

REGULAR MEETING

TITUSVILLE-COCOA AIRPORT AUTHORITY

APRIL 9, 2003

The regular meeting of the Titusville-Cocoa Airport Authority was held on April 9, 2003, at 1:35 p.m., at the Titusville-Cocoa Airport Authority office, 355 Golden Knights Boulevard, Titusville, Florida. The following members were present: Joel H. Taft, Chairman; Brian M. Lally, P.E., Secretary; Jay G. M. Schenck; Russell Alarie; Philip R. Thompson; David N. Edwards, Jr., A.A.E., Executive Director; and Timothy F. Pickles, Esq.; Airport Attorney. Frank Kinney, Vice Chairman and R. Craig Rastello, Treasurer were absent.

Roll Call

Mr. Taft requested roll call and determined a quorum was present. All Authority members were present with the exception of Frank Kinney and Craig Rastello.

Mr. Taft read a Resolution of accomplishments that took place with Mr. Schenck as Chairman.

Mr. Schenck stated that he enjoyed the position of Chairman and thanked the Board for the acknowledgement.

Mr. Taft presented Mr. Schenck with a plaque for his outstanding performance and lasting contribution as Chairman of the Titusville-Cocoa Airport Authority from October 2001 to October 2002.

Mr. Taft called for a motion to adopt the Resolution. Mr. Lally motioned the acceptance, seconded by Mr. Alarie. All voted Aye. Motion passed unanimously.

Approval of Minutes

Mr. Taft noted a few minor corrections to the March 12, 2003 meeting minutes.

Mr. Taft called for a motion to approve the minutes for the regular meeting on March 12, 2003 as amended.

Mr. Thompson motioned the approval, seconded by Mr. Schenck. All voted Aye. Motion passed unanimously.

Appearances – None.

Presentations – None.

Mr. Taft addressed the public and advised that if they had a desire to speak on a specific item to fill out a card provided on the wall and turn them in to the Executive Secretary.

Consent Agenda

Item A – Approval of a Florida Department of Transportation (FDOT) Grant for the Design and Rehabilitation of Taxiway B, North Apron, and North Side T-Hangar Taxiways at the Merritt Island Airport.

Item B – Approval of a Florida Department of Transportation (FDOT) Grant for the Design of the East Side Apron at the Space Coast Regional Airport.

Item C – Approval of a Florida Department of Transportation (FDOT) Grant for the Rehabilitation of Airport Facilities at the Merritt Island Airport.

Mr. Taft called for a motion to approve the consent agenda. Mr. Lally motioned the approval, seconded by Mr. Alarie. Mr. Taft called the question. All voted Aye. Motion passed unanimously.

Old Business – None.

New Business

Item A – Discussion of Airport Authority Refinancing

Mr. Edwards reviewed the background on this item and advised that the Authority currently has a loan financed through the Florida Local Government Finance Commission Loan Program, which has a principle balance of \$2.25 million. He stated that the Authority would be required to refinance this loan prior to December 2004; it carries a variable interest rate.

Mr. Edwards stated that the current financing environment is extremely attractive. After some preliminary investigation, he stated that the Authority could achieve an annual fixed rate of approximately 4% over a 20-year term.

Mr. Edwards recommended that the Authority seek to refinance the existing debt now in order to take advantage of the existing financial markets. This would also provide the Authority with the opportunity to obtain additional financing to support other future projects.

Mr. Edwards presented the Board with options for refinancing and explained the interest rates and terms for each option.

Discussion ensued regarding the current loan and rate the Authority is paying.

Mr. Lally stated the he would like to gather additional information and postpone refinancing, as the loan is currently at a 2% rate.

Mr. Thompson agreed on gathering additional information, however, he expressed his opinion that it would be advantageous to lock in a fixed rate while the rates are down. Mr. Thompson also stated that he would like further information on opportunities and future projects that any additional funds might be utilized for.

Discussion continued.

Mr. Schenck asked Mr. Edwards to present different scenarios to the Board at a future meeting showing results if the interest rates rise to 8% and higher.

Mr. Edwards agreed to present these scenarios at the next Board meeting. He also agreed to present the current loan and the range of percentages that the loan has had over the past 3½ years.

Mr. Lally motioned to table the item and await the additional information, which will be presented at the next Board meeting, seconded by Mr. Schenck.

Mr. Taft called the question. All Voted Aye. Motion passed unanimously.

Executive Director's Report

Project Hawk – Mr. Edwards updated the Board and advised that he anticipates a decision within 3 weeks whether they will present a final commitment to the Airport Authority. He stated that he remains very optimistic that they will choose Space Coast Regional Airport for their site.

Merritt Island Incident – Mr. Edwards reviewed the incident with Mr. Lueck regarding the cutting of a fence at Merritt Island Airport in order to gain access to launch a boat into the river. He stated that Staff, as well as legal counsel, has attempted to contact Mr. Lueck to get the fence repaired, which he had committed to at the time of the incident. There has been no response from Mr. Lueck to date.

Mr. Edwards advised that the Authority would repair the fence, and issue a bill to Mr. Lueck in an attempt to collect payment for the damage. He asked the Board to provide input on any other ideas to resolve this issue.

Discussion ensued.

Mrs. Lasher, tenant, stated that this is not the first incident and that there have been many other incidents in the past that the previous Executive Director tried to resolve without a positive outcome.

Discussion continued.

Mr. Pickles stated that an attempt to collect for damages through small claims court would probably not benefit the Authority, as the legal fees would be more than the recovered amount.

Mr. Pickles stated that another option pertains to the Sheriff's Department and State Attorney's Office discretionary option, which entails pressing criminal charges against him for destruction of property. Mr. Pickles stated that under the provision of criminal law he would be ordered to pay the restitution as part of his criminal proceeding. However, convincing the State Attorney to press charges on a civil matter could be quite difficult.

Mr. Pickles suggested that the Board take whatever actions are necessary to prevent another incident from happening in the future, including restricted access to airport property by issuing a trespass warrant.

Discussion continued.

Mr. Lally requested Staff to contact the companies that are currently doing business with Mr. Lueck, and make them aware of the situation. He stated that Staff could directly ask these companies to do whatever possible to bring resolution to this issue, or they could possibly lose some business due to his actions on airport property. Mr. Edwards agreed to Mr. Lally's request.

Mr. Lally motioned that legal counsel approach Mr. Lueck for payment of the fence repairs by sending correspondence accompanied by the bill, and approve Staff to contact the airport tenants currently doing business with Mr. Lueck in an attempt to find a resolution to the situation, seconded by Mr. Schenck.

Mr. Taft called the question. All voted Aye. Motion passed unanimously.

VAC Lease – Mr. Edwards stated that a letter was sent to the VAC following the previous Board meeting outlining the Board's action regarding their lease agreement. There has been no response to date.

Commercial Fueling at the Shuttle Landing Facility (SLF) – Mr. Edwards stated that Staff has met with Mr. Ed Taff and Mr. Ron Filey to find out if in fact any of this activity was taking place. These gentlemen confirmed that they do have an agreement for some flight activity to be provided by Flex Jets, which is only related to government personnel to service their existing fleet of aircraft. The SLF staff does not fuel any commercial flights that come in with commercial payloads. The operator of the commercial flight is required to make their own fueling arrangements.

Valiant Air Command Sublease – Mr. Edwards stated that the VAC has approached Staff to authorize a sublease for Warbird Flights Inc. that would like to provide T-6 plane rides at the airport. Mr. Edwards stated that Staff could support this request, however, since this would be a commercial for-profit entity operating from the VAC space, there needs to be some type of consideration for

this activity. Mr. Edwards recommended that the Board approve Staff to negotiate a sublease agreement and execute the document upon final review by legal counsel. He also requested that the Board approve a 2% fee to allow the activity.

Mr. Schenck motioned to implement the 2% fee and authorize Staff, upon satisfactory review by legal counsel, to execute the sublease for a 1-year agreement, seconded by Mr. Alarie.

Mr. Taft called the question. All voted Aye. Motion passed unanimously.

County Commission Meeting – Mr. Edwards stated that he attended the County Commission meeting relative to Commissioner Pritchard's proposed amendment to the Enabling Legislation. Mr. Edwards stated that the Commission did not have any substantive discussions related to the proposed amendments, however, there was an issue brought up by Ms. Maureen Rupe relative to the legislative language in Section 22. Ms. Rupe was concerned that this statement would provide the ability for the City of Titusville to impose zoning regulations in Port St. John, outside of their jurisdiction. Ms. Rupe requested that there be a clarification of the language that the City of Titusville is only allowed to adopt the zoning regulations within the airport district, within their jurisdictional boundaries. Mr. Edwards stated that Commissioner Higgs motioned for the Commission to approve that the County Manager write a letter to Senator Posey and Representative Poppell advising them of their concern related to this one provision. Mr. Edwards stated that it is probably too late to make any amendments to the Legislation, and it appears that the Legislation, as originally adopted by the Board, will be approved. Mr. Edwards advised that it still needs to go through the Senate, but there does not appear to be any changes.

Discussion ensued.

Authority Vehicles – Mr. Edwards stated that Staff purchased vehicles with a total purchase price \$49,131.15. This price includes 3 full-size trucks to replace old maintenance vehicles that are dilapidated, along with a Chevy S-10 truck to be utilized for operation purposes.

Corporate Terminal RFP – Mr. Edwards stated that this request for proposal was actually projected to be advertised on April 7, 2003. He advised that this proposal should be completed by the end of the week, or early the following week for submission to the public.

EELS Committee – Mr. Edwards advised that he had hoped to go before the EELS Management Selection Committee to make a presentation related to the approach slope to Runway 18. Unfortunately, shortly prior to the meeting, the EELS Staff asked that Mr. Edwards not attend and pulled him from the agenda. Mr. Edwards stated that he would be contacting Mr. Chuck Nelson, Director of Parks and Recreation, to set up a meeting in order to work out this issue and move forward.

Discussion ensued.

Construction Update – Mr. Carr reviewed the runway 27 safety area project now under way at the Space Coast Regional Airport and presented photos of the progress.

Mr. Carr also reviewed the annual monthly fuel flow and operation counts for the Space Coast Regional Airport.

Mr. Lally asked about the status of the Master Plan for Space Coast Regional Airport. Mr. Carr stated that the consultant is in the process of making revisions to chapters 3 & 4, which deals with facilities requirements. Mr. Carr anticipated conducting a Master Plan Committee meeting from mid to late May.

Authority Member's Report

Mr. Schenck asked Mr. Edwards to review that actual property being acquired at the Space Coast Regional Airport. Mr. Edwards presented a map to the Board of the land acquired from Bayside Lakes Development. Mr. Edwards also pointed out some potential properties around Golden Knights Blvd., which may be acquired in the future.

Discussion ensued.

Mr. Taft reviewed a letter from the Valiant Air Command expressing their gratitude to Mr. Edwards and Mr. Carr for making the 2003 Warbird Air Show a success.

Mr. Taft stated that he and Mr. Edwards had recently met with an airport management and investment company, along with Patrick Corr of Helicopter Adventures Inc. Mr. Taft stated that this company is currently preparing proposals for Mr. Corr to possibly construct a flight school and dormitory. Mr. Taft also stated that this company has expressed an interest in potentially running the FBO in the new Corporate Terminal.

Public Comment

Ms. Barbash, Helicopter Adventures Inc. (HAI), clarified with the Board that once HAI had their new school constructed, they would still have the potential to utilize the old facility for a purpose approved by the Board. Mr. Taft expressed that the Master Plan will eventually take this old facility off the property, however, until that point they will still allow full use of the facility.

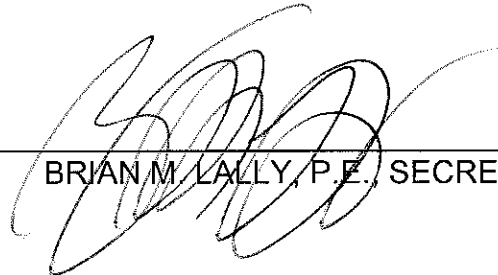
Mrs. Lasher, tenant, passed out flyers to the Board advertising Young Eagles Day at the Merritt Island Airport on June 14, 2003. She stated that anyone between the ages of 8 – 17 are welcome to attend for free plane rides, with a signed permission slip from a parent or guardian.

Mr. Schenck motioned to adjourn, seconded by Mr. Alarie.

The regular meeting was adjourned at 3:25 PM.



JOEL H. TAFT, CHAIRMAN



BRIAN M. LALLY, P.E., SECRETARY