

TITUSVILLE – COCOA AIRPORT AUTHORITY

The Regular Meeting of the Titusville - Cocoa Airport Authority was held on August 18, 2016 at 4:00 p.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. Jay Stalrit, Vice Chairman; Mr. Milo Zonka, Treasurer; Dr. Wasim Niazi; Dr. David Hosley; Mr. Michael D. Powell, C.M., ACE, CEO; Mr. Timothy Pickles, Esq., Airport Attorney. Dr. John Leavitt was in attendance via teleconference. Mr. Harry Carswell was absent.

Call to Order

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

Mr. Pickles swore in new board member, Dr. John Leavitt. Dr. Leavitt gave a brief introduction and background.

Approval of the Agenda

Mr. Sansom asked if there were any changes or additions to the Agenda. Mr. Powell requested moving New Business – Item B to the top of the item list making it Item A. Mr. Sansom asked for a motion. Mr. Stalrit made a motion to approve the Agenda as amended. Mr. Zonka 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. July 21, 2016 – Regular Meeting**

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

Old Business – None**New Business****Item A – Discussion & Consideration of Legal Services for Titusville-Cocoa Airport Authority**

Mr. Powell gave a brief overview of the item, stating that the current Airport Authority attorney, Mr. Timothy Pickles, was entering into his own practice and was no longer going to practice with the firm Watson, Soileau, DeLeo, Burgett & Pickles. Mr. Powell stated that Mr. Pickles was required by the Florida Bar to notify all of his clients that they had the option to retain his services or seek new legal counsel. Mr. Powell stated that Staff had received a waiver from the old firm stating that they had no objection with Mr. Pickles maintaining legal representation for the Airport Authority. Discussion continued.

Mr. Pickles stated that his fees were hourly and would continue to be the same for now. Mr. Sansom stated that the Board could do a Request for Proposals (RFP) at any time if they decided to. Mr. Zonka stated that he thought it would be a good idea to wait six months and then see if an RFP needed to be issued. Discussion continued.

Dr. Niazi entered the meeting at 4:13 p.m.

Mr. Stalrit made a motion to continue with Mr. Pickles under the existing terms and bring it back to the Board in six months. Mr. Zonka seconded. Discussion continued.

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

Item B – Discussion & Consideration of Projects Between the Three Airports

Mr. Powell gave a brief overview of the item, stating that the spreadsheet Staff had provided at the last Board meeting had been modified per the Board's request. Discussion continued.

Mr. Zonka asked if Mr. Powell could email the Board members the fair market value on new buildings minus what the tenants were paying right now. Mr. Powell stated that he would comply.

Item C – 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 Mr. McDaniel.

Mr. McDaniel presented Pay Request Number 12 in the amount of \$240,594.72 from Welsh Companies if so approved by the Board, which was for the RSA Compliance & Shoreline Stabilization Project at the Merritt Island Airport. Mr. McDaniel explained that the pay application was certified by him for work that was or was not completed under the contract, and that the amount certified was for

\$287,594.72, which was for work that they completed. Mr. McDaniel stated that he had taken into account a negative \$32,612.72 for the cost of the lighted X trailers that were not returned to the project site and he could not certify payment for them. Mr. Pickles stated that thus far Mr. Welsh had not objected to withholding of the funds. Discussion continued.

Mr. McDaniel explained that the pay application had to be revised from the pay application that had been submitted, but Mr. Welsh was not going to agree to the terms of what Mr. McDaniel had been able to certify as what did or did not get done. Mr. McDaniel pointed out that he had to make changes to the things that he could verify. Mr. McDaniel also pointed out that the contractor was 94 calendar days behind schedule at a rate of \$500 a day for liquidated damages for a total of \$47,000 and if approved by the Board would be subtracted from the \$287,594.72 to equal \$240,594.72.

Mr. Pickles explained that in the current pay application there was approximately \$123,000 that Welsh agreed was for subcontractors, and Mr. Welsh's concern was that if he signed the release and waiver of all claims there would be an issue with the subcontractors which could become very complex. Mr. Pickles stated that the whole issue would go to court. The Board concurred Discussion continued.

Mr. Stalrit made a motion to approve the certified amount of the pay request. Mr. Zonka seconded. Discussion continued. Mr. Sansom called the question. All voted aye. Motion passed.

Mr. Zonka made a motion to impose liquidated the damages of \$47,000 and withholding the funds. Mr. Stalrit seconded. Discussion continued. Mr. Sansom called the question. All voted aye. Motion passed.

Mr. McDaniel presented Pay Request Number 15 in the amount of \$9,566.98 from Michael Baker and Pay Request Number 6 in the amount of \$3,800 from Sterling Enterprises, which were for the RSA Compliance & Shoreline Stabilization Project at the Merritt Island Airport.

Mr. McDaniel presented Pay Request Number 16 in the amount of \$10,340.74 from Michael Baker, which was for the East Hangar Project at Space Coast Regional Airport.

Mr. McDaniel presented Pay Request Number 4 in the amount of \$16,367.77 from Michael Baker, which was for the Building 26 Demolition Project at Space Coast Regional Airport.

Mr. McDaniel presented Pay Request Number 1 in the amount of \$10,534.33 from Michael Baker, which was for the North Security and Infrastructure Project at the Merritt Island Airport.

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

Information Section

CEO Report

Mr. Powell reported that a couple of days prior to the meeting he had a second visit from a group in partnership with the County EDC. Mr. Powell stated that the group was currently on the west side of Florida and also had assets in Canada and they were considering locating here and expanding their business model with the Airport Authority. Discussion continued.

Mr. Powell reported that he had gone to speak before the City of Titusville Council in looking to expand the Airport Ordinance area to include all of the Airport Authority properties at TIX, so that it was in line with the Spaceport Territory. Mr. Powell stated that this would help the Airport Authority move at a more accelerated rate when groups came with unusual requests.

Mr. Powell stated that he had met with other business leaders regarding the FPL rate increase and they had been looking into the possibility of establishing a solar farm for consideration. Mr. Powell stated that other airports were doing it, and FAA had a strong program to allow that to happen because they believed in it. Discussion continued.

Mr. Powell concluded his report.

Attorney Report

Mr. Pickles thanked the Board for extending his contract. Mr. Zonka asked Mr. Pickles what his current hourly rate was. Mr. Pickles stated that it was \$150.00.

Mr. Pickles concluded his report.

Check Register & Budget to Actual

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

Administration & Project Reports

Mr. Powell stated that there was not a lot of activity.

Authority Members Report

Mr. Zonka stated that he had spoken with Scott Larese and pitched the idea of a synergy partnership with the fire station regarding coordination. Mr. Powell stated that he and Mr. Larese had been in discussions regarding that as well.

Dr. Hosley inquired about the group Mr. Powell had met with. Mr. Powell stated that it was an aviation business that worked with Northrup-Grumman and they were looking to develop some things with regards to rocket motors. Discussion continued.

Mr. Stalrit stated that he had come to Space Coast Regional Airport about a week and a half prior and because an issue had come up regarding the C17 operations. Mr. Stalrit explained that AT&T had put in a fiber optic line four feet down on a pole in the operations area on Airport Authority property. Discussion continued.

Dr. Leavitt asked when the last time was that the Airport Authority surveyed the t-hangar tenants to see what their push points were, in addition to gathering the information to consider their wishes and what would be done moving forward. Mr. Powell stated that Staff had done that previously and had identified and addressed any issues the t-hangar tenants had. Discussion continued.

Mr. Sansom asked about the progress on the Spaceport License. Mr. Powell stated that it was still on schedule for January of 2017. Discussion continued.

Public & Tenants Report

Mr. Don White from Merritt Island Airport stated that he felt there was an issue with sand at the end of the runway after the RSA project had been completed. Mr. White stated that had spoken with Mr. McDaniel who had told him they weren't going to put grass there, but plants. Mr. White stated that he thought it should be sodded. Mr. Zonka stated it was actually going to be ground cover which was designed to help with erosion control, and they would have to fill in.

Adjournment

Mr. Sansom adjourned the meeting at 5:31 p.m.

JERRY SANSOM, CHAIRMAN

HARRY CARSWELL, SECRETARY