

TITUSVILLE – COCOA AIRPORT AUTHORITY

The Regular Meeting of the Titusville - Cocoa Airport Authority was held on February 19, 2015 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; Ms. Patricia Patch, Treasurer; Mr. Harry Carswell, Secretary; Mr. Jay Stalrit; Mr. Milo Zonka; Mr. Michael D. Powell, C.M., ACE, CEO; Mr. Timothy Pickles, Esq., Airport Attorney. Dr. David Hosley, Vice Chairman, was present via teleconference. Dr. Wasim Niazi 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 asked if there were any changes or additions to the Agenda. Seeing none, Mr. Sansom called for a motion. Mr. Stalrit made a motion to approve the Agenda as presented. Ms. Patch seconded. Mr. Sansom called the question. There were no objections. Motion Passed.

Appearances – None**Presentations – None****Consent Agenda****Item A – Approval of the Titusville-Cocoa Airport Authority Minutes:****1. January 15, 2015 – Regular Meeting**

Item B – Resolution Approving an FDOT Supplemental Grant for the Design and Bidding Services for the Rehabilitation and Expansion of the East Apron to Include Construction for the East Apron Rehabilitation and Expansion at Space Coast Regional Airport

Item C – Resolution Approving an FDOT Supplemental Grant for the Design and Construction of the East Side Hangar at Space Coast Regional Airport

Item D – Resolution Approving an FDOT Supplemental Grant for the Runway 11-29 Safety Area Compliance and Shoreline Stabilization Construction at the Merritt Island Airport

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

Old Business – None

New Business

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

Mr. Powell gave a brief overview of the item and turned the floor over to Mr. Steve Ellis from Davies, Houser & Secrest, CPA, P.A. Mr. Ellis presented the audit, stating that there were no significant changes and that the Airport Authority statements were accurate and represented the financial position of the Authority on September 30, 2014. Mr. Ellis stated that the Authority complied with the rules and operated within the budget. Mr. Ellis stated that a few adjustments were made to transfer completed projects into fixed assets. Discussion continued.

Mr. Ellis stated that there was no fraud and continued to touch on some of the budget highlights. Mr. Zonka asked if there was a way to help Staff throughout they year with the accrual system. Mr. Ellis stated that currently Ms. Debbie Jimenez took all payables at the end of the year, but could do it quarterly. Mr. Ellis added that Ms. Jimenez tracked the information on receivables. Discussion continued.

Mr. Zonka made a motion to accept the audit. Ms. Patch seconded. Mr. Sansom called the question. There were no objections. Motion passed.

Item B – Discussion & Consideration of Proposed Projects at Space Coast Regional Airport

Mr. Powell presented a diagram to the Board and gave a brief overview of the item, stating that the diagram depicted three projects, which were the Westside Realignment of Perimeter Road, The Runway 18-36 Extension and the Perimeter Road Extension to the South. Mr. Powell explained briefly why the Airport Authority was seeking funding for those projects. Discussion continued.

Mr. Sansom stated that there was a chance of getting the projects funded through legislative action. Mr. Stalrit stated that he was somewhat concerned about the high cost of the projects. Discussion continued.

Mr. Zonka stated that he wouldn't approve the item unless the Authority was asking for additive money and not taking away from existing funds in Brevard County. Discussion continued.

Mr. Sansom called for a motion to approve moving forward with the projects if possible. Mr. Zonka stated that he would only if it stipulated that it was new money. Mr. Sansom stated that they may not want that in a motion, because he didn't want to tell the legislature how to do their job. Discussion continued.

Ms. Patch made a motion to approve moving forward on trying to get funding for the projects. Mr. Carswell seconded. Discussion continued.

Mr. Sansom stated that the Authority would not move forward on any of the projects unless they came back to the Board for approval. Discussion continued.

Mr. Sansom called the question. All voted aye with the exception of Mr. Zonka, who voted nay. Motion passed.

Item C – Discussion & Consideration of a Short Term Lease for Building 51 at Space Coast Regional Airport

Mr. Powell gave a brief overview of the item, stating that the Valiant Air Command needed a temporary space to store and aircraft, and the lease proposal would be for six months up front at a reduced cost, with an additional six month option.

Mr. Zonka made a motion to approve the lease. Ms. Patch seconded. Mr. Sansom called the question. There were no objections. Motion passed.

Item D – Discussion by Mr. Brian Pendleton of Recent Invoiced Costs by the Airport Engineering Company and Contractors Regarding Current Projects

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

Mr. Pendleton presented Invoice Number 15003 in the amount of \$19,682 from Airport Engineering Company, which was for the Airport Mapping & Observation Survey Project at Space Coast Regional Airport. Mr. Pendleton explained that the project was an FAA requirement. Discussion continued.

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

Item E – Discussion by Mr. Aaron McDaniel of Recent Invoiced Costs by Michael Baker Jr., Inc. and Contractors Regarding Current Projects

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

Mr. McDaniel presented Invoice Number 897251 in the amount of \$3,241.58 from Michael Baker Jr., Inc., which was for the West Apron Rehabilitation Project at Space Coast Regional Airport.

Mr. McDaniel presented Invoice Number 897169 in the amount of \$21,099.14 from Michael Baker Jr., Inc. and Pay Application Number 3 in the amount of \$141,268.50 from GLF Construction, which were for the East Apron Rehabilitation Project at Space Coast Regional Airport.

Mr. McDaniel presented Invoice Number 897170 in the amount of \$29,971 from Michael Baker Jr., Inc., which was for the Runway Safety Area Improvements Project at Merritt Island Airport. Discussion continued.

Mr. Stalrit made a motion to approve the invoices. Mr. Carswell seconded. Mr. Sansom called the question. All voted aye. Motion passed.

Mr. McDaniel gave a brief update on the Spaceport License, stating that there had been efficiencies to save money in the process, but the FAA stopped the Authority and forced them to go through the additional work. Mr. McDaniel stated that the application would be turned in some time in the summer, and that Staff was still trying to assess what the FAA wanted the Airport Authority to do. Discussion continued.

Mr. Powell stated that the additional work the FAA was requiring now having the aviation side of the house involved could increase the time and money for the process, but the Airport Authority still had money coming from Space Florida. Discussion continued.

Information Section

CEO Report

Mr. Powell reported that in the previous year the Board had voted to support \$2,500 in funding to the Space Coast Space Flight Alliance for the yearly membership fee to the Commercial Space Flight Federation. Mr. Powell asked the Board if they wished to continue for the current year. The Board had no objections.

Mr. Powell reported that Staff had an opportunity to go down to the Merritt Island Airport with our engineers to look at ways to improve the airport, in particular the commercial buildings on the northwest side, stating that they met with some of the tenants there to look at the best use of the property. Mr. Powell handed out a diagram showing the possibilities.

Dr. Hosley asked Mr. Powell what the status of the SEDC was. Mr. Powell stated that they were still trying to figure out what to do. Discussion continued.

Per Mr. Stalrit's request, Mr. Powell and Mr. McDaniel gave a brief update on the RSA Project at Merritt Island Airport. Discussion continued.

Mr. Zonka asked if Staff was intending to do a mid-year course correction on the budget. Mr. Powell stated that the only thing that may need to be done was possibly removing Building 51 at Space Coast Regional Airport, because not having it occupied for some time was throwing the budget off. Mr. Powell stated that there was constant interest in the facility, but nobody permanent yet. Mr. Sansom stated that it would be a good idea to do a mid-year adjustment because of that. Discussion continued.

Mr. Powell concluded his report.

Attorney Report

Mr. Pickles reported that the loan with SunTrust was closed and The Airport Authority received the original note back from Wells Fargo. Mr. Pickles added that the funding was now available.

Mr. Pickles concluded his report.

Check Register & Budget to Actual

Mr. Powell mentioned everything had been provided to the Board. Mr. Zonka stated asked what the Airport Authority was going to do if the revenues didn't meet the expenses. Mr. Zonka stated that he felt it was worthy of having a discussion about how to stop the trend of the revenues being flat and expenses not being flat. Mr. Powell mentioned that the appraisal was coming up as a possible option for consideration, adding that the Board had decided not to apply the appraisal recommendations over seven years ago due in part to the economic climate. Discussion continued.

Mr. Stalrit stated that he shared Mr. Zonka's concerns and that the Authority needed to allocate a portion of a Board Meeting or hold a special session to discuss the budget. Mr. Sansom asked if it could be scheduled in May, because there was a possibility he wouldn't be there. Mr. Zonka stated that in May the Authority would be seven months into the budget year, so he suggested that Mr. Powell present what the budget numbers were to reality at the next Regular Board Meeting, stating that historically certain categories of funds have been over budgeted as hip pocket places to store money. Mr. Zonka stated it wasn't a bad thing, but wasn't sure it was still real. Mr. Stalrit stated that he felt that there should still be a budget workshop in May. Mr. Zonka handed out a trend report he had generated for the Airport Authorities budget over a five year period of time. Discussion continued.

Authority Members Report

Mr. Carswell suggested that Mr. Ellis come to the next meeting. Mr. Ellis stated that he would do that.

Mr. Zonka stated that he would like to see more information on the website. Mr. Sansom asked Mr. Zonka to make a list of what he would like to see on the website and submit it to Mr. Powell.

Mr. Stalrit commended Staff for getting the Agendas to the Board Members sooner.

Dr. Hosley stated that it was a good idea to take a fresh look at the budget.

Mr. Sansom discussed the status of the LNG plant to the south of the Airport Authority. Mr. Sansom stated that the legislature was kicking off in two weeks.

Dr. Hosley discussed the manufacturing program with Eastern Florida State College, stating that it would benefit the whole county.

Public & Tenants Report

Mr. Don Stiver from Merritt Island Airport stated that he wanted to make sure the Board knew the tenants still approved of Mr. Powell, and briefly discussed his comments from the last Board meeting regarding Mr. Powell's salary and mission statements for each airport establishing objectives and goals. Mr. Stiver suggested a meeting to establish those goals. Mr. Stiver also stated that he would like more attention to be paid to the Merritt Island Airport, adding that the airport could probably stand on its own two feet and maybe the Airport Authority should just cut it loose. Mr. Stiver stated that the Airport Authority would then realize that the Merritt Island Airport was the bill payer for the other airports. Discussion continued.

Adjournment

Mr. Sansom adjourned the meeting at 10:35 a.m.

JERRY SANSOM, CHAIRMAN

HARRY CARSWELL, SECRETARY