

TITUSVILLE – COCOA AIRPORT AUTHORITY

The Regular Meeting of the Titusville - Cocoa Airport Authority was held on February 17, 2011 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, Vice Chair/Treasurer; Ms. Veronica Clifford, Secretary; Mr. Ken Griffin; Dr. David L. Hosley; Mr. Al Elebash; and Mr. Michael D. Powell, C.M., ACE, Executive Director. Dr. Wasim Niazi and Mr. Timothy Pickles, Esq., were 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 to approve. Ms. Clifford made a motion to approve the Agenda as presented. Mr. Griffin seconded. There were no objections. Motion passed.

Appearances – None**Presentations – None****Consent Agenda****Item A – Approval of the Titusville-Cocoa Airport Authority Minutes:****1. January 20, 2011 – Regular Meeting**

Mr. Sansom called for a motion to approve the Consent Agenda. Ms. Patch made a motion to approve. Ms. Clifford seconded. There were no objections. Motion passed.

Old Business – None**New Business****Item A – Discussion and Consideration of the Annual Audit Performed by Davies, Houser & Secrest**

Mr. Powell gave a brief overview of the item and turned the floor over to Mr. Steve Ellis from Davies, Houser & Secrest.

Mr. Ellis stated that he had provided draft reports of the audit to the Board and Airport Authority Staff for review, and that the final report he was providing today was bound. Mr. Ellis reported that there had been no changes in the numbers between the draft and the final report.

Mr. Ellis gave a brief explanation of the objectives of the audit report and the generally accepted accounting principles, stating that the Airport Authority had complied with all grant requirements which were tested with positive results.

Mr. Ellis stated that there were a few normal adjustment entries and that he found no uncommon audit entries. Mr. Ellis stated that the Airport Authority's accounting system showed no weaknesses, fraud or irregularities.

Mr. Ellis briefly went over some of the highlights of the audit stating that net assets had increased \$1.5 million and the loss before capital contributions was \$664,000 compared to \$778,000 last year. Mr. Ellis stated that the total debt was \$1,500,000 compared to \$1,700,000 last year. Mr. Ellis stated that total assets were \$39 million compared to \$37 million last year. Mr. Ellis stated that Staff did a terrific job and overall it was a very clean audit. Discussion ensued.

Ms. Patch made a motion to approve the audit as presented. Mr. Elebash seconded. Mr. Sansom called the question. There were no objections. Motion passed.

Item B – Discussion and Consideration of Naming a New Road at Space Coast Regional Airport

Mr. Powell gave a brief overview of the item stating that in Bristow Academy's expansion at Space Coast Regional Airport, a new road would have to be built. Mr. Powell stated that just about all assets on that road would belong to Bristow, so they would like to name the road Bristow Way. Discussion continued.

Ms. Clifford made a motion to approve the name of the new road. Dr. Hosley seconded. Mr. Sansom called the question. There were no objections. Motion passed.

Item C – Discussion and Consideration for a Two Year Extension to the Space Use Permit for Gryphon Group Security Solutions, LLC

Mr. Powell gave a brief overview and history of the item, stating that Gryphon Group was waiting for word on an EDA grant that had been applied for regarding building new operations facilities on Airport Authority property across Grissom Road in Titusville. Mr. Powell stated that they did have an operations facility in North Carolina along with their leasehold at the Space Coast Regional Airport and that they simply wished to extend their current leasehold until an answer on the grant was received and they had a facility available to move into.

Mr. Sansom stated that the conditions of the lease would not change. Ms. Patch asked if they would have to move all of their operations to North Carolina if the grant didn't go through. Mr. Powell answered that they would have to, but the Airport Authority would try and help to find them other funding, if possible. Discussion continued.

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

Item D – Discussion and Consideration of Business Terms for a Commercial Lease with Airscan

Mr. Powell gave a brief overview of the item, stating that the old Aero Metals Building at the Space Coast Regional Airport had been vacated and Airscan wanted to lease it as quickly as possible. Mr. Powell explained that it would be a shorter than normal lease for one year with four one year options.

Mr. Griffin made a motion to approve the lease. Ms. Patch seconded. Discussion continued.

Ms. Clifford wished to discuss the restaurant that Airscan recently closed down at Space Coast Regional Airport.

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

Item E – Discussion by Mr. Brian Pendleton of Recent Invoiced Costs by Airport Engineering Company and Contractors Regarding Several Projects

Mr. Powell gave a brief overview of the item and turned the floor over to Mr. Pendleton.

Mr. Pendleton presented Pay Request No. 3 in the amount of \$17,964.90 to Architectural Steel which was for the Facilities Rehabilitation Project at Arthur Dunn Airpark.

Mr. Pendleton presented Pay Request No. 9 in the amount of \$36,033.75 to Marbek Construction which was for the Valiant Air Command Hangar No. 3 Project at the Space Coast Regional Airport. Mr. Pendleton reported that this project was in the home stretch.

Mr. Pendleton presented Pay Request No. 3 in the amount of \$75,373.20 to Loyd Contracting which was for the Building Rehabilitation Project at the Merritt Island Airport and was used for the roof replacement at Space Coast Aviation.

Mr. Pendleton presented Invoice No. 11001 to Airport Engineering Company in the amount of \$4,250, which was for construction phase services for the Building Rehabilitation Project at the Merritt Island Airport.

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

Item F – Discussion by Mr. Rob Hambrecht of Recent Invoiced Costs by the LPA Group, Inc. and Contractors Regarding the Airport Administration Building at TIX

Mr. Powell gave a brief overview of the item and turned the floor over to Mr. Hambrecht.

Mr. Hambrecht presented Contractor Pay Request No.12 in the amount of \$130,865.26 to Johnson-Laux for the Administration Building Project at Space Coast Regional Airport.

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

Information Section

Executive Director Report

Mr. Powell reported that the Airport Authority was able to get almost \$500,000 of funding for the Administrative Apron Project at the Space Coast Regional Airport.

Mr. Powell stated that the Airport Authority was waiting on word from the EDA for grants that had been applied for in order to bring more expansion to the Space Coast Regional Airport.

Mr. Powell reported that Staff had met with the Department of Fish & Wildlife over concerns on the cost of gopher tortoise removal. Mr. Powell stated that Fish & Wildlife had agreed that it had become a very cost prohibitive process and were looking at ways to change that. Mr. Powell stated that currently Brevard County and Fish & Wildlife were working together on partnership opportunities to reduce costs.

Mr. Sansom added that they discussed moving the gopher tortoises from Airport Authority property to EELs property by using their in-house biologist who was authorized to move them. Discussion continued.

Mr. Powell concluded his report.

Attorney Report – None

Check Register & Budget to Actual

Mr. Powell reported that everything was in line and offered to answer any questions.

Administration & Project Reports

Mr. Powell stated that there were not a lot of updates, but more information would be added soon. Mr. Powell pointed out that the Ten Unit T-Hangar Project at Space Coast Regional Airport, and the Box Hangar Project and Security Lighting Project at Merritt Island Airport would be beginning soon.

Mr. Sansom asked what the status was on the Airport Authority's house that had burned in Titusville. Mr. Powell stated that Staff was waiting on the insurance company in order for the tenant to get his belongings out. Mr. Powell stated that it was a very slow process. Discussion ensued regarding the houses that were owned by the Airport Authority.

Mr. Sansom stated that the Airport Authority had put together a proposal for Kennedy Space Center regarding operations at the Shuttle Landing Facility. Mr. Sansom stated that they hadn't heard anything back yet. Discussion continued.

Dr. Hosley asked if the Airport Authority was involved with the Cocoa Beach Airshow. Mr. Powell stated that the Air Show coordinator usually asked to have smaller aircraft operate out of the Merritt Island Airport and the FBO was always great about coordinating those activities and for the military type aircraft they usually coordinated with the Valiant Air Command. Discussion continued.

Authority Members Report

Dr. Hosley reported that the unmanned systems business was growing and would help bring jobs to the area.

Ms. Clifford asked for an update on the ARFF building at the Space Coast Regional Airport. Mr. Powell stated that the FAA thought that the original cost analysis was too high, so the LPA Group did a very detailed cost analysis with justification and it was just submitted to the FAA. Mr. Powell stated that he felt the ARFF station would help to increase growth at the Airport. Mr. Powell stated that altogether the Airport had about two-thirds of the total funding needed. Discussion continued.

Ms. Clifford asked to discuss the closing of the restaurant at Space Coast Regional Airport, stating that she wanted to brainstorm the issue and get some feedback from Airscan. Ms. Clifford stated that she would also like to discuss some safety concerns she had over unmanned aircraft.

Mr. Sansom recognized Mr. Tom Fotopoulos from Airscan and Space Coast Jet Center. Mr. Fotopoulos stated that on February 25th at three o'clock p.m.

dignitaries from the FAA would be present at Space Coast Jet Center to honor Mr. Frazier Coffman with the Wright Brothers "Master Pilot" Award for fifty years of safe flying. Discussion continued.

Mr. Fotopoulos stated, regarding the restaurant, that Airscan had done a complete review of the café, having the benefit of the previous owner's records, and brought in teams to analyze the findings. Mr. Fotopoulos stated that the restaurant had lost \$50,000 a year for the past five years and had only been profitable for one out of fifteen years. Mr. Fotopoulos stated the building was going to be remodeled and converted into an upscale lounge and hospitality center with a kitchen, but it would not be a restaurant. Mr. Fotopoulos stated that the financial books were open to the Board for review. Discussion continued.

Mr. Fotopoulos discussed Ms. Clifford's concerns over the safety of unmanned aircraft, stating that in the United States only nineteen unmanned aircraft were allowed to fly. Mr. Fotopoulos stated that any facility flying unmanned aircraft would need to have a COA and that Airscan had a grant in place for a new building to house the aircraft and that would also pay for the COA, which the Space Coast Regional Airport would have to get. Mr. Fotopoulos stated that this could draw business into the airport. Mr. Fotopoulos stated that in regards to safety the FAA was a stakeholder and wouldn't let Airscan do this unless it was safe. Discussion continued.

Public & Tenants Report

Mr. Tony Yacono asked about the portable building status at the Merritt Island Airport. Mr. Powell stated that the Airport Authority was set to get a Certificate of Occupancy, but the County wanted to inspect the tie-downs first. Mr. Powell stated that Staff had been trying to schedule that inspection for about three weeks.

Dr. Hosley thanked Mr. Yacono for all his work with the Merritt Island High School.

Adjournment

Mr. Sansom adjourned the meeting at 9:50 a.m.

JERRY SANSOM, CHAIRMAN

VERONICA CLIFFORD, SECRETARY