

TITUSVILLE – COCOA AIRPORT AUTHORITY

The Regular Meeting of the Titusville - Cocoa Airport Authority was held on March 20, 2008 at 8:30 a.m. at the Titusville - Cocoa Airport Authority Office at 355 Golden Knights Boulevard, Titusville, FL. The following members were present: Ms. Patricia Patch, Vice Chair/Treasurer; Mr. Ken Rivard, Secretary; Ms. Veronica Clifford; Mr. Ken Griffin; Dr. David L. Hosley; Mr. Michael D. Powell, C.M., ACE, Executive Director; Mr. Timothy Pickles, Esq., Airport Attorney. Mr. Jerry Sansom and Dr. Wasim Niazi were absent.

Call to Order

Ms. Patch, as acting Chair, called the meeting to order and determined that a quorum was present.

Approval of the Agenda

Ms. Patch called for approval of the Agenda. Ms. Clifford made a motion to approve the Agenda, as presented. Mr. Griffin seconded. All voted aye. Motion passed.

Approval of the Titusville – Cocoa Airport Authority Minutes

Ms. Patch called for the approval of the February 21, 2008 Regular Board Meeting minutes. Ms. Clifford made a motion to approve the minutes, as presented. Mr. Griffin seconded. All voted aye. Motion passed.

Consent Agenda**Item A – One Year Lease Extension at Space Coast Regional Airport for AirScan, Inc. on Building 51**

Ms. Patch called for the approval of the Consent Agenda. Ms. Clifford made a motion to approve. Dr. Hosley seconded. All voted aye. Motion passed.

New Business**Item A – Discussion and Consideration of the Five Year Appraisal conducted by Slack, Johnston & Magenheimer to Set Fair Market Value**

Mr. Powell gave a brief overview of the item and recommended phasing in the new fair market figures over a two year period of time. Ms. Clifford asked if the phasing would be used for commercial tenants as well as t-hangar tenants. Mr. Powell stated that it would be for t-hangar tenants, since commercial tenants would increase right away.

Ms. Clifford made a motion to accept the appraisal. Dr. Hosley seconded. Discussion ensued.

Mr. Rivard asked why some rates were higher than others. Mr. Powell gave a brief explanation. Discussion continued.

Dr. Hosley asked what the economic situation was with the Authority. Mr. Powell stated that as operational costs continue to rise, revenue needed to increase as well. Mr. Powell explained that insurance had increased almost eighty-five percent and that the Authority still provided the same services even though income continued to be reduced. Mr. Powell also stated that he felt the Authority had absorbed everything that it could possibly absorb and still operate effectively. Discussion continued amongst the Board.

Dr. Hosley asked if the Authority was making money. Mr. Powell stated that the Authority was making money, but costs continued to rise and the appraiser had stated that the Authority rents were below market value. Discussion continued.

Mr. Griffin stated that he was in favor of CPI, but commercial tenants didn't have CPI. Mr. Griffin also stated he was not in favor of raising t-hangar rents. Mr. Pickles explained that some commercial tenants did have CPI and that the policy at a minimum was that they needed to be appraised every five years. Mr. Pickles explained that the commercial tenant leases had to be followed. Discussion continued amongst the Board.

Ms. Clifford suggested that the Authority set some type of agenda so that when commercial leases came up, a checklist would have to be followed. Ms. Clifford stated that she would like to add to her motion that Staff come up with guidelines for commercial tenants when leases came up for renewal. Mr. Powell stated that Staff was currently attempting to standardize all commercial leases. Dr. Hosley suggested that a workshop may be a good idea. Discussion continued.

Ms. Patch opened the floor to the public for comment. Mr. John Lanahan asked if the new FBO at Merritt Island Airport had the lease opened up for a longer term. Mr. Pickles explained that the lease was opened with conditions, but the term was the same. Mr. Pickles stated that the lease was opened, which allowed the Authority to receive a fuel flowage fee from the tenant, but the tenant had a choice to open the lease or take a straight assumption. Mr. Pickles explained that if the Authority had required a higher rent rate then the tenant would probably have said they would take the straight assumption and the Authority would have lost the fuel flowage revenue. Discussion continued.

Mr. Tom Fotopulos from AirScan, Inc. stated that he felt the individual aircraft owner was the lifeblood of the airports. Mr. Fotopulos added that if a workshop was held, he would be there to support the t-hangar tenants.

Mr. Tony Yacono stated that he felt similar airports were not used in the appraisal. Mr. Yacono also stated that he felt the Board should realize the Authority was here to help the customers and increases would be bad for aviation. Discussion continued.

Mr. Griffin made a motion for an amendment to approve the appraisal with the exception of t-hangars. Mr. Rivard seconded. Discussion continued.

Ms. Patch called the question on the motion for amendment. Mr. Rivard, Dr. Hosley, Ms. Patch and Mr. Griffin voted aye. Ms. Clifford voted nay. Motion for amendment passed.

Ms. Patch called the question on the motion. Mr. Rivard, Dr. Hosley, Ms. Patch and Mr. Griffin voted aye. Ms. Clifford voted nay. Motion passed.

Ms. Patch called a five minute recess.

Item B – Discussion & Consideration of a Ground Lease for TODD Aeromotive at Merritt Island Airport

Ms. Patch called the meeting back to order.

Mr. Powell gave a brief overview of the item stating that the background check had not been done yet, and there were still some issues with the proposed size of the building. Mr. Powell recommended that the Board approve, provided all required terms can be met. Mr. Powell turned the floor over to Mr. Richard Todd of TODD Aeromotive.

Mr. Todd explained that in order for his business to meet the requirements the building would need to be 5,000 square feet, but there were some zoning issues with building anything over 65 x 65. Discussion ensued.

Ms. Clifford asked what exactly the Board was approving. Mr. Powell stated that it was for approval of the ground lease. Ms. Clifford asked if they would have to build within a certain period of time. Mr. Powell stated that a construction clause could be added. Discussion continued amongst the Board.

Mr. Rivard made a motion for Staff to negotiate a lease with Mr. Todd and bring it back to the Board for approval. Dr. Hosley seconded. Discussion continued.

Ms. Patch called the question. All voted aye. Motion passed.

Information Section

Executive Director Report

Mr. Powell reported that the VAC Airshow at the Space Coast Regional Airport was a very nice event. Mr. Powell stated that attendance was so high people had to be turned away on Saturday.

Mr. Powell reported that a letter had been finalized for the Fourth of July Celebration at Space Coast Regional Airport. Mr. Powell also stated that the celebration would have a minimal impact on aviation.

Mr. Powell concluded his report.

Attorney Report – None

Check Register & Budget to Actual

Mr. Powell reported that everything was in line.

Administration & Project Reports

Mr. Powell stated that Staff was preparing for the East Apron Rehabilitation Project at Space Coast Regional Airport. Mr. Powell stated that the project had gone out for bid and APAC was selected. Mr. Powell added that a pre-construction meeting would be held in the first part of April and then gave a brief explanation of the project.

Mr. Powell concluded the report.

Authority Members Report

Mr. Rivard asked if the Self-Serve Fuel Farm Project at Merritt Island Airport was on the Project Report. Mr. Powell answered that it wasn't, but Staff could add it. Mr. Rivard asked Mr. Powell what the status was on the project. Mr. Powell answered that Staff was still waiting for a determination from FDOT and was working with the FAA, but the FAA was having issues with their budget.

Mr. Rivard made a motion for the Airport Authority to sue the Haskell Company to give the Authority back the rest of the money that had been spent on the Corporate Terminal Project at Space Coast Regional Airport. Mr. Griffin seconded for the sake of discussion. Discussion ensued.

Mr. Griffin stated that he was opposed to lawsuits. Mr. Powell stated that Staff, along with legal counsel, was already working on getting some of that money back. Mr. Pickles stated that Staff had identified what the Authority should get back; however, he could analyze a lawsuit and bring it back to the Board. Mr. Pickles stated that a countersuit could come back from Haskell, so he recommended an analysis first. Ms. Clifford stated that she felt Staff was moving in the right direction. Discussion continued amongst the Board.

Ms. Patch called the question. Mr. Rivard voted aye. Ms. Clifford, Dr. Hosley, Ms. Patch and Mr. Griffin voted nay. Motion failed.

Mr. Griffin made a motion for Mr. Pickles to do an analysis. Mr. Rivard seconded. All voted aye except Ms. Clifford and Ms. Patch, who voted nay. Motion passed.

Ms. Clifford asked Mr. Powell what the progress was on the new proposed administration building. Mr. Powell stated that Staff was in the process of obtaining letters of intent from interested parties that wanted to rent space.

Ms. Clifford asked about Gulfstream Aviation at Space Coast Regional Airport and what their progress was on building. Mr. Powell stated that they were meeting the criteria and getting ready to build.

Ms. Clifford asked Mr. Powell when he last spoke with FDOT. Mr. Powell stated that he had written several emails, but had received no reply from the Inspector General's office. Discussion continued amongst the Board.

Public & Tenants Report

Mr. Tony Yacono gave the Board advice to remember they were here to support general aviation and that they should read the information that they were given by Mr. Powell.

Mr. Larry Gilbert, a t-hangar tenant at Arthur Dunn Airpark, spoke about the crash at Arthur Dunn Airpark on March 1, 2008. Mr. Gilbert stated that the fire station was only a half mile away, but due to them having to drive all the way around the airport to have access, it took them twelve minutes to arrive. Mr. Gilbert suggested that maybe the Airport Authority could put in a gate and road on that side of the airport so that rescue could get in that way and could reach accidents much quicker. Mr. Powell stated that the issue had been discussed, but the vehicles could not make it across the unsupported surface. Mr. Powell added that a firm base would need to be put in; however, Staff was working to that end. Discussion continued.

Mr. Mark Issot from the new FBO at Merritt Island Airport, Space Coast Aviation, introduced the new general manager, Ms. Lisa Brown. Mr. Issot also discussed some issues that they were working out in order to supply Voyager Aviation International with more convenient access to fuel. Discussion continued.

Adjournment

Ms. Patch asked for a motion to adjourn. Ms. Clifford made a motion to adjourn the meeting. Mr. Rivard seconded the motion. Mr. Patch called the question. All voted aye. Meeting was adjourned.

JERRY SANSOM, CHAIRMAN

KEN RIVARD, SECRETARY