

CHARLOTTE COUNTY AIRPORT AUTHORITY

MINUTES OF REGULAR MEETING - MAY 19, 2016 - 9:00 A.M.

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1. Call to Order

2. Invocation

10 Commissioner Herston gave the invocation.

3. Pledge of Allegiance

4. Roll Call

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Present: Chair Andrews; Commissioners Coppola, Herston and Seay; Commissioner Hancik via telephone; Executive Director Quill; Attorney Garrard; Assistant Executive Director Parish; Mrs. Cauley, Mr. Laroche; Mr. Mallard; Mr. Montoya; Mrs. Smith.
Others present: Steve Henriquez, Bob Mauti, Joe Gentry, Jim Kaletta, Dave Goode, Alan Boynton, Bob Herrington, Doug Bedell, Commissioner Deutsch, Councilwoman Prafke,
20 Commissioner Truex, Lucienne Pears, Dave Powell, Lionel Schuman, Carl Parsons, Paul Piro, Wampus Wagner, Bobby Kuykendall, other people from the private sector and members of the press.

25 **5. Citizen's Input**

Lionel Schuman - Commented on the terminal expansion grand opening.

6. Additions and/or Deletions to the Agenda

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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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Commissioner Hancik joined the meeting in via phone.

8. Secretary/Treasurer's Report

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 Mr. Quill reported that there was an operating gain in the income statement for March. He reported that there is progress on the Accounts Receivables. Commissioner Herston asked why there was a credit on the Account's Receivables. Mrs. Cauley explained it is for the pre-paid accounts for May.

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9. Committee Reports

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- a) **Land Use** - Commissioner Herston reported that Charlotte County is lagging behind the counties to the north and south. He commented that he received complaints about the county not Being Open for Business and who the county will approve and not approve.
- b) **Economic Development** - Chair Andrews commented he will combine his report with the Aviation Activities report.
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- c) **Personnel** - Commissioner Coppola presented Mrs. Smith with a plaque for her five years of service and a plaque to Mr. Bedell who is retiring after seven years of service.
- d) **Public Relations and Special Events** - Commissioner Coppola reported on the Terminal Expansion Grand Opening, the Anna Aero Award for the top six passenger growth airports in the country, Leadership Charlotte's 2016 graduating class reception, Florida Airports Council annual conference and the Vietnam War Memorial Wall dedication.
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- e) **Governmental Liaison** - Commissioner Seay commented on those who are in the audience from the County, City and supporters who have all worked together for the success of Western Michigan University coming to Punta Gorda. She welcomed Dave Powell from Western Michigan University. She reported on who attended the Terminal Expansion Grand Opening. She commented that Mr. Paul was to give a report but is not here. She asked the Board to consider items that may be of importance to the Legislature in the upcoming session that the Authority may need to talk to Mr. Paul about.
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- f) **Metropolitan Planning Organization** - Commissioner Herston reported that the MPO met on May 3rd and there was a report from the Citizen's Advisory Committee, budgetary issues and it was Councilman Cavanaugh's last meeting. He reported that he attended the MPOAC meeting in Orlando and there was discussion on road improvements in Tampa and approved a draft of the MPOAC's strategic plan.
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- g) **Aviation Activities Report** - Chair Andrews gave the aviation activities report that included the air traffic control tower's operations, hangar vacancies, cities served, fuel gallons pumped and passenger numbers. He read a report from Southwest Florida Regional Economic Indicator from Lutgert College of Business (copy attached). Commissioner Seay commented that commercial development is on the upswing.
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10. Attorney's Report

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11. Executive Director's Report

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- a) **Development Update** - Mr. Parish reported that Taxiway Alpha extension is underway and should be completed by the first of next month. He reported that the long term parking lot expansion has started and opens up the field next to it for overflow parking. He explained that the exit lanes for long term and short term parking will be a four lane exit. He reported the access gates at Golf Course Blvd. will be double gates with an

island which will be easier to control who comes in and out. He explained the Authority is changing the access cards from RFID cards with batteries to HID card that have no batteries. He commented that the Henry Street gate will be done the same way. He commented that a company called Air Cargo Carriers will be going into a building 101 that was recently vacated by Arcadia Aerospace, and there will be changes to the fence and gate. He commented that the Authority has plans to pave the employee lot for Western Michigan University. He reported that all of the parking lots are being mulched. Commissioner Seay asked about wayfinding and signs on Mooney Avenue. Mr. Parish had talked with FDOT about a bigger sign and they are looking into it. He explained that they will allow the Authority to put the airplane figures that go onto the pavement. Commissioner Hancik asked about parking while the parking lot is under construction. Mr. Parish said staff will be using golf carts and the shuttle bus to transport people and will probably only need to be used on the weekends.

b) **Miscellaneous Items** - Mr. Quill commented on not having to raise hangar rents as a result of the Authority's model. He commented that the airport has moved up in the airport ranking for enplanements. He commented that Mrs. Bailey, the widow of Berlin Bailey, was able to attend the Terminal Expansion Grand Opening. He thanked staff at the MPO for their help with the Strategic Intermodal System for the Authority. He explained that the designation helps with funding. Commissioner Herston commented on the T-hangars being 100% occupied. He asked about expansion and if there is a waiting list. Mr. Parish explained that there are some people on the list and because it is summer tenants are moving out and those on the list are moving in. He commented that over the next few years the Authority will have to look and see. He explained that the number of GA pilots are decreasing and would hate to overbuild. Commissioner Herston asked when the last extension was built. Mr. Parish explained that the 600 series were built in 2005 and 2006 and has had a vacancy rate of 20% since they were built.

12. Citizen's Input

Lionel Schuman - Asked if there is anything from Publix about building. Mr. Quill commented that he is not aware of anything.

Commissioner Deutsch - He asked the Chair permission to talk more than the two minutes. He commented that he and Commissioner Herston are friends and not always agree. He commented that he and the rest of the Board of County Commissioners are always available if there is an issue that needs to be discussed. He commented that he and the Authority try to work together. He commented that when looking at economic development there are two major problems. He stated that there is no workforce housing and there is a lack of skilled workers under sixty years of age. He commented that companies have pre-tested the employment market to come here and economic development is the retiree. He commented that Cheney is expanding and there is another reliable suitor looking at Murdock Village. He commented that there are transfers of some lots and will see a business building in that area. He commented that Charlotte County is moving ahead and gave some examples. He opined that the sales tax projects were a good thing to

5 happen and has allowed the County to move ahead. He commented on some of the projects that are upcoming. He asked Commissioner Herston to call him with what the problems are so he find out if he can straighten them out. Commissioner Herston commented that they are a staff level and not worth wasting the Commissioner's time.

10 **Ann Marie Ricardi** - Asked the Board for their approval of the Speedway RFB. She commented that there are racers here along with sponsors who are looking for the Speedway to open again. Commissioner Seay commented that the woman who just spoke is the Finance Director for the City of Naples and has a good understanding of the impact this has on a governmental budget.

15 **Kevin Sweet** - Commented that he is here to support the Speedway opening again. He commented that his family has been going to the Speedway since 1995. He commented that he has owned race cars over the years and now works on a car and helps sponsor it. He opined that the Speedway can and will prosper. He commented that the Gentry's have owned successful businesses and are a family business orientated couple.

20 **David Johnson** - He commented that he is here in support of the Speedway getting back open. He commented that he has done volunteer work at the Speedway and he knows the Gentry's. He commented that Mr. Gentry is a successful businessman and has good morals.

25 **Dave Tesonero (Sp)** – Commented that he worked at the Desoto Speedway for fifteen years. He commented on the positive impact a racetrack has on a family and a community is beneficial. He commented on the money that is being spent in Manatee County since the racetrack here closed.

30 **Harold Wilke** – Commented that he would like to see the racetrack open again and it has a positive impact on the County. He commented that it's a good place for families to go on a Saturday night.

35 **Wampus Wagoner** – Commented that the racetrack is the number one event center in the County.

40 **Mike (inaudible)** – Commented that he and his children have raced here. He commented that track has an economic impact and racing makes his children strive to do better. He commented that the racing community is a family. He commented on driving out of town to race.

45 **Joe Gentry** – Commented that he looks forward to having a great relationship with the Authority and hopes that things can get resolved. He commented on the drivers who have come out of the racetrack and are racing in NASCAR. He commented that he wants it to be positive and to work together.

13. Old Business

5 a) **Speedway RFB** - Mr. Quill explained that the proposal from Mr. Gentry was sent to the FAA for review and comment. He explained that the FAA would agree to a five year lease less than fair market value at \$3,000.00 per month, after that it would have to go to fair market value. He commented that the FAA does not want the Authority to put any money into the track. He commented that Mr. Garrard received a letter from the attorney for the party that installed the fence demanding that the Authority pay for the fence. He commented that the Authority was not noticed on the fence and the fence was not permitted. Commissioner Seay commented on being a race fan. She commented that the speedway has had a rocky past and the Board has made some bad decisions based on bad input. She opined that it is an opportunity to change that. She commented on the background of the bidder. She commented on the Authority collecting rent and the surrounding businesses benefit from the track. She commented on the racetrack being in disrepair and needs attention. She commented that the bidder is aware of the problems and has knowledge of racing. She supports entering into a lease with him and to work-out a way for bleachers. Commissioner Coppola commented on the past problems with the racetrack and complaints about noise. She commented that the speedway's location is on prime property. She asked if there is another place to move the racetrack. She commented on the bidder needing to have enough money to fix it, pay the property taxes, insurance and upkeep. She commented that there has never been a stable situation at the racetrack. Commissioner Herston commented that he supports leasing the racetrack. Chair Andrews commented on how much the racetrack costs the Authority. He commented that the main issue is the FAA. He commented that Mr. Gentry's proposal does not meet the FAA's comments. He commented that there still is the legal issue with the fence. There was discussion on the fence needing to be there for Mr. Gentry to operate and what will happen if it is removed. Attorney Garrard commented on Mr. Finch's attorney's demand letter to pay \$83,000 for the fence. Commissioner Seay commented that the Authority was not a party in the fence being installed, that was between Mr. Finch and Mr. Haase. She commented that the FAA says they will accept less than fair market value for five years and then it would go to fair market value. She commented that Mr. Gentry has been a successful businessman in the community and knows about the problems and the taxes. She commented on the cost of demolishing the speedway. Commissioner Coppola asked if the structures were sound. Chair Andrews opined that they are not. Mr. Parish commented that the Authority will be leasing the land. Commissioner Seay commented that there will be people volunteering their time to help Mr. Gentry get the track in order. She commented on the differences between Mr. Gentry and Mr. Haase. Chair Andrews asked what makes this different. Commissioner Seay commented that before she came on the Authority's board she was the attorney for the racetrack. She commented that the failures that have occurred in the past is not present in this situation. She commented on the past owners and their mistakes. She commented that Mr. Gentry is a successful businessman and has race experience. **Commissioner Herston made the motion to approve and accept Mr. Gentry as the sole bidder for RFB 2016-001 subject to negotiations and meeting terms in accordance with the criteria as determined by the FAA and to be further reviewed by the Authority Board and as negotiated by Attorney Garrard.** There was discussion on how to work with Mr. Gentry. Mr. Parish explained that the lease was not part of the bid and the lease was to

5 be negotiated. He commented that the FAA terms are five years at below fair market
value with zero money coming to the facility from the Authority and the Authority will
send a final lease to the FAA. Commissioner Coppola asked what the fair market value
is. Mr. Quill commented it would be \$117,000.00 a year and Mr. Gentry will be paying
10 \$36,000.00 per year. **Commissioner Herston repeated his motion.** Mr. Quill
suggested authorizing staff to work with Attorney Garrard to bring a lease back to the
Board for approval. After discussion on the motion **Commissioner Herston amended
the motion for the approval of Joe Gentry as the sole bidder of RFB 2016-001 and
to authorize staff to negotiate the final lease document in compliance with FAA
15 criteria subject to Attorney Garrard's review and Board approval. Commissioner
Seay seconded.** Commissioner Coppola asked if the addendum needed to be
negotiated. Mr. Quill commented that the Board is authorizing staff to work with Mr.
Gentry on a lease to bring back to the Board. He commented that the Attorney's will
work on the fence situation. **Motion passed unanimously.**

15 Chair Andrews called for a five-minute recess at 10:26 a.m. The meeting reconvened at 10:34 a.m.

14. New Business

- 20 a) **Legislative Update by Jerry Paul** - Chair Andrews commented that Mr. Jerry Paul
could not make the meeting due to scheduling conflict with the Senate.
- 25 b) **Approve Travel to FAC Conference July 17-20, 2016** - Mr. Quill is requesting a
motion to authorize travel by the Board to Florida Airport Conference. **Commissioner
Herston made a motion to approve travel to the FAC on July 17-20, 2016 in
Naples. Commissioner Seay seconded. Motion approved unanimously.**
- 30 c) **Change/Cancel Regular Meeting Date for July** - Mr. Quill proposed to cancel the
July regular meeting since the Florida Airport Conference is in July. Commissioner
Seay commented that if the Board finalizes a proposal with the track could it be brought
back to the board with a special meeting to hurry that along. Mr. Quill commented that
it could possibly be on the June meeting agenda. **Commissioner Seay made a motion
to cancel the July meeting. Commissioner Herston seconded. Motion passed with
Commissioner Hancik casting the nay vote.**
- 35 d) **Reschedule Workshop Date** - Mr. Quill commented that the workshop meeting was
scheduled for next week and he is asking the Board to re-schedule due to conflicts.
There was discussion of different dates. **Commissioner Seay made a motion to
reschedule the May 24th, 2016 workshop meeting to June 8th, 2016 at 9:00 a.m.
Commissioner Herston seconded. Motion passed unanimously.**
- 40 e) **Passenger Facility Charge/Application** - Mr. Quill commented that when the
Authority passed the Allegiant Agreement the Authority allowed for imposition of
Passenger Facility Charge if needed. He commented that the Authority had met with
45 the FAA to go over the projects and it has become apparent that over the next five years
the Authority needs to generate over six million dollars. He explained that the Authority
is proposing a \$2.00 Passenger Facility Charge which would collect \$6.5 million over

5 five years to implement the projects shown on the screen. Mr. Parish commented that
the Passenger Facility Charge will allow the Authority to pay for unfunded projects
that would be AIP eligible. He commented that the significant one is the wetland
mitigation which is a requirement of the Authority's Wildlife Hazard Plan that was
10 approved by the FAA, and there are not enough funds for the FAA to pay for that. He
commented that the Authority will pay about fifty percent of the \$6.5 million. He
commented on the additional reconstruction projects. He commented that if the
Authority can get the application in this will reimburse the Authority for their share of
those projects. He commented on the projects that have been previously completed that
15 the Authority will request reimbursement of the Authority's share of \$800,000.00 and
the remainder will be future projects. He commented that the Authority will have five
years to collect the funds and during the Master Plan if the Authority sees additional
project requirements the Authority can amend their request to the FAA. He commented
that the Authority had discussed this with Allegiant and they concur that the needs are
20 legitimate and they will support it. Commissioner Herston commented on the
completed and upcoming projects and asked what the AIP stands for. Mr. Parish
commented that it is Airport Improvement Projects for the grant process through the
FAA. Commissioner Herston is concerned about fire station, fire truck, employee
requirements by the FAA that the Authority has on duty and how does the Authority
25 pay for that. Mr. Parish commented that it is not part of the PFC. He commented that
the Authority buys the trucks. He commented on what is PFC eligible and what is AIP
eligible. Commissioner Coppola asked if the fire trucks are only used by airport
personnel. Mr. Parish explained that the ARFF trucks are only used on the airport.
**Commissioner Hancik made a motion to approve a contract with AECOM to
develop the PFC application submitting at least a two dollar per enplaned
passenger in the amount of \$58,910.00. Commissioner Herston seconded. Motion
passed unanimously.**

30 f) **Parking Lot Equipment Upgrade** - Mr. Quill commented as the Authority expands
the parking lot additional equipment is required. He commented that the Authority had
looked at changing equipment providers but because of the existing equipment the cost
would be another quarter million dollars. He is asking the Board to approve \$143,530
for parking lot equipment and any related upgrade. Mr. Parish commented that the
35 Authority will be replacing all of the existing equipment in the long and short term lots
with brand new equipment. He commented that the best of that existing equipment will
be moved to the overflow parking lot. He commented that the Authority has the money
in a fund from the increase parking rates. He stated that there is \$390,000 in the fund
plus \$80,000 in the budget to add the four entries, and the Authority is asking for
40 additional funds to purchase eight new ones for the lot. Commissioner Hancik asked
if this was missed in the design or an afterthought. Mr. Parish explained that it was
taken out of the design because the installation of the equipment is shown on the plans
and it is not part of the bid because the Authority can't specify specific equipment in
the bid. He commented that the FAA and FDOT does not allow to get the exact
45 equipment that the Authority currently has. The Authority has to purchase the
equipment outside of the contract. Commissioner Coppola asked if this equipment is
easy for people to use. Mr. Parish explained that it is basically what is being used today
and the manned pay booth in the new exit line will be additional. **Commissioner**

Herston made a motion to approve the amount of \$143,530 for the parking lot equipment and upgrade. Commissioner Seay seconded. Motion passed unanimously.

- 5 g) **Request for Qualifications Audit Services** - Mr. Quill commented that the Board directed the Authority to move forward with the RFQs for professional services, and he is proposing to go out to develop request for qualifications for audit services. Commissioner Seay commented that in looking at the Florida Statutes 218.391 there are a lot of detailed requirements that the Authority would have to do in order to put out this kind of RFQ. She commented on the requirements in the Statute and to be aware that this is a very different process than the regular RFPs or RFQs. Commissioner Coppola asked if it was just the Charlotte County Airport Authority or is it for everybody. Commissioner Seay commented that the County does not and asked if the County is a charter county. Mr. Quill commented that the Authority is governed by Florida Special District and it is separate. Commissioner Seay read the statutes. She opined that putting together that committee is important to make sure that there is good input. Commissioner Herston commented that the Government Finance Officer Association best practices recommends multi-year agreements of at least five years in duration with a review at contract end to decide if they want to renew or go out for bid. He commented if the Authority has engaged the services of Tuscan and Company as the Authority's auditors for over ten years and at the end of the current contract the Authority will decide if they want to go out to bid or renew in accordance with the terms that they have recommended. Chair Andrews commented that the board is deciding whether they want to request qualifications to go out for bid. Commissioner Herston asked if it is the end of Tuscan and Company's contract. Mr. Parish commented that the Board has been renewing their contract annually. Attorney Garrard commented that the statutes will allow you to renew or go out to bid assuming there is a written contract. He read a section of the statutes that the Authority does not have to do it. Chair Andrews suggested asking Tuscan if they want to renew. Commissioner Coppola suggested sticking with Tuscan. Commissioner Seay commented that Tuscan is the recognized experts on special districts statewide and her concern is that when you have the same auditor over a period of time it is good to have new eyes. Ms. Cauley commented that Tuscan does an excellent job for the Authority and they go way over in what they need to do to help. She suggested to go out to bid to see what is out there and if the Authority is interested in another auditor. She commented that Tuscan is an expert in the Authority's field. Commissioner Seay opined that Jeff Tuscan is terrific, his business has been wonderful, the work he does statewide is impressive and he is the recognized expert. She commented that having fresh eyes look at what the Authority is doing can never hurt. She suggested the Authority's Finance Department to look at what the Authority has to do to establish an audit committee complying with the statutes. Commissioner Hancik commented that it needs to be done. Chair Andrews commented that Ms. Cauley will determine what the process is and bring it back to the Board for review.
- 45 h) **Board of County Commissioner's Lease Terms** - Mr. Quill commented that to move forward with the Western Michigan University interim location the Authority is proposing to lease building #115 to the Board of County Commissioners while work

on the ultimate site is being done as part of the Master Plan. Mr. Parish commented that the lease will be brought back once final negotiations are received from the County. He commented that preliminary terms will be sent in the packet to make sure the Board of County Commissioners is okay with \$50 a month lease, and they in turn would lease it to Western Michigan. He commented that the County will do any improvements to the building, if necessary. Mr. Parish commented that a lease document is being put together and a term sheet that meets all the AIP and FAA requirements. He commented that the terms may be slightly different, but it will be shown in the final lease. He wants to make sure everybody is on board with the preliminary direction that the Authority is heading. Commissioner Herston asked who put together the term sheet. Mr. Parish commented that Eric Smith with Kaplan & Kirsch. Commissioner Herston commented on the term sheet being pretty rough. Mr. Parish commented that it is basically what the Authority is originally looking at and the Authority is waiting on County comments. **Commissioner Seay made the motion to approve preliminary approval of the lease agreement subject to further negotiations with the County and approval by Attorney Garrard to be brought back to the Board.** Commissioner Coppola commented on a number of highlighted articles and asked if the Board wanted to go over any of those. Mr. Cody Von Birch, Assistant County Attorney, commented that he is looking forward to working with the Authority on the lease and plans on bringing something forward that contemplates the sub-lease to Western Michigan. Mr. Quill commented that the yellow areas are areas that need to be addressed pursuant to various requirements by the County and the Authority. Commissioner Hancik agreed with Commissioner Coppola on seeing the final documents. He asked if the lease arrangement is acceptable with Western Michigan in dealing with the County rather than the Authority. Chair Andrews commented that he understood that it is acceptable. Mr. Parish commented that the Authority is probably two months ahead of approval and the Authority wants the Board to have a preliminary look at it. **Commissioner Herston seconded. Motion passed unanimously.**

- i) **Resolution 2016-02 Supplemental JPA with FDOT** - Mr. Quill commented that FDOT has additional money in amount \$105,674 which is 50% share of the total project. He commented that this would pay for the additional work on converting part of the existing terminal to a hold room. Mr. Parish explained that the Board had approved two change orders during the terminal construction; one was for the bag belts of \$800,000 which will be covered by 90% of FAA money, and the other was for the conversion of office space that was not going to be built out and turn them into a hold room. He explained it will be covered by 50% of FDOT money and it is not FAA eligible. **Commissioner Herston made a motion that the Board adopt Resolution 2016-02 in the amount of \$105,674. Commissioner Seay seconded.** Commissioner Coppola asked where the other half was coming from. Mr. Quill commented that it is already paid for. **Motion passed unanimously.**

15. Citizen's Input

Jim Kaletta - Wished the Board a good summer from Lionel Schuman who is heading north.

16. Commissioner's Comments

Commissioner Hancik - Had no comments.

5 **Commissioner Coppola** - Thanked everybody who was involved in the grand opening celebration. She opined that it was a great day. She commented that it is a great terminal. She commented that the Authority personnel did a terrific job

10 **Commissioner Herston** - Thanked Nancy Prafke from the City of Punta Gorda, Commissioners Deutsch and Truex, Robert Harrington, Executive Director of MPO for attending. He congratulated Mr. Joe Gentry and Western Michigan University/County. He commented on Commissioner Deutsch comments regarding his comments concerning being open for business or not. He commented that he can't say enough good about the City of Punta Gorda people and the County Commissioners. He commented that there are
15 no hard feelings between Commissioner Deutsch, the city and himself, it is working on different levels. He opined that the Authority has great people.

Commissioner Seay - Commented that she is happy about Mr. Joe Gentry and is looking forward to the resolution of the issues that are in compliance with the FAA so the Authority can move forward. She commented that it is a great step forward for Western Michigan. She invited everyone to listen to a Webinar on May 24th by the Airport Cooperative Research Programs the Transportation Research Board regarding a presentation on sovereign immunity for public airport operators.

25 **Chair Andrews** - Commented that the Authority needs to work with the County and the City and he would like to keep those relationships solid. He understands that everybody has opinions and feelings and he is very pro-community and he strongly wants to keep some comments that should not be addressed. He commented the Airport hosted the North American Trainer Association with twenty-five T6s and T28s and did a fly-over during the
30 Punta Gorda History Center's sponsored a USO event.

17. Adjournment

35 Meeting adjourned at 11:17 a.m.

Paul Andrews, Chair

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Kathleen Coppola, Secretary/Treasurer