting additional airlines, and that there is a lot more
45 to the Airport than airlines. She commented that there are commercial properties and it is important that the commercial properties be marketed. She commented that there are several different parts to marketing and public relations is one part and when there are

issues, such as noise, the Authority does not respond to that and the Authority is not doing their public relations. She stated that the Authority does not have a relationship with the media. She asked when was the last time the Airport had a media event where the Airport told the media what the Airport is and what the Airport does, and the Authority does not communicate with the media. She commented that advertising for the Airport there is the commercial side and the aviation side and they are vastly different. She commented that the promotions are entirely different when trying to attract an aviation tenant and someone to operate off the Airport site. She commented that there are promotions to help promote the airlines, such as the Air Show or promoting activities and the government relations makes sure that the people who represent the Airport have the information they need to properly represent the Airport. She commented there are different branches in marketing. She suggested that the Authority have an ongoing conversation to identify a means of communication that would encompass these things so the Authority might be able to work more readily with the county and city and to work more closely with what already exists with tourism. She commented that the Authority does not have a plan and she stated that the Authority needs to have a plan. She commented that she would be happy to put something together and find a way to make that work. She commented that Commissioner Lee has been on the forefront and pushing the marketing. Commissioner Coppola suggested that Commissioner Seay put together a list of the five different headings for the Board to review. Commissioner Seay commented that the information comes from the Public Relations Society of America and she will put together a summary of what it is, what it means and how it would relate to the Airport and will provide it to Mrs. Laishley to share. Chair Herston suggested that for a beginning, a special meeting should be held and outline exactly what the Authority would like to do and a second meeting with all the other organizations. Chair Herston suggested that the first meeting will be held on June 7th at 9:00 am. **Commissioner Seay made a motion to approve scheduling a workshop meeting on June 7th, 2013 at 9:00 am to discuss marketing. Commissioner Lee seconded. Motion passed unanimously.**

Chair Herston - Thanked everybody for coming to the meeting.

16. Adjournment

Meeting adjourned at 10:10 a.m.

James W. Herston, Chair

Kathleen Coppola, Secretary/Treasurer