

CHARLOTTE COUNTY AIRPORT AUTHORITY

MINUTES OF REGULAR MEETING – MARCH 19, 2015 - 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

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Present: Chair Andrews; Commissioners Coppola, Hancik, Herston and Seay; Executive Director Quill; Attorney Garrard; Assistant Executive Director Parish; Ms. Desguin; Mr. Laroche; Mr. Mallard and Ms. Straw. **Others present:** Commissioner Deutsch, Councilman Cavanaugh, Don Lee, Mike Hirsh, Gary Bayne, Mark Kistler, Lionel Schuman, Dave Goode, Scott Brady, Dave and Barbara Ringwalt, Terry Yonker, Jerry Paul, Ron Ridenour, other people from the private sector and a member of the press.

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5. Additions and/or Deletions to the Agenda

6. Citizen’s Input

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7. Consent Agenda

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

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8. Secretary/Treasurer’s Report

 Mr. Quill commented that there were some slight improvements on the accounts receivable. He noted that the income statement is for January and the numbers are accurate. He reported that there was a net operating gain. He commented that overall the Authority is in pretty good situation.

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9. Committee Reports

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a) Land Use - Commissioner Herston reported that it is a little brisker on the private side than usual. He reported that it appears that Lee and Sarasota Counties are busier than Charlotte County. He reported that there is some activity in Charlotte Harbor.

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b) Economic Development - Chair Andrews reported that the News Press was one of the sponsors of Marketwatch Real Estate 2015, and he presented a short video from one of the commercial real estate speakers. He commented that the video is good

information for real estate people and excellent for overall opportunity in the County. He commented that visitation leads to migration and that is clearly the case in the video. He commented that Punta Gorda is definitely on the map and he sees good things happening for Charlotte County.

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c) **Personnel** - Commissioner Coppola had nothing to report.

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d) **Public Relations/Special Events** - Commissioner Coppola reported that Kimberly Horn is having a grand opening. She reported that the Cultural Conference Center is honoring Mr. Don Gasgarth with a recognition dinner for his community services and tickets are available at the Cultural Center. She reported that she had attended the Port Charlotte Republican Club which will be joining the DeSoto Republican Club. She reported that she attended the Women's Forum and had a discussion with one of the school board members.

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e) **Governmental Liaison** - Commissioner Seay welcomed Jerry Paul who is doing great work for the Authority. She reported that the Florida Legislative Session began March 3rd and will conclude May 1st. She reported that the Authority has a lot of support in Tallahassee monitoring the legislation, educating the Authority's Legislators and representing the Authority's interest including the Western Michigan University Initiative and seeking support and funding for a survey. She explained that the survey will try to determine the passengers that pass through the airport to find out exactly where they are going, what they are doing and the impact on Charlotte County. She commented that it is being felt across this region and the survey will prove that. She commented that funding will be a challenge and it is not ordinarily funded through the state. She commented that by working with the Authority's Representative in Tallahassee, Jerry Paul and his staff has been very helpful. She commented on a conference call that was quite productive about a tourism survey with VisitFlorida and the Vice President of International Sales and Market Development for VisitFlorida will be visiting the Authority. She commented that the Governor has an initiative on bringing additional persons/visitors into Florida and the marketing model for Allegiant Air does exactly that. She commented that the increase in numbers at the airport has demonstrated that this is a very popular destination. She commented that the Governor wants to increase tourism and the airport is doing that and it needs to be proven through numbers. Commissioner Hancik suggested a couple of ideas in developing market analysis that had been done where he had previously worked. He commented that what is important is their final destination. Commissioner Seay commented that the Authority had talked with Florida Gulf Coast University and they had made a presentation to the Authority on the creation of a document. She commented the challenge that the Authority ran into in working with airlines and other organizations is that they look at the validity of the survey and how can a survey instrument be created that has the appropriate validity and to make sure that the persons surveyed are going to provide the necessary data. Commissioner Hancik commented that the University of Missouri has a valid survey that has been tested and he could get the name of the department head. Chair Andrews commented that a survey was done at ATA with charter flights. He

5 explained how the survey was done. Commissioner Seay commented that it is all helpful data as long as you can assure that the survey instrument has the right kind of information and that the persons that are being evaluated are an appropriate segment of the population that you are trying to evaluate. There were discussions on different types of surveys.

10 **f) Metropolitan Planning Organization** - Commissioner Herston reported that he has already reported on the last MPO and MPOAC Meeting. He reported that the next meetings will be in April and May and he will report on those meetings at that time.

15 **g) Aviation Activities Report** - Commissioner Hancik reported on total passengers for fiscal year 2014/2015. He reported an 18% increase over the same month last year and a 34% increase year to date from last year. He reported that there was an increase in JetA sold and airline gallons pumped. He reported that Avgas gallons sold is holding steady. He reported on T-hangar vacancies for the month of February.

10. Attorney's Report

20 Attorney Garrard had nothing to report.

11. Executive Director's Report

25 **a) Development Update** - Mr. Parish reported that construction on the terminal is the biggest development currently going on. He reported that the roof purlins have been set. He reported that they are tearing into the front of the old building where the two buildings will attach. He commented that construction is going well and there were no issues. He reported that Cheney Brothers have started setting walls. He commented that they have two large cranes that are temporarily affecting three of the approaches. He reported that the Authority is continuing to work on the design of the taxiway alpha extension and was set back while the Authority was waiting for answers from the FAA. He reported that the Authority is working on getting the numbers together for an updated master plan.

35 **b) Miscellaneous Items** - Mr. Quill commented that the passenger count and fuel are both up. He commented that a week after Cheney Brothers went vertical a commercial realtor from Fort Myers stopped in and the Airport has been noticed for distribution. He opined that it is like having a free billboard out on the interstate. He reported that the Authority met with Mr. Tyler Ezzi on air show related issues and he hopes something will come out of that. He reported that the meeting with the Chief Operating Officer of Allegiant Air was very positive. Mr. Mallard commented that it is an excellent relationship between the Authority and Allegiant Air. He commented that Allegiant Air appreciates the growth at the airport. He opined that the Authority will have a great future with the new COO of Allegiant Air. He commented that the Authority invited him to the terminal's grand opening and he plans to be here. Mr. Quill reported that the tourist tax is up 27% and he stated that clearly there is correlation with the passenger count.

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12. Old Business

5 a) **Legislative Update** - Mr. Jerry Paul gave an update on the Legislative Session. He commented on the Punta Gorda Airport Commissioners and staff going to Tallahassee interfacing, working together and meeting with hosts of Legislators to work on the legislative agenda. He gave an update on the specific legislative items, talked about the matters that are working their way through the legislative session that could have an impact on the airport and walked through the details of how the legislative bills and amendments are monitored and tracked. Commissioner Herston asked what the estimated costs of the survey. Commissioner Seay commented that a rough estimate from the Gulf Coast University was between \$15,000 and \$17,000 to develop the instrument, using students to conduct the survey, assess it and provide the Authority with a report giving the validity of the information. She commented that the Authority had asked Gulf Coast University to develop the instrument from scratch. She commented that it is important to have communication with Gulf Coast University, tourism groups, economic development groups and all groups to get input of what the Authority hopes to achieve, what is valuable and what direction needs to be taken. She commented that she would like to think the 27% increase in tourism came from the airport. She commented without that survey the Authority is at a market disadvantage to show their true value. Commissioner Coppola commented that different people will also benefit from this survey and it would be a funding source. Commissioner Seay commented that it might benefit a hospitality association, a business association and the chambers and would they be willing to help the Authority get to that point. She commented that it is a challenge trying to find a source of funds to assist the Authority in the development of the document, the survey instrument, the assessment of the data collected, making sure the right data is collected and that it is analyzed properly. Commissioner Coppola suggested that maybe some funding could come from the 27% tourism tax increase. Commissioner Seay commented that there are pots of money sitting there but they are not allowed to use it for surveys for certain reasons. She commented that by proving the Authority's concept and showing how it ties in with the Governor's initiative may very well push it over the top.

35 Mr. Paul commented that the priorities this year on the agenda are the Punta Gorda Airport specific, airports in general and governmental type bills that could potentially affect any local government. He commented on last year's session when the Authority retained governmental affairs and council in Tallahassee and were successful in getting all of the funds requested. He commented that a protocol or routine was established where Legislators in Tallahassee recognized that there is an airport in Punta Gorda and they are doing good things. He commented that the Legislators will consider and try to help the Authority the things they are asking for. He explained that when matters come up that will affect airports across the state the Legislature will know who to get in contact with at the airport. He commented that the Legislature will try to establish that protocol and achieve the specific request. He commented that this year the Legislative items are to seek partnership funding from the state through the Department of Transportation Airport's Section for the apron

expansion, to help host and support Western Michigan University Programs, and try to facilitate partnering with VisitFlorida to collect data from visitors and traveling passengers through some type of survey tools that VisitFlorida may have available. He commented that the strategy on the first item is to seek funding on an unofficial budget request. He explained that a request is sent to the House and Senate committees that appropriate the funds for the Department of Transportation work plan, and it then goes through the appropriations process like it was done for the terminal expansion. He commented that FDOT had come to an agreement that FDOT will fund that through the grant program if the Authority removes the Legislative budget request. He commented that Mr. Quill has been keeping him up to date on the relations between FDOT's staff and the Authority's staff. He commented that they are working closely with Mr. Quill on getting that confirmation. He explained on how the committees were broken out in the House and Senate. He commented that the subject area that affects the Airport is called TED (Transportation Economic Development) and the first version budget was released. He commented that it does not specify any particular projects and it is at the allocations stage. He commented that one of the Authority's priorities has been the Airport Development Grant Program and the goal is to make sure that funds get appropriated at the same or greater level than last year. He commented that on the appropriation side the Authority is on track. He commented on a conference call with Senator Detert who had arranged, with VisitFlorida, to talk about the Authority's request for assistance with surveys. He commented that Senator Detert writes the budget for VisitFlorida and they tend to be responsive to her. He commented that VisitFlorida had tried hard to find a way to help the Authority, but VisitFlorida is not set up as an agency that can grant funds and is more of a marketing arm of the state. He commented on Commissioner Hancik's comment that there are others out there that do these surveys and have developed tools for doing it. He commented that there are some airports in the state that have done surveys through a private company and VisitFlorida has purchased some of the data from those companies. He suggested that VisitFlorida partner with the Authority to share the cost, if the Authority determines that the level of detail that is required is greater than what the Authority could collect on their own. He commented on House Bill 595, Senate Bill 722 and the Aviation Fuel Tax exemption repeal. He gave some background on the bills. He explained that this provision was put into law to attract smaller airlines to the state by exempting them from paying the aviation fuel tax. He commented that there is an effort by a couple of Legislators and the Finance and Tax Committees to remove that exemption and it would mean that all of the airlines would pay that tax. He commented that they have been opposing the bill that would remove that exemption, or if it is going to be modified that it be made revenue neutral so the smaller airports are held harmless. He commented that is the position he has been taking on the behalf of the Authority. He commented that with the Authority having representation and a bill was running related to the airport they knew to reach out to Capital Access and asked how it would affect the Punta Gorda Airport. He commented that they got wind of both of these pieces of legislation from both sponsors because they knew that Punta Gorda was represented in Tallahassee. Commissioner Hancik asked if the TED funds are broken out by airports, bridges, roads or is it one huge pot of money. Mr. Paul explained that

5 it is broken out with a fair amount of detail but the major categories are by agency because most of the funding in the State of Florida goes through the Executive Branch agencies. He explained that it will have the FDOT pot which is broken into airports, seaports, general work plan, roads and within those divisions it is broken
10 down even further. He commented that it usually does not go all the way down to the project level with some exceptions. Commissioner Hancik opined that the aviation fuel tax goes to fund that portion of the TED budget for airports. He stated that two states which had the aviation fuel tax were not using those dollars for aviation projects, but using it for other things. He stated that there has been a ruling in the
15 courts that if you collect aviation fuel taxes it has to be spent on airport improvements. Mr. Paul commented that he can access any bill in a matter of seconds to see what the current status of the bill. He demonstrated how a bill is monitored and tracked on the Authority's behalf. He commented that the Charlotte County Legislative Delegation are the Authority's strongest champions for what is needed to support the portions of their district that the Airport is in. He commented that it became an anchor for bringing them here and it gives them a visual image. He commented that they were very helpful throughout the entire legislative session last year. He commented if something gets bogged down the Authority can go directly to them and use their political capital to unbind it. He commented that he tries to go
20 beyond the Legislative Delegation. Commissioner Coppola asked if the Legislative Delegation is kept up to date on what is going on. Mr. Paul answered that they do. He commented that it is a balance to make sure they have operational awareness but not information overload. He commented that the Delegation relies on the liaison between the Authority and them to let them know what is happening. Commissioner Hancik asked if it would be appropriate for the Authority to address the fuel tax legislation when the bill is finalized that there be a resolution from the Charlotte County Airport Authority that supports that legislation from a political standpoint. Mr. Paul commented if the Board makes that decision and comes up with a clear statement and a resolution he can take that to each member of the delegation.
25 Commissioner Hancik asked if it is helpful for Mr. Paul, being a consultant, to maneuver through the political process. Mr. Paul commented that it is helpful. Commissioner Seay suggested that Mr. Paul write a brief summary and the Authority can have a discussion on that at a later date. Commissioner Hancik commented that a workshop is being held after the next meeting which would be a good time to discuss this. Commissioner Seay is concerned on the position of Allegiant Air has on that. She commented that the Authority needs to be cautious on taking a position that might be in opposition to the only airline. Mr. Paul commented that the Allegiant Airlines generally opposes the bill. He explained that they are one of the smallest and they are not paying tax. He commented that the "biggs" are pushing the bill and the
30 "smalls" are opposing it. Commissioner Herston asked if the increase was \$200 million or the overall pot. There was discussion on the \$200 million pot. Mr. Paul explained that if a large incumbent that was already in Florida in 1996 they have paid the tax and will continue to pay the tax. He commented that if an airline came to Florida since 1996 and have met certain criteria they have never paid that tax so when fuel is purchased you don't pay it. He explained the procedure of how they monitor and track each bill. Commissioner Seay commented that what she finds helpful in the
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analysis and assessments is that it goes beyond what is involved with an airport showing other legislation that affects the airport it doesn't necessarily say airport. Mr. Paul commented that he has a folder for special districts and he monitors and track every bill that touches any statute relating to a special district. He commented that last year's session there were 3,000 bills filed and 254 were passed and most of those were agency bills. He commented that 150 to 200 bills that come from the private sector make it through. He commented that the system is designed to fail. He commented that you would want it to be very difficult to change the law. He commented that if it were easy to change the law the republic would have been lost a long time ago. He explained that he is hired to make sure that a bad idea does not become law. Commissioner Seay liked that he has been responsive whenever the Authority had a question about anything that has come up whether it is directly related to the airport or not. She commented that it has been helpful and it is greatly appreciated that those things come back to the Board. Mr. Paul commented that it is a nice open door for an easy advertisement. He commented that one of the benefits of being a representative is that when an issue is heard and in minutes he can instantly get the real issue. He commented that it is like having access to somebody in the judge's office when you have a lawsuit filed at the Court House and being able to get information on what is going on behind the scenes. He commented that more and more small local governments have representation in Tallahassee. He applauded the Authority for stepping out and doing it last year. He commented that he is a work in progress and gave examples of when he first got elected into the legislature. He commented that is his advertisement for the day. Commissioner Seay commented that competing for time of the Legislators is difficult and a challenge to see them. She commented that it does make a difference when they know that there is a guide. Mr. Paul commented that when a decision that is being made at a particular time the most important person to that decision is not necessary the person that the people would think. He commented that it may be one staff person that never leaves the office and 5% of the people know that person is making a particular decision on a particular day. He commented that you have to know who that person is and have access to that person to make sure that person sees it your way. He commented that it takes a lot of people, time and coordination to be at all the hearings that can affect the airport and they overlap. He explained how they have been able to succeed for the airport.

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13. New Business

a) **Industrial Development Authority (IDA) - Easement** - Mr. Quill commented that the Industrial Development Authority would like to link the two parcels that they own to a public right-a-way. He commented that there is a paved public road in the Airport Commerce Center. He commented that in return they are proposing to give the Authority several acres at the northeast corner of the airport, subject to survey. He commented that the Authority sees the benefit and would like to protect the northeast corner of the airport. He commented that it would not be built on for a number of years. Commissioner Herston asked about the property that is owned by the IDA. Mr. Parish commented that IDA owns 40 acres and they are in the process

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of selling a 20 acre track. He commented that in return the Authority will be getting a parcel and an easement to get drainage to the pond system. There was discussion on a slide showing the map. Mr. Parish explained that the Authority is going to swap IDA a corner for an easement. He commented that the Authority will give IDA an
5 easement across the property with the ability to build a road. He commented that this would assist the Airport in the future. Commissioner Herston asked if there is language in the document showing that the easement is re-locatable. Mr. Parish commented that the document is being worked on and that they are basically showing the concept. Commissioner Herston opined that having language in a document for
10 the potential re-establishment or realignment of the easement is helpful. Commissioner Coppola asked if this is part of the safe zone that the Authority needed beforehand. Mr. Parish commented that it is not. He commented that the Authority is trying to protect any future approaches and get control of that property. Commissioner Coppola asked about the building codes for the new property. She
15 wanted to know if there is anything in the building code that will interfere with operating an airport. Mr. Parish commented that it is all within ECAP and they have to meet the same codes as everything on the airport. Commissioner Herston asked who owns that land (he pointed to on the aerial). Mr. Parish commented that it is privately owned and was carved out of ECAP. Commissioner Herston commented
20 that if that piece was ever acquired the Authority would have everything to the right and left of the proposed easement. Mr. Parish commented that would be correct.

b) Airside Holdings, LLC Hangar Lease Assignment - Mr. Quill commented that the Authority entered into a lease with Airside Holdings, LLC on November 2007. He
25 commented that Airside Holdings constructed a corporate hangar on the property. He commented they are selling their hangar to Ataraxis Holdings, LLC and Airside Holdings LLC would like permission to assign the lease. He commented that there is a time emergency on this. He commented that the survey on the lease description is being tweaked by a fraction of an acre. He is proposing to the Board to approve the
30 assignment subject to Attorney Garrard's approval. He commented that the income will change very little. Commissioner Herston asked how long is the land lease. Mr. Quill commented that it is for 30 years terminating October 31, 2037 with two additional five year options. Commissioner Hancik asked what is the new owner going to use the land for. Mr. Quill commented that the hangar will be used as a
35 corporate hangar. Mr. Ringwalt commented that the hangar will be used, as it has been used for the last eight years, to hangar a corporate Lear 45. He commented that he has enjoyed the eight years at the airport and it has become necessary to leave. He commented that it has been great to be at the airport and the support he has received from Mr. Quill, Mr. Parish and the entire staff. He commented that it has been a
40 wonderful experience and it has been primarily due to the working relationship of the Authority's staff. Chair Andrews thanked the Authority's staff for their hard work and support. **Commissioner Seay made a motion to approve the assignment of the Airside Holdings lease to Ataraxis Holdings as presented subject to the approval of Attorney Garrard. Commissioner Herston seconded. Motion passed unanimously.**
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14. Citizen’s Input

5 **Lionel Schuman** - Commented that when he came to Punta Gorda 28 years ago this was a little GA airport and what the airport is today is something that did not just evolve, it was something that was thought about by the staff and the Board. He commented that the Board should be proud of what they did. He commented on the Authority having someone like Mr. Paul representing the Authority in Tallahassee. He commented on the new signs.

10 **Commissioner Deutsch** - He commented on the difficulty seeing the monitors. He commented that the economy is inching its way back and the County is seeing an increase in jobs. He commented that there was a question as to where does the credit for it go and he opined that the airport is an important part and the weather in the northeast. He commented on the amount of traffic and opined that it is because there are a lot of
 15 tourists and people are staying longer. He commented on the sailing regatta, the baseball classic and the national BMX competition that took place in Charlotte County and the problem of finding rooms in the area. He commented that the County is benefiting from this but is also being challenged. He opined that there is going to be a seven percent to an eight percent increase in property values. He commented that the County staff is excited
 20 and wanting to replace some of the staff that was cut and get some of the projects done that have not been done in the past eight years. He opined that the County needs to pace themselves and move slowly. He commented that the County is planning for the future and is spreading out their CIP proposals. He suggested just be patient with the traffic and construction should start in Charlotte Harbor. He commented that there are a lot of things
 25 happening in Charlotte County. He commented that the KIA dealer is moving dirt and when that happens it will be a plus financially for Charlotte County. He commented that the County is ready and willing to cooperate with the Authority as needed.

30 **Don Lee** - Commented that if you are having a problem with the Commission go north and talk to the people about your problem. He commented that the Airport Authority is doing well and to keep up the good work. He commented on not letting people talking the Authority into spending more money than it has. He commented that the Authority has never done that and has always come up with a balanced budget every year. Commissioner Coppola commented that she will call Don Lee our Godfather from now
 35 on.

15. Commissioner’s Comments

40 **Commissioner Coppola** - Commented that it was a good meeting today and it was good to hear the information from Mr. Paul. She commented that having Mr. Paul in Tallahassee to help lead the way to see the Legislative Delegation is a good idea. She thanked Commissioner Deutsch for his comments and thanked everyone for attending.

45 **Commissioner Hancik** - Reminded everyone that the next meeting will be April 9th because the meetings were changed to the second Thursday of the month. He commented

that after the meeting there will be a workshop. He suggested that the Board get any questions or items they might want to be discussed to staff.

5 **Commissioner Herston** - Commented that it was good to see everyone including Commissioner Deutsch, Councilman Cavanaugh and Mr. Paul. He thanked staff for another great month. He commented that Edgewater Drive is having an impact to that part of town.

10 **Commissioner Seay** - Commented that the Board received very good information from Mr. Paul and he has done a good job in representing the Authority's interest. She commented that having the insight that Mr. Paul has been tremendous. She commented that the property swap is on track and a good idea. She commented that Western Michigan University is on track and will have more information soon along with more information from Visit Florida.

15 **Chair Andrews** - Thanked everyone for being here along with Commissioner Deutsch and Councilman Cavanaugh. He commented that he sees development and growth in the community. He reminded everyone of the next meeting.

20 **16. Adjournment**

Meeting adjourned at 10:42 a.m.

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Paul Andrews, Chair

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Kathleen Coppola, Secretary/Treasurer