

TITUSVILLE – COCOA AIRPORT AUTHORITY

The Regular Meeting of the Titusville - Cocoa Airport Authority was held on April 16, 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; Dr. David Hosley, Vice Chairman; Ms. Patricia Patch, Treasurer; Mr. Harry Carswell, Secretary; Dr. Wasim Niazi; Mr. Jay Stalrit; Mr. Milo Zonka; Mr. Michael D. Powell, C.M., ACE, CEO; Mr. Timothy Pickles, Esq., Airport Attorney.

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 asked for a motion. Mr. Stalrit made a motion to approve the Agenda as presented. Mr. Carswell 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. March 19, 2015 – Regular Meeting****Item B – A Resolution to Adopt Written Policies and Procedures to Monitor the Requirements of the Loan**

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

Old Business – None**New Business****Item A – Discussion & Consideration of the Proposed 2015 – 2016 Fiscal Year Budget**

Mr. Powell gave a brief overview of the item, explained the process and walked the Board through the budget.

Mr. Stalrit asked how the appraisals worked into the budget. Mr. Powell gave a brief explanation. Mr. Sansom asked if the budget reflected a realistic projection. Mr. Powell stated that it did. Discussion continued.

Mr. Stalrit made a motion to approve the budget. Dr. Niazi seconded. Mr. Sansom called the question. There were no objections. Motion passed.

Item B – Discussion & Consideration of a Lease for Building 13 at Arthur Dunn Airpark

Mr. Powell gave an overview of the item, stating that it was a unique lease for a t-hangar with a commercial style lease, which was overlooked by Staff for renewal. Mr. Powell stated that the lease had a twenty year term as opposed to a twenty, with two five year terms as most of the other commercial leases had, and that there was no language in the lease alluding to the tenant requirement to notify the Airport Authority of renewal in advance of the term end. Mr. Powell explained that once Staff was aware, an appraisal was conducted, which made the rent come out to \$781.25 monthly. Mr. Powell stated that he spoke with the current tenant and the tenant expressed that they were not comfortable with that amount by would be willing to pay a 20% increase, with the understanding that they would maintain the building.

Mr. Pickles stated that there was a conflict of interest with Ms. Patch, the tenant of the building, and that she could influence the Board, but could not vote. Discussion continued.

Ms. Patch stated that she understood that when her lease came due after twenty years that there was no option for renewal and that the hangar did not belong to her. Ms. Patch stated that every year her rental rate was subject to CPI just like everyone else, and that she had increased the value of the lot. Ms. Patch added that the appraised rate would be a 120% increase which was not feasible for her, but she would be amenable to something more reasonable. Ms. Patch added that nothing was intentional.

Mr. Pickles stated that he wanted to make the Board aware that ethics complaints had been filed regarding this lease.

Mr. Stalrit asked if the proposal was for the lease to continue on a month to month basis. Ms. Patch answered that it would, just like the t-hangars. Mr. Stalrit asked what type of maintenance the hangar required. Mr. Powell stated that ongoing maintenance is usually needed for the doors, tracks, cables and a multitude of things due to the corrosive environment and years of use.

Mr. Carswell discussed a situation at the Merritt Island Airport with condo-hangars which were turned over to the Airport Authority and the rental rates had to be changed, and asked Mr. Powell if this was a similar situation. Mr. Powell gave a brief explanation. Mr. Carswell asked how much the Airport Authority could get for Ms. Patch's hangar if someone else rented it. Mr. Powell stated they would attempt to get the appraised fair market value. Mr. Sansom asked if it could be rented as a commercial facility. Mr. Powell stated that it would be something the Board would have to approve. Discussion continued.

Mr. Zonka stated that he would not support the request and asked if Staff had a recommendation. Mr. Powell stated that Staff did not have a recommendation that two alternatives had been presented. Mr. Sansom stated that the counter to the appraised rate was an offer from the tenant. Mr. Zonka stated that he felt it would set a precedent for all t-hangar tenants to negotiate their rent by maintain their hangar. Discussion continued.

Mr. Pickles recommended that the Board make specific findings as to why the Airport Authority was deviating from the fair market value proposal, because that there was a concern regarding grant assurances. Mr. Pickles stated that if it was a unique situation, the Board should define that and put it into record. Mr. Pickles recommended making a subjective across the board standard or make specific findings as to why this situation was different from everybody else.

Ms. Patch stated that hers was a different situation because she was the only one at all three airports that paid to have her hangar built. Ms. Patch also stated that she wasn't a commercial tenant and her maintenance has been expensive. Discussion continued.

Dr. Hosley stated that the Airport Authority needed a zero based review on processes, because it needed to be clear and clean. Dr. Hosley stated that it was a unique situation, but needed to be stated very clearly. Mr. Stalrit suggested asking the tenant for terms that indicated tenant responsibility.

Mr. Pickles stated that a typical tenant would do maintenance on a month to month basis, and cautioned the Board to consider a longer term lease for maintenance. Mr. Pickles stated that the terms needed to be clearly spelled out. Mr. Powell stated that it made sense to have a longer term lease. Discussion continued.

Mr. Sansom stated that he agreed with Staff and the attorney that the Board not take any action and bring it back after negotiations. Mr. Sansom recommended deferring the item until the next meeting. The Board concurred.

Item C – Discussion by Mr. Brian Russell of Recent Invoiced Costs by Michael Baker Jr., Inc. and Contractors Regarding Current Projects

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

Mr. Russell presented Invoice Number 903235 in the amount of \$26,650.12 from Michael Baker International and Pay Request Number 6 in the amount of \$211,516.58 from GLF, which were for the East Apron Rehabilitation Project at Space Coast Regional Airport.

Mr. Russell presented Invoice Number 903233 in the amount of \$1,004.60 from Michael Baker International and Pay Request Number 1 in the amount of \$31,020.33 from C & D Construction, which were for the East Side Hangar Project at Space Coast Regional Airport. Discussion continued.

Mr. Russell presented Invoice Number 903253 in the amount of \$24,645.23 from Michael Baker International, which was for the Spaceport Licensing at Space Coast Regional Airport.

Mr. Russell presented Invoice Number 903237 in the amount of \$5,775 from Michael Baker International, which was for the RSA Compliance & Shoreline Stabilization Project at the Merritt Island Airport.

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

Information Section

CEO Report

Mr. Powell reported that the annual Part 139 inspection by the FAA had taken place at the Space Coast Regional Airport and there were zero discrepancies. Mr. Powell thanked Staff for a job well done. Discussion continued.

Mr. Powell stated that Chief Terry Wooldridge, ARFF at Space Coast Regional Airport, had prepared a report on what he has been doing and wanted to present it to the Board. Mr. Sansom turned the floor over to Chief Wooldridge. Chief Wooldridge presented his report to the Board and stated that he would provide copies to the Board members. Mr. Sansom asked that he put the report on disc, rather than hard copies. Discussion continued.

Mr. Powell stated that a few months back Mr. Tony Yacono from the Merritt Island Airport, had decided to step back from his service to the Safety Committee, the BAA and the EAA. Mr. Powell stated that the Airport Authority wanted to present an award to Mr. Yacono for his years of service; however, Mr. Yacono was not able to attend the meeting so Mr. Don Stiver would accept the award on Mr. Yacono's behalf.

Mr. Powell concluded his report.

Attorney Report

Mr. Pickles reported that the contract for the mitigation parcel at the Merritt Island Airport for the RSA Compliance Project had finally been signed, and that Phase 1 had come back clean. Mr. Pickles stated that the contract was sent to the contractor on the project yesterday.

Mr. Pickles concluded his report.

Check Register & Budget to Actual

Mr. Powell stated that everything had been presented to the Board and would be happy to answer any questions..

Administration & Project Reports

Mr. Powell stated that the reports were provided and would answer any questions.

Authority Members Report

Dr. Niazi asked if the banner towing company at the Merritt Island Airport was paying less for their hangar than other tenants. Mr. Powell stated that they were paying for storage in a t-hangar at the same rate as everyone else, but also paying a land lease for their strip. Dr. Niazi stated that there had been a concern raised amongst the airport tenants that the banner towing company had not been paying the same as other tenants.

Mr. Zonka stated that he had some suggestions for the Airport Authority website that he had sent to Mr. Powell. Mr. Zonka stated that he would like to see full agendas, audio recordings of minutes and all financials on the website.

Dr. Hosley stated that congratulations were in order for Bristow Academy on an article in Florida Today. Dr. Hosley asked for an update on the Spaceport License. Discussion continued.

Mr. Stalrit stated that at the last meeting North American Surveillance Systems (NASS) at Space Coast Regional Airport had put in a request for approval to refinance and asked for an update on that. Mr. Powell stated that the new building was already going up and turned the floor over to Mr. Gary Gaudet of NASS to give an update. Mr. Gaudet briefed the Board on the progress.

Mr. Sansom stated that the Airport Authority and the area was on the edge of a couple of big projects that may come to pass and that there was a lot of interest to do things here. Mr. Sansom stated that in regards to the legislature, the federal government had thrown a wrench into the legislative budget, and it would not be resolved by the end of the legislative session, so they would have to come back for

a special session. Mr. Sansom stated that until it was resolved, all other projects under consideration would be up in the air and probably subject for renegotiation.

Public & Tenants Report

Mr. Don White from the Merritt Island Airport stated that the Young Eagles event on March 28th had 137 youngsters flying with them. Mr. White thanked the Board for their support. Mr. White asked if there was a new schedule for the RSA project. Mr. Powell turned the floor over to Mr. Aaron McDaniel from Michael Baker to explain. Mr. McDaniel stated that the signed contract was sent to the GC yesterday and there was 30 days, Notice to Proceed with 100 days to the start of construction. Mr. McDaniel stated that there would be a meeting with the tenants at the Merritt Island Airport. Discussion continued.

Adjournment

Mr. Sansom adjourned the meeting at 9:49 a.m.

JERRY SANSOM, CHAIRMAN

HARRY CARSWELL, SECRETARY