

**CHARLOTTE COUNTY AIRPORT AUTHORITY**

**MINUTES OF REGULAR MEETING - AUGUST 14, 2014 – 9:00 A.M.**

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**1. Call to Order**

**2. Invocation**

10           Commissioner Andrews gave the invocation.

**3. Pledge of Allegiance**

                  Chair Lee read the notice of meeting change into the record (copy attached)

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**4. Roll Call**

**Present:** Chair Lee; Commissioners Andrews, Herston and Seay; Executive Director Quill; Attorney Garrard; Assistant Executive Director Parish; Mrs. Cauley; Mr. Laroche; Mr. Mallard and Mr. Montoya. **Others present:** Commissioner Deutsch, Jim Kaletta, Gary Bayne, Gary Harrell, Bob Herrington, Keith Hansen, Jim Deutsch, Carl Parsons, Paul Piro and other people from the private sector. **Absent:** Commissioner Coppola.

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

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**6. Citizen's Input**

**7. Consent Agenda**

30           **Commissioner Seay made the motion to approve the Consent Agenda. Commissioner Herston seconded. Motion passed unanimously.**

**8. Secretary/Treasurers Report**

35           Mr. Quill reported that the Authority continues to make steady progress on the account receivables. He reported that the income statement for June had a gain and that August and September are typically the slowest months. Commissioner Herston asked about Gary Capristo's account. Mr. Quill commented that the Authority prop locked it and Mr. Capristo is trying to sell the plane. Commissioner Seay asked if the Authority had a lien on the plane. Mr. Quill replied that the Authority does not.

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**9. Committee Reports**

45           **a) Land Use** – Commissioner Herston reported that Sarasota and Lee counties continue to be strong and there is an increased interest in Murdock in the last thirty days.

b) **Economic Development** – Chair Lee commented that ten years ago the Board was sitting around a table working to get the airport back in shape and have done a great job in the past ten years.

5 c) **Personnel** – No report.

10 d) **Public Relations** – Chair Lee commented that the Board was recognized at the baseball game the other night. Commissioner Andrews commented that he has a few things he would like to report under Public Relations that included an article in Sarasota Herald Tribune, a report on air fares, APG being named one of the top 50 companies to watch in Florida, an article in the News Press and USA Today had a picture of the Bailey Terminal.

15 e) **Governmental Liaison** – Commissioner Seay reported that she attended the Punta Gorda Chamber meeting and the banquets are coming up. She commented that there are a lot of elections going on. She commented that the legislature approved a new congressional district map at a special session. She reported that there was good information at the Florida Airports Council meeting and she received a 2014 Government in the Sunshine manual.

20 f) **Metropolitan Planning Organization** – Commissioner Herston reported that the meeting is up coming. He apologized that he missed the MPOAC meeting. Mr. Herrington reported that the meeting was in Sanibel and was well attended. He commented that it gave everyone a chance to see Southwest Florida and to see what the area's transportation issues are. He commented that they discussed rearranging some of the procedures on the MPOAC to keep up with the new Federal regulations. He explained that the new Federal Transportation Bill extension has passed both the House and Senate then going to the President for signature that will extend the MPO's funding until May 2015. He commented that there was concern on completing the projects that have been started but that has been lifted off their shoulders.

25 30 g) **Aviation Activities Report** – Commissioner Andrews commented that the slide on passenger counts shows the increase in activity (copy attached) and there was a 63% increase in passenger traffic in July 2014 compared to July 2013. He went over the slides for avgas, jet A and airline fuel pumped.

## 10. Attorney's Report

## 11. Executive Director's Report

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45 a) **Development Update** – Mr. Parish reported that the Authority received the bids for the terminal expansion and the low bidder is DeAngelis Diamond Construction. The Authority received a letter of suggested award from the engineer and the grant applications have been submitted to the FAA and FDOT. He explained that the cost came in at approximately \$2 million under the estimated budget. He explained that he has met with the contractor and they are comfortable that they can do it and they want

to compress the schedule. He commented that the Authority should to have the FAA grant in the next week or two and the Authority will have an emergency meeting to accept it. He commented that the two firms that were selected for the design/build RFQ are working on proposals for four different projects. He explained they included some upgrades to the restaurant, hangar doors, upgrading the security system and expansion to the rental car carwash facility. He commented that staff is planning for the Christmas season and the overflow parking. Commissioner Herston asked if these are for the projects that are under \$250,000. Mr. Parish explained that nothing has been awarded.

**Punta Gorda and Charlotte County Chamber Banquet** – Mr. Quill commented that the Punta Gorda Chamber’s Banquet is the 13<sup>th</sup> and the Charlotte County Chamber’s is the 20<sup>th</sup> and a head count is needed from the Board. **Commissioner Seay made the motion to approve attending the two banquets. Commissioner Herston seconded. Motion passed unanimously.**

**TSA Privatization** – Mr. Quill commented that a year ago at the Florida Airports Council conference a couple of the private screening contractors made presentations. He explained that the airport needs more flexibility than what the Federal government has because the Airport has had several situations when there were delays and TSA could not stay. He commented that private screeners have more flexibility. He is asking the Board for approval to go forward with the application process for private screening contractors. Commissioner Seay commented that there has been a lot of activity on this nationwide and it seems to be working well. She opined that because of the issues the Authority has had that this is a good idea for the Authority to go forward with it and it would be beneficial for the Airport’s passengers. Commissioner Herston asked about the cost. Mr. Quill explained that it will not cost the Authority anything and it is a lengthy process of over a year. Mr. Parish explained that Sanford had applied four years ago and they should be starting next month, and Sarasota applied over two years ago and should be starting in October. He commented that staff had talked to several airports that have done it and not one has said that they wished they had not done it. He commented that the Authority has talked to the private screening companies and they have the flexibility to do what the Authority needs and we aren’t different, but we are different than Ft. Myers and everyone who works here is from the Ft. Myers office and thinks we should be just like Ft. Myers. He commented that the Airport is more like St. Pete and Sanford. Commissioner Andrews commented on the presentations last year, and the research that Mr. Parish had put into it and he opined that it is a good idea. Chair Lee agreed.

**b) Food Service Proposal** – Mr. Quill explained that Nino’s Bakery had sent a letter to the Board asking to set up a cart in the terminal. He commented that he had told them that there is an issue with room, but they will have a chance to compete. He explained that in about six months the Authority will go out for proposals for food service in the terminal and there will be approximately 600 sq. ft. in the expanded terminal for food service. He commented that there are some DBE goals required by the FAA. He

explained that he will tell them that they will have a chance to compete as well as the restaurant in six months.

- 5 c) **Operations Update** – Mr. Mallard reported that the VOR 4 approach will be reinstated and published in January of 2015. He reported that the ILS installation is in progress and is being surveyed. He commented that the civil work will be completed; assembly of the ILS system will be done with a flight check in March and a publication date of June 2015. He reported that the Authority is working to reduce the minimums on runway 22. He commented that he is working with the Atlanta Region and Washington on the radar for the Air Traffic Control Tower. He reported that the extension of the tower hours is going through the process for approval. He reported that the screens and a sun shade have been installed at the self-service fuel facility.

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15 Mr. Quill reported that the Tri-Annual Exercise will be held on October 21<sup>st</sup>. He commented that a lot of planning has been done on that and that staff has done a lot of hard work.

20 Mr. Quill commented that ten years ago he was not sure the airport was solvent. He commented that the Authority went through challenging times on insurance and FEMA. He commented that the Authority has survived and many small airports are having issues. He thanked the Board for employing him and thanked staff for the good job.

## 25 12. Old Business

## 13. New Business

- 30 a) **Developers Agreement with Southwest Land Developers** – Mr. Parish reported that he has been working with Mr. Bayne of Southwest Land Developers for the last few months on a proposal. He explained that the County had put out a proposal to purchase a section of the Industrial Development Authority land, which is adjacent to the airport. He commented the Southwest Land Developers is proposing a Developers Agreement with the Authority. He explained that SLD would purchase the land and develop the 23.7 acres into a proposed pond/lake that would tie into existing stormwater treatment for the industrial park to the south and east of the airport. He commented that the lake would meet all of the FAA requirements. He commented that at the end of the development process they would transfer the land to the Authority. He explained that it gives the Authority a drainage outlet for the east side of the airport and the water gets treated in a lake. He commented that there is no cost to the Authority. He commented that there are some wetlands between the airport and the lake that the IDA will continue to own. Commissioner Herston asked if the Authority will be using their discharge structure. He asked about permits. Mr. Parish explained that they will have to modify their permit. He commented that it gives SLD the ability to dig the lake and use the fill. Commissioner Herston asked how much can the Authority put in the lake. Mr. Parish commented about 120 acres. He explained that the Authority has been looking for ways to drain the eastside of the airport, and it

5 has been an ongoing process for the past five years or six years. Commissioner Herston asked if the Authority gets the land would it be covered under someone else's SWFWMD permit. Mr. Bayne explained that they will have to modify two permits. He explained because the Authority would own the property they would have to do a major modification to the Authority's master drainage plan, and modify the permit for Airport Commerce Park to the south. He explained that once the permits are issued they will do the maintenance and monitoring for SLD's portion of the lake, and the Authority would be responsible for their portion of the lake, which is the 23 acres and would be part of the Authority's Master Stormwater Permit. Commissioner Herston asked if the Authority is buying the property from SLD. Mr. Bayne thought there was a ten dollar fee to make it legal. Commissioner Herston asked if the contract was contingent on the issuance of the SWFWMD permits. Mr. Bayne explained that their contract with the IDA is contingent on SLD getting the permits and if not SLD has the ability to give the land back to the IDA. He commented that the County is going through a major revision of their Land Development Regulations and they have six months to get it done. Commissioner Herston commented that it gives the Authority 120 acres to discharge through SLD's drainage structure. Mr. Parish explained that once SLD's project is done they will give it to the Authority and if SLD's project never gets done there is no deal. Commissioner Seay asked what the cost to the Authority is. Mr. Bayne explained that there is no cost to the Authority. Mr. Bayne explained that one of the reasons they looked at the property is that there is not a lot of commercial property selling but residential property is, and a lot of the fill would be used for residential property. Mr. Parish explained that the Authority will have access points to the property that would allow for developments. **Commissioner Herston made the motion to approve the Developers Agreement with Southwest Land Developers. Commissioner Seay seconded. Motion passed unanimously.**

30 b) **Charlotte County and Punta Gorda Chambers' Annual Banquet** – Mr. Quill commented that he did get some agenda items out of order. **Commissioner Seay made the motion to approve as stated previously. Commissioner Herston seconded. Motion passed unanimously.**

35 c) **TSA Privatization** – **Commissioner Seay made the motion approve. Commissioner Herston seconded. Motion passed unanimously.**

40 d) **Allegiant Travel Company Presentation** – Mr. Quill explained that Keith Hansen, Director of Airports and Government Affairs, is here from Allegiant Travel Company. Mr. Hansen went over a power point presentation (copy attached). He commented that the low fares drive traffic and the Punta Gorda Airport has some of the lowest fares in the country and as a result the traffic has increased. He commented that Allegiant wants to be more than an airline, a travel agent and that their model is a Costco model. He commented that Allegiant started fifteen years ago with one plane and one route and now they are flying to almost 100 cities with 250 routes. He commented that most people are interested in the fare and they will drive to get to the airport that has the lower fare, and in order to have low fares they have to have low airport costs. He explained that airport fees have been rising over the past few years

5 and that is a concern to Allegiant. He stated that it is refreshing to have an airport like  
Punta Gorda where Allegiant has not seen that, and as a result, there has been growth  
over the past several years. He commented on the opportunities that exist in SW  
Florida and he appreciates the work that the airport has done. He stated that “if you  
10 build it they will come” does not always work in real life, and airlines do not base  
decisions on where to fly on the way the airport looks, how fancy, etc. He commented  
that customers do not make decisions on where to fly by the way an airport looks  
either, they pick on where to fly by how much it is going to cost them. He reiterated  
15 that Allegiant appreciates what the Authority has done at the airport and he thinks it is  
phenomenal and the growth is phenomenal. He commented that the Authority was  
able to do this without increasing costs. The Authority is building a terminal that will  
maximize the growth of the airport, and allow Allegiant to continue to grow and bring  
in another airline or two. He commented that for Allegiant’s market this is the right  
20 airport for them and they like to be here. He explained that Allegiant does not want to  
be in Ft. Myers or Sarasota and Punta Gorda works for Allegiant and Allegiant wants  
it to continue to work for Allegiant. He thanked the Authority for the efforts that they  
have undertaken in the past few years and the efforts the Authority will continue to  
make. He commented that Allegiant does fly to some expensive airports and are  
asked why it matters if the airport charges a landing fee and a PFC fee. He explained  
25 Los Angeles had built a new terminal that cost billions of dollars and the cost has  
increased for everyone. He explained that they will not be adding flights to Las Vegas  
or adding airplanes to Las Vegas because of the costs and the beneficiaries of that is  
Punta Gorda. The planes can be brought to Punta Gorda and try opportunities here.

#### 25 14. Citizen’s Input

**Jim Kaletta** - Commented that the FAA put out a regulation regarding hangars at  
airports. He commented that there has been no clear regulation saying building airplanes  
30 could be done in hangars at airports like PGD. He commented that the new regulation  
states that if the airplane is being assembled it can be in the hangar, but if the wings and  
so forth are being built it should not be in the hangar. He commented that they are  
looking for a change to that regulation because whenever you are building or assembling  
in a hangar it is still aviation and falls under the aviation category. He commented that  
35 another regulation came out regarding repair shops.

#### 35 15. Commissioner Comments

**Commissioner Andrews** – Thanked everyone for being here including Commissioner  
Deutsch. He commented that the Florida Airports Council conference was very  
40 informative and worthwhile. He commented that he is familiar with low cost airlines  
because he was with ATA.

**Commissioner Seay** – Commented what a difference ten years makes. She commented  
on a meeting that was held in the old office with people by phone because no one could  
45 get there and authorizing Mr. Quill to do what was needed to be done to get the airport  
back in order. She congratulated Mr. Quill for having the foresight to do all that and he

5 did it with the help of all the staff and that made the airport into what it is now and for  
allowing Allegiant to come here. She opined that if it had not been for Mr. Quill it would  
never have happened. She commented that it is a dramatic change going from nothing to  
this. She commented that Mr. Quill did it without putting the Authority in debt. She  
10 explained that at the FAC meetings they talk about PFC's and landing fees. She  
commented that the creative approach to operating this airport has led to its success and  
to the success of Allegiant. She opined that the airport is the best economic opportunity in  
the entire SW Florida and it is because of Mr. Quill and his staff. She thanked Mr.  
Hansen for his presentation.

15 **Commissioner Herston** – Commented that it was good to see everyone here. He  
commented that Commissioner Deutsch, Mr. Herrington and Mr. Harrell are here as well.  
He commented that it is always good to hear from Mr. Bayne and he does a good job for  
the Authority. He thanked the staff who does a great job, even though Mr. Quill gets  
20 more recognition. He commented that he does not know of another business model like  
the Authority's with Allegiant, and the Authority and Allegiant have grown together. He  
asked what percentage of 600,000 passengers are of the capacity of the new terminal. Mr.  
Parish commented that it would be about 97% capacity of the new terminal. He  
commented that the FAA guidelines are you build for the previous year. Commissioner  
25 Herston asked where does it leave the Authority, turn around and start the same process.  
Mr. Parish explained that there are some alternatives in the building that will give the  
Authority the ability to handle passengers. Commissioner Herston commented on  
Allegiant's plans to add additional cities to their system.

30 **Chair Lee** – Commented that he remembers ten years ago sitting around a table trying to  
figure out how the Authority was going to rebuild the airport. He commented if it were  
not for Mr. Quill and staff it would not have happened. He opined that the airport,  
thankfully, is well on its way of being the best airport in Florida.

## 35 **16. Adjournment**

Meeting adjourned at 10:05 a.m.

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Don Lee, Chair

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Kathleen Coppola, Secretary/Treasurer