

TITUSVILLE – COCOA AIRPORT AUTHORITY

The Regular Meeting of the Titusville - Cocoa Airport Authority was held on February 21, 2019 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, Vice Chairman; Dr. David Hosley; Mr. Al Elebash; Mr. Michael D. Powell, C.M., ACE, CEO; Mr. Adam Bird, Attorney; Dr. John Leavitt and Mr. John Craig were present via teleconference. Mr. Harry Carswell was absent.

Call to Order

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

Approval of the Agenda

Mr. Sansom stated that he had a card from Mr. Mark Grainger who wanted to speak under Appearances. Mr. Zonka made the motion to approve the Agenda as amended. Mr. Elebash seconded. Mr. Sansom called the question. There were no objections. Motion passed.

Appearances – Mr. Mark Grainger – Florida Biplanes & Classic Aircraft Services at Merritt Island Airport

Mr. Sansom turned the floor over to Mr. Grainger. Mr. Grainger stated that he was trying to build his maintenance business and was asking the Board for help. Mr. Grainger stated that he wanted to address the commercial use of private t-hangars with licensed mechanics doing maintenance in them. Mr. Grainger stated that a gentleman who had a private t-hangar had come into his own hangar to solicit one of his mechanics to work for them. Mr. Grainger asked the Board if they could help him in some way. Discussion continued.

The Board directed Mr. Powell to put out a strongly worded letter to tenants regarding this issue. Mr. Zonka asked Mr. Grainger to maybe file a complaint in friendly fashion, which would give Mr. Powell teeth to go to the other tenants and to ensure the Airport Authority's compliance. Discussion continued.

Mr. Grainger discussed the Northwest Area Project at Merritt Island Airport and stated that he was ready to invest in building hangars. Discussion continued.

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

- 1. January 17, 2019 – Regular Meeting**
- 2. February 1, 2019 – Special Meeting**
- 3. February 15, 2019 – Special Meeting**

Item B – Resolution to Approve an FDOT Grant for the Design & Construction of an Airfield Maintenance Building at Arthur Dunn Airpark

Item C - Resolution to Approve an FDOT Grant for the Design & Construction of New Airfield Markings at Arthur Dunn Airpark

Item D - Resolution to Approve an FAA Grant for the Design & Construction of New Airfield Markings at Arthur Dunn Airpark

Item E - Resolution to Approve an FDOT Grant for the Design & Construction of the Replacement of the PAPI System at Arthur Dunn Airpark

Item F - Resolution to Approve an FDOT Grant for the Design & Construction of the Replacement of the PAPI System at Arthur Dunn Airpark

Mr. Zonka asked to pull Item B for discussion and also asked to make an edit on the February 15, 2019 Special Meeting Minutes. Mr. Zonka stated that he would like the first paragraph on Page 2 to reflect that in his statement he sought to propose an amendment to the motion, which through discussion with counsel was disallowed.

Mr. Sansom called for a motion to approve the Consent Agenda as amended. Mr. Elebash made the motion. Mr. Zonka seconded. There were no objections. Motion passed.

Mr. Zonka stated that he had a question on the Resolution to Approve an FDOT Grant for the Design & Construction of an Airfield Maintenance Building at Arthur Dunn Airpark. Mr. Zonka stated that in looking through the airport's assets, he didn't know if the Airport Authority needed to build a \$300,000 building for \$20,000 worth of equipment. Discussion continued.

Mr. Sansom asked Mr. Powell to look into getting more specifics on the building and bring it back to the Board at the next meeting.

Presentations – None

Old Business – None

New Business

Item A – Discussion & Consideration of the Annual Audit Performed by Davies, Houser & Secrest

Mr. Sansom turned the floor over to Mr. Steve Ellis from Davies, Houser & Secrest. Mr. Ellis stated that he had sent out a draft of the Financial Statements to the Board in advance of the meeting. Mr. Ellis gave a brief summary of the audit.

Mr. Ellis stated that there were some year-end modifications and that they had recorded depreciation. Mr. Ellis also stated that in testing the internal controls, they found no instances of material weakness.

Mr. Ellis went over the highlights of the audit and briefly discussed the recent impropriety in asset management. Discussion continued.

Dr. Hosley made a motion to accept the audit. Mr. Elebash seconded. Mr. Sansom called the question. There were no objections. Motion passed.

Item B – Discussion & Consideration of Improving Internal Processes & Procedures

Mr. Powell gave a brief overview of the item, stating that Staff had been looking into how to have better asset management. Mr. Powell stated that one of the things that Staff, working closely with Mr. Ellis from Davies, Houser & Secrest, had come up with was to hire a procurement specialist. Mr. Powell stated that the specialist would remove some of the responsibilities from Facilities and would help keep better track of work orders.

Mr. Zonka stated that he believed this may be an overreaction and that maybe Staff could put those dollars towards hiring more qualified mechanics. Discussion continued.

Mr. Sansom asked if there was enough work for an additional employee. Discussion continued.

Mr. Zonka stated that he felt Staff should come back to the Board with a reorganization plan and a better strategy. Discussion continued.

The Board concurred that it would be best to delay this action.

Item C – Discussion & Consideration of an Amendment to the Lease for Building 51 at Space Coast Regional Airport

Mr. Powell gave a brief overview of the item, stating that the tenants in Building 51 at Space Coast Regional Airport, Global Aviation, wanted another year option to stay in the building. Mr. Powell also stated that the tenant agreed to a 20% increase as well and in addition to CPI. Mr. Powell stated that the tenant also made several improvements to the building. Discussion continued.

Mr. Zonka asked if the building had been offered to Apex or Orlando Aviation Consultants. Mr. Powell stated that he had discussed it, but Apex seemed more interested in what the FBOs were doing and Orlando Aviation Consultants had looked at a variety of different options, but essentially they were looking to partner with other entities who were looking for additional facilities on the west side at Space Coast Regional Airport. Mr. Zonka stated that he had spoken with Orlando Aviation at a luncheon the previous week, who had told him they were desperate to

find an existing building because they had a manufacturing tenant who could occupy it right away. Mr. Sansom asked if they had talked to Mr. Powell about it. Mr. Zonka stated that his understanding was that they did, but he wanted to call them and ask them if Building 51 was offered. Mr. Zonka stated that he would let the Board know what Orlando Aviation Consultants said at the next regular meeting.

Mr. Zonka asked if Global Aviation had expenses they could document with receipts, should it not be used as some sort of off-set to market rent. Mr. Zonka asked if the Airport Authority could do a better job in not making it look like it was too friendly. Mr. Powell stated that he was asking for that and was trying to document it for all the aforementioned reasons. Mr. Sansom directed Mr. Powell to ask the tenant for the receipts.

Mr. Sansom asked if anyone wanted to make a motion to approve the lease. Mr. Zonka stated that he would, with the documentation to support the expenses that the tenants put into the building. Mr. Sansom stated that he didn't feel it needed to be a part of the motion, and that the Board was going to approve the lease and direct Staff to get the documentation. Mr. Zonka asked why that couldn't be his motion. Mr. Sansom stated that he thought Dr. Hosley made the motion. Mr. Zonka stated that he himself made the motion to approve the lease with the documentation. Mr. Sansom agreed that Mr. Zonka could put that in the motion and asked if there was a second. Dr. Hosley seconded. Mr. Sansom called the question. There were no objections. Motion passed.

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

Mr. Sansom turned the floor over to Mr. McDaniel.

Mr. McDaniel presented Pay Request Number 3 in the amount of \$38,851.20 from C&D Construction, which was for the Port-a-Port Replacement Project at Merritt Island Airport.

Mr. Zonka made a motion to approve the invoice. Mr. Elebash seconded. Mr. Sansom called the question. There were no objections. Motion passed.

Mr. McDaniel gave an update on the Spaceport License procedure, stating that because of the recent federal government furlough, there had been about a month delay. Discussion continued.

Item E – Discussion & Consideration of a Letter of Support for the Indian River Bridge/Space Commerce Way Connector INFRA Grant

Mr. Powell gave an overview of the item, stating that a letter of support was needed by the next day. Mr. Zonka made a motion to approve the letter. Mr. Elebash seconded. Mr. Sansom called the question. There were no objections. Motion passed. Discussion continued.

Information Section**CEO Report**

Mr. Powell stated that Staff had been working on bringing new entities to the airports.

Mr. Powell reported that Space Coast Regional Airport recently had its Part 139 Inspection and there were a few issues that Staff was in the process of resolving. Mr. Powell stated that there was also a letter of investigation issued to the Airport Authority due to a Merritt Island Airport tenant gaining access to the airfield at Space Coast Regional Airport and crossing the runway before he was stopped. Mr. Powell stated that Staff was in the process of working on better access control and would have to blank out all of the card holders and re-program them and re-distribute cards. Mr. Zonka stated that he had contacted the FAA inspector and that there were some issues that really needed to be discussed. Mr. Zonka stated that there was funding in the budget for signs and painting, but it was not used. Mr. Zonka also discussed a letter of warning last year after the airshow, when a vendor did a runway incursion. Mr. Zonka stated that this was a serious issue. Discussion continued.

Dr. Hosley stated that Mr. Powell currently had it on his plate to come up with new policies that would address these issues, and the Board owed it to him to wait and see how the policies would improve them. Discussion continued.

Mr. Sansom reminded the Board that the attorney worked for the Board, not individual commissioners. Discussion continued.

Mr. Powell concluded his report.

Attorney Report

Mr. Bird reported that he had a draft attorney evaluation, per the Board's request and could send by email if they would like. Mr. Sansom directed Mr. Powell to collect the evaluations once the Board filled them out and bring them to the March Board meeting for discussion. Discussion continued.

Mr. Bird stated that he had prepared a draft amendment to the Lightle, Beckner & Robison agreement, which had removed the prohibition of earning a commission on aeronautical parcels, which would allow them to start marketing them.

Mr. Bird stated that he received a call from an attorney that was representing one of the former Airport Authority employees asking about the compensation issue, but the check was in the mail and the employee actually received it yesterday. Discussion continued.

Mr. Bird stated that Welsh Construction was continuing to move forward with the lawsuit and Staff was looking at a July trial date. Mr. Bird stated that he received some discovery from them and was working on discovery back to them.

Mr. Bird concluded his report.

Check Register & Budget to Actual

Mr. Powell stated that financials were provided and would be happy to answer any questions.

Administration & Project Reports

Mr. Powell stated that the report was provided and would be happy to answer any questions. Discussion continued.

Authority Members Report

Mr. Sansom stated that the Florida Legislative Session was starting in two weeks.

Public & Tenants Report – None

Adjournment

Mr. Sansom adjourned the meeting at 10:22 a.m.

JERRY SANSOM, CHAIRMAN

HARRY CARSWELL, SECRETARY