

TITUSVILLE – COCOA AIRPORT AUTHORITY

The Regular Meeting of the Titusville - Cocoa Airport Authority was held on December 21, 2017 at 8:30 a.m. at the Titusville - Cocoa Airport Authority Office at 355 Golden Knights Boulevard, Titusville, FL. The following members were present: Mr. Jerry Sansom, Chairman; Mr. Milo Zonka, Treasurer; Mr. Harry Carswell, Secretary; Dr. Wasim Niazi; Dr. David Hosley; Mr. Jay Stalrit; Dr. John Leavitt; Mr. Michael D. Powell, C.M., ACE, CEO; Mr. Victor Watson, Esq.

Call to Order

Mr. Sansom called the meeting to order and determined that a quorum was present.

Approval of the Agenda

Mr. Sansom asked if there were any changes or additions to the Agenda. Mr. Powell stated that Mr. Brad Parrish from the City of Titusville was going to give a brief presentation regarding KB Homes. Mr. Sansom called for a motion to approve the Agenda as amended. Mr. Stalrit made a motion. Dr. Hosley seconded. Mr. Sansom called the question. There were no objections. Motion passed.

Appearances**Item A – Spaceport Avionics**

Mr. Powell gave a brief overview of the item and turned the floor over to Mr. Dean Spurlock, from Spaceport Aviation. Mr. Spurlock explained that in regards to the extra land that Spaceport Aviation was looking to lease, he felt there had been a miscommunication, but that he should have told the Airport Authority that they couldn't really use the land and couldn't afford it.

Mr. Powell stated that Spaceport Avionics had been parking in an area that was not in the leasehold, but when it was brought to Staff's attention, Mr. Buck Crenshaw from Spaceport Avionics made a presentation to the Board and had asked for that property to be added to their lease, which the Board approved. Mr. Powell stated that after it was approved several months had passed all while Spaceport Avionics didn't sign the Amendment or pay for the extra land, adding that they were approximately \$7,000 in arrears. Discussion continued.

Dr. Leavitt stated that Spaceport Aviation had knowingly used a smaller subset of the property, which they were willing to pay for.

Dr. Niazi entered the meeting at 8:48 a.m.

Mr. Zonka asked Mr. Spurlock how long Spaceport Aviation had been using the smaller subset of the property without telling the Airport Authority. Mr. Spurlock stated that it was probably since the beginning of the original lease. Discussion continued.

Mr. Powell stated that Spaceport Aviation had agreed to take the property on March 16th, but it wasn't approved by the Board until April 20th. Mr. Powell stated that he had notified Spaceport Aviation that day, but they still didn't sign the Amendment. Mr. Zonka stated that in the future the Airport Authority should not allow a tenant to take possession of property without a signed lease. Discussion continued.

Mr. Zonka suggested that the Airport Authority go back to the March 16th date and have Spaceport Aviation pay for the land that they used. Mr. Stalrit stated that there was no dispute about Spaceport Aviation's use of the subset of the property starting March 16th, but questioned what a reasonable time period would be to execute the amendment for the whole property once they were notified of the Board's approval. Mr. Stalrit stated that he felt a reasonable amount of time was 30 days from April 20th, to which Spaceport Aviation should then be obligated to pay the full amount. Dr. Leavitt stated that he felt that the Airport Authority should charge them for the piece of property they used and forgive the debt for the grassy area with the understanding that it doesn't happen again. Discussion continued.

Mr. Sansom stated that the Board should reach a consensus and have Mr. Powell bring a settlement agreement back to the next meeting for approval. Mr. Carswell suggested that the Airport Authority work with the \$7,000 and perhaps split it in half. Discussion continued.

Mr. Stalrit stated that Staff did follow up on several occasions after the April 20th meeting, and when Spaceport Aviation didn't respond and tell Staff that they wanted to withdraw from the lease, then that was on them. Discussion continued.

Mr. Sansom stated that he felt the Board had given Staff direction to come back with a recommendation and a settlement agreement. Discussion continued.

Mr. Spurlock stated that Spaceport Aviation had submitted checks but the Airport Authority would not cash them, and that they were concerned they would be evicted. Mr. Watson stated that he had advised Staff not to accept the checks because Spaceport Aviation was in default and at risk. Mr. Powell stated nothing would happen until there was further direction from the Board at the January meeting. Discussion continued.

Item B – City of Titusville

Mr. Powell gave a brief introduction stating that Mr. Brad Parrish from the City of Titusville was in attendance to give an update on KB Homes development Southwest of Space Coast Regional Airport. Mr. Powell stated that the Airport Authority had asked if some changes could be made to a part of the property to be more compatible to airport use. Mr. Powell prefaced the Board regarding the road agreement that was in place, stating that there was an aviation easement tied to that agreement. Mr. Powell turned the floor over to Mr. Parrish.

Mr. Parrish gave the Board a brief update, stating that the City of Titusville had received a request to put in a land use change on 175 acres to be designated for commercial use, and the rest of the 600 acres would be designated residential. Mr. Parrish stated that KB Homes had two more processes that they need to go through before they can start construction on the residential portion of the project, so there would be more public hearings with the City Council. Mr. Parrish added that there was a requirement in City Code that notice would have to be given to potential residents that there was an airport in the vicinity. Mr. Parrish stated that there was an area close to Grissom Parkway that wasn't a part of the overall development and was zoned separately, that the developer was moving forward with a sub-division plan to construct about a hundred lots. Mr. Parrish stated that final approval would have to be a final master plan. Discussion continued.

Dr. Leavitt requested that Staff notify the Board of any new filings. Mr. Zonka stated that Staff should go back and review grant assurances regarding the obligation to oppose. Discussion continued.

Presentations – None

Consent Agenda

Item A – Approval of the Titusville-Cocoa Airport Authority Minutes:

1. November 16, 2017 – Regular Meeting

Item B – 2018 Board Meeting Roster

Dr. Hosley made a motion to approve the Consent Agenda as presented. Dr. Leavitt seconded. Mr. Sansom called the question. There were no objections. Motion passed.

Mr. Sansom made a request to move Item B from New Business to Old Business – Item A. The Board concurred.

Old Business

Item A – Discussion & Selection of Airport Authority Board of Directors Officer Positions

Mr. Sansom called for nominations for Chairman. Dr. Leavitt nominated Mr. Zonka for Chairman. Dr. Niazi seconded. Dr. Hosley nominated Mr. Sansom for Chairman. Mr. Carswell seconded. Mr. Sansom called the question. Dr. Leavitt, Dr. Niazi and Mr. Zonka voted in favor of Mr. Zonka. Dr. Hosley, Mr. Carswell, Mr. Sansom and Mr. Stalrit voted in favor of Mr. Sansom. Mr. Sansom was elected Chairman.

Mr. Sansom called for nominations for Vice Chairman, stating that the current Vice Chairman was Mr. Stalrit. Mr. Sansom asked Mr. Stalrit if he would like to

continue serving as Vice Chairman. Mr. Stalrit stated that due to life circumstances he would be resigning from the Board in the very near future. Mr. Stalrit nominated Mr. Zonka for Vice Chairman. Dr. Hosley seconded. Mr. Sansom asked if there were any other nominations. Seeing none, Mr. Sansom stated that by acclamation, Mr. Zonka was elected Vice Chairman.

Mr. Carswell stated that he would be willing remain as Secretary.

Mr. Sansom nominated Dr. Leavitt for Treasurer. Mr. Carswell seconded. Mr. Sansom asked if there were any other nominations. Seeing none, Mr. Sansom stated that by acclamation, Dr. Leavitt was elected Treasurer.

New Business

Item A – Discussion & Consideration of Legal Services for the Titusville-Cocoa Airport Authority

Mr. Powell gave a brief overview of the item stating that Staff had put out an RFQ for Legal Services and presented the submittals to the Board at the last regular meeting, whereas the Board had requested creating a short list of candidates at the current meeting that could come to the Board meeting in January for final selection.

The Board discussed the candidates, deciding to narrow the field to four firms: Gray-Robinson, Watson, Soileau, DeLeo & Burgett, Richard A. Harrison, P.A. and Mintzer, Sarowitz, Zeris, Ledva, and Meyers.

Mr. Sansom turned the Chair over to Mr. Stalrit, per possible conflict of interest.

Mr. Zonka made a motion to approve the short list. Dr. Hosley seconded. Mr. Stalrit called the question. There were no objections. Motion passed.

Item B – Discussion & Consideration of the Evaluations & Performance for the Chief Executive Officer Over the Past Year

Mr. Powell gave an overview of the item, stating that Staff had provided the Board with evaluation package and had added some achievements per the board member request, in addition to a proposed employment agreement because the previous agreement was expiring. Discussion continued.

Mr. Zonka stated that he would like Mr. Powell talk about Staff achievements in the future, perhaps during his CEO report. Mr. Sansom stated that he agreed, but felt it shouldn't be added to the Board meetings. Mr. Zonka then suggested maybe it could be an email to the Board. Discussion continued.

Mr. Sansom called for a vote to approve Mr. Powell's contract. Mr. Zonka stated that in the proposed contract the length was three years with a one year option as opposed to the expiring contract which was two years with a one year option. Mr.

Zonka stated that he would prefer staying with the existing two years with a one year option.

Mr. Zonka made a motion to approve the contract with using the existing two years with a one year option. Mr. Carswell seconded. Discussion continued.

Mr. Stalrit stated that Mr. Powell's compensation had been frozen for a few years, and asked if the Board should entertain and increase. Dr. Niazi stated that at this time he felt Mr. Powell's salary should stay the same. Dr. Hosley agreed, the Board concurred.

Mr. Sansom called the question. There were no objections. Motion passed.

Item C – Discussion & Consideration of Freezing T-Hangar CPI Increases for Three Years

Mr. Powell gave a brief overview of the item, stating that Staff had provided a spreadsheet to give the Board an idea of where the Airport Authority was monetarily and how freezing the CPI increase would impact that. Mr. Powell stated that the Authority was operating on a operations and maintenance budget and Staff could make it work, but something would have to give. Most likely, at a minimum, we would have to slow down on projects. Discussion continued.

Dr. Leavitt stated he was willing to do less to make sure the Airport Authority served the community appropriately. Mr. Carswell stated that he felt the Mr. Powell was running a business and if people couldn't afford it, it wasn't the Airport Authority's problem. Dr. Niazi disagreed with Mr. Carswell, stating government should only charge what they need to operate. Mr. Zonka stated that the Airport Authority didn't make a profit, and he felt the increases were not running amok. Mr. Zonka stated that this topic should be within the budget. Discussion continued.

Mr. Sansom stated that there wasn't a motion on the floor and that there didn't have to be a motion on the floor. Mr. Sansom asked if anyone wanted to make a motion. Dr. Leavitt stated that he didn't feel there were enough votes to put the motion forward, but wanted to reserve the right to come back with it sometime in the future. Discussion continued.

Item D – Discussion by Mr. Aaron McDaniel of Recent Invoiced Costs by Michael Baker International & Contractors Regarding Current Projects

Mr. Powell gave an overview of the item and turned the floor over to McDaniel,

Mr. McDaniel presented Pay Request Number 11 in the amount of \$3,800 and Pay Request Number 12 in the amount of \$1,225, both from Sterling Enterprises, which were for the Runway Safety Area Project at Merritt Island Airport.

Mr. Sansom called for a motion. Mr. Zonka made a motion to approve the invoices. Dr. Leavitt seconded. Mr. Sansom called the question. There were no objections. Motion passed.

Mr. Sansom asked for an update on the Spaceport License. Mr. McDaniel gave the Board an update. Discussion continued.

Mr. Sansom turned the Chair over to Mr. Stalrit and exited the meeting at 10:26 a.m. Discussion continued.

Information Section

CEO Report

Mr. Powell reported that regarding the Commercial Real Estate Broker contract, Staff was concerned about the options on properties that were in long term leases, because Lightle wanted 6%, which would be fine on the sale of a property, but would end up being a lot of money to pay for the term of the lease. Mr. Powell stated that Mr. Watson was talking to other realtors who were willing to do it much cheaper. Discussion continued.

Mr. Powell stated Staff continued to push projects through, and gave the Board a brief update on the Runway Dip Project at Merritt Island Airport.

Dr. Niazi asked on the status of the t-hangar roof inspections. Mr. McDaniel stated that they were putting a report together and would send it to the Airport Authority as soon as it was finished. Discussion continued.

Mr. Powell concluded his report.

Check Register & Budget to Actual

Mr. Powell stated that the financial reports had been provided.

Mr. Stalrit asked why the IT line item was larger than what had been allocated. Ms. Ashley Campbell, Finance and Grant Administration Manager, stated that the IT contractor billed on an annual basis so there was one large bill.

Dr. Leavitt exited the meeting at 10:45 a.m.

Discussion continued.

Administration & Project Reports

Mr. Powell stated that the reports had been provided. Discussion continued.

Attorney Report

Mr. Watson reported that he had been working on an issue with an abandon aircraft, and was going through the process of possibly having a sale.

Mr. Watson stated that he was looking into the Willow Creek (KB Homes) avigation easement. Discussion continued.

Mr. Watson reported that he continued to work on the Real Estate Broker agreement. Discussion continued.

Mr. Watson concluded his report.

Authority Members Report

Dr. Hosley discussed development and the New Space Center who was going to build a Mars Experience near the Space Coast Regional Airport on Airport Authority property. Discussion continued.

Mr. Stalit stated that he was going to be retiring from his job and moving to Oregon, and thanked Staff and the community at large for their receptive time.

Public & Tenants Report

Mr. Don White, EAA at Merritt Island Airport, thanked the Board for their support at Merritt Island Airport. Mr. White stated that they had Toys for Tots a couple of weeks ago and brought in 1,400 toys, 2 bikes and \$110 cash. Mr. White stated that the pole on the north gate was still down after Hurricane Irma. Mr. Powell stated that fixing that was in progress.

Adjournment

Mr. Stalrit adjourned the meeting at 10:58 a.m.

JERRY SANSOM, CHAIRMAN

HARRY CARSWELL, SECRETARY