

MEETING MINUTES

PANAMA CITY – BAY COUNTY AIRPORT AND INDUSTRIAL DISTRICT

Opening:

The Board Meeting of the Panama City-Bay County Airport and Industrial District was called to order at 9:00 a.m., January 23, 2013 in the Airport Board Room by Chairman Pilcher.

The Invocation was given by Ms. Patty Strick.

The Pledge of Allegiance was led by Chairman Pilcher.

The Executive Secretary called the roll and indicated that all Board Members were present.

Approval of Minutes:

The December 12, 2012 Board Meeting Minutes were approved as distributed.

Reports:

Mr. Wheat presented and reviewed both the activity report and the financial report to the Board.

Consent Agenda:

a. Access Easement to Bay County

This item provides for Board authorization to execute and record an access easement over West Bay Parkway to Bay County.

Following Board discussion, Mr. Bruett made a motion to approve the execution and recording of the Grant of Access Easement and authorization for the Board Chairman or his designee to execute the document. Mr. Forehand seconded the motion. The vote was taken and the motion passed unanimously.

b. Tower Operating Agreement with FAA

This item provides for Board approval of a Tower Operating Agreement between the Federal Aviation Administration (FAA) and the Panama City – Bay County Airport and Industrial District (Airport Authority).

Following Board discussion, Mr. Scott made a motion to approve the Tower Operating Agreement between the FAA and the Airport Authority and authorization for the Board Chairman or his designee to execute any required documents. Ms. Moliterno seconded the motion. The vote was taken and the motion passed unanimously.

c. Banner Tow Agreement – Aerial Banners INC

This item provides for Board approval of a Banner Tow Agreement between Aerial Banners INC and the Panama City – Bay County Airport and Industrial District for the operation of aircraft banner tow activities at the airport.

Following Board discussion, Mr. Mathis made a motion to approve the Banner Tow Agreement with Aerial Banners INC, contingent upon compliance with insurance and other requirements, and authorization for the Board Chairman to execute any required documents. Ms. Moliterno seconded the motion. The vote was taken and the motion passed unanimously.

Business Items:

a. FY-12 Financial Audit Report

This item provides for Board approval and adoption of the audit report for the fiscal year ending September 30, 2012.

Tipton, Marler, Garner & Chastain have recently completed the airport's annual financial audit. Mr. David Tipton addressed the Board regarding the audit report and stated there were no findings regarding violations of provisions of contracts or grant agreements, fraud, illegal acts or abuse regarding the airport's accounting practices.

The audit report indicated that the general-purpose financial statements represented the true financial position of the District and that operations and cash flows were in accordance with generally accepted accounting principles and that no reportable conditions were disclosed during the audit.

Following Board discussion, Mr. Scott made a motion to adopt the audit report as prepared by Tipton, Marler, Garner & Chastain for the fiscal year ending September 30, 2012. Mr. Koehnemann seconded the motion. The vote was taken and the motion passed unanimously.

b. FY 2012 Rates and Charges for the Signatory Air Carriers

This item provides information to the Board concerning signatory airline rates and charges for Fiscal Year 2012 in accordance with the new airline use and lease agreements that went into effect October 1, 2011.

The framework of the new agreement charges one rate for landing fees and one rate for terminal rental. The landing fee rate represents the total costs associated with operating the airfield cost center and includes all operating and maintenance costs along with debt service costs for constructing the airfield. The terminal rental includes both the debt service and O&M costs in the terminal complex cost center and is charged on a rentable square foot calculation.

This business framework also provides for a revenue sharing program with the signatory airlines after the airport has paid all operating expenses and annual debt service. In conjunction with the FY 2012 financial audit the airport has finalized rates and charges for the signatory air carriers and determined the revenue sharing amount for FY 2012.

Listed below are the overall results for FY 2012 rates and charges:

<u>Description</u>	<u>FY 2012 Budget</u>	<u>FY 2012 Settlement</u>
Landing Fees per 1,000 lbs	\$ 5.43	\$ 5.03
Terminal Rental per square foot	\$55.98	\$52.64
Signatory Cost per Enplanement	\$ 6.77	\$ 6.45
Settlement for Delta Airlines	\$153,000	\$312,409
Settlement for Southwest Airlines	\$202,800	\$460,218

This item is for information purposes only and required no Board action.

c. ZHA Task Order - Environmental Restoration Plan

This item provides for Board approval of a task order to ZHA to provide restoration of Morrell Branch, Kelly Branch and the area north of Johnny Reaver Road in compliance with the

Environmental Impact Assessment Restoration Plan accepted by the Florida Department of Environmental Protection (FDEP) and the US Army Corps of Engineers (USACOE).

The FDEP and the Airport agreed to Consent Order #3 which included corrective actions concerning the assessment of environmental impacts and restoration plans for the Morrell Branch, Kelly Branch and an area north of Johnny Reaver Road on the west side of the main access roadway.

The assessments were submitted and accepted by both agencies. A comprehensive environmental impact assessment restoration plan was also submitted and approved by FDEP and the USCAOE. The restoration plan provided for hand removal of identified vegetation and hydro period assessment in areas delineated in the plan; vegetative planting in various delineated areas and the oversight, monitoring and documentation of the restoration for a two year period.

The total cost of this task order is \$245,000. The budget established for the overall project during 2012 contains a budget item of \$250,000 to perform this restoration work. This is the last item contained in the program to address the environmental issues in Consent Order #3.

Following Board discussion, Ms. Moliterno made a motion to approve the task order to ZHA for the Morrell Branch, Kelly Branch and Johnny Reaver Road Restoration Plan and authorization for the Board Chairman to execute any necessary documents pending review by legal counsel. Mr. Bruett seconded the motion. The vote was taken and the motion passed unanimously.

d. Committee Recommendation – Commercial Apron and ATCT Fencing Project

This item provides for Board ranking and selection of a qualified firm to provide design services related to the Pushback Apron and ATCT Security Fencing Project.

The airport issued a Request for Qualifications (RFQ) requesting statements of qualifications with specific information from qualified engineering firms with experience in airfield projects. In response to the RFQ, two firms submitted statements of qualifications. The two firms that submitted were Avcon and Garver. Each company was evaluated on the following general criteria in reviewing their submittals:

- Key personnel, their experience, availability for this assignment and role in the project
- Previous apron design experience at comparable airports
- Approach to design, methodology, proposed schedule and approach to the project
- Location of personnel and resources
- Local and DBE participation

In January 2013, the selection committee met to discuss their evaluations of the statements of qualification from both responders. The selection committee included Chris Forehand, John Wheat, Parker McClellan and Pam Henderson. Both companies were qualified to perform the anticipated work and met all the requirements contained in the RFQ. Avcon ranked highest with each committee member due to their extensive airport experience and specific project experience. Based on the final ranking, the committee recommended selecting Avcon for the apron and ATCT security fencing project.

This project is contained in the FY 2013 budget. Upon approval of the selection of a firm to provide the design for the apron and ATCT project, Staff will negotiate a fee with the selected design firm. This fee will be brought back to the Board for consideration at the February 2013 Board Meeting.

Following Board discussion, Ms. Moliterno made a motion to approve the committee's ranking and recommendation of selecting Avcon and to begin negotiating a fee with Avcon for these services, and authorization for the Board Chairman or his designee to execute any necessary documents. Mr. Forehand seconded the motion. The vote was taken and the motion passed unanimously.

Other Business:

Stormwater Management System augmentation Project Update: Mr. McClellan updated the Board regarding the status of this project and provided photos of the progress made during the project.

Mr. Mathis addressed Staff regarding an update to the hangar door problem with Bay Aircraft Owners Association. Mr. McClellan stated that the door manufacturer is working on a resolution and the hangar door is scheduled to be repaired by May 2013.

Public Comments:

There were no public comments.

Adjournment:

The meeting was adjourned at approximately 9:50 a.m.

Patty Strick, Executive Secretary

John Pilcher, Chairman