

REGULAR MEETING

TITUSVILLE-COCOA AIRPORT AUTHORITY

July 15, 2004

The regular meeting of the Titusville-Cocoa Airport Authority was held on July 15, 2004, at 4:30 p.m., at the Tom Statham Park, 7101 South US Highway 1, Bellwood, Florida. The following members were present: Frank Kinney, Chairman; R. Craig Rastello, Vice Chairman, Philip R. Thompson, Secretary; Patricia Patch; Jay G. M. Schenck; Frederick R. Watts, C.M., Executive Director; Scott C. Carr, C.M. Deputy Executive Director; and Timothy F. Pickles, Esq., Airport Attorney. Russell Alarie, Treasurer; and Brian M. Lally, P.E. were absent.

Mr. Kinney requested moving the discussion for the Sculptor School Relocation under the information section item E to the first item A.

The Board agreed to honor Mr. Kinney's' request.

Swearing in of New Board Member

Mr. Kinney introduced Ms. Patricia Patch as the new Board member replacing Mr. Taft. Mr. Pickles administered the office to her.

Roll Call

Mr. Kinney requested roll call and determined a quorum was present. All Authority members were present with the exception of Russell Alarie and Brian Lally.

Mr. Kinney addressed the public and advised that if they had a desire to speak on a specific item to raise their hand and Casi would see that they received a card to fill out and then return to the Executive Secretary prior to the item being heard. He stated that each person would have a 5-minute limit to address the Board.

Approval of Minutes

Mr. Kinney called for a motion to approve the minutes for the Regular Meeting on May 13, 2004.

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

Appearances – None.

Presentations –

Mr. Kinney tabled the Joel Taft Presentation, as he was unable to attend the meeting. The Presentation will be done at the next meeting to properly recognize him for his service to the Board.

Consent Agenda

Item A – Approval of the Sublease Agreement for Warbirds Flights, Inc. at the Space Coast Regional Airport.

Mr. Kinney entertained a motion to approve the consent agenda; Mr. Rastello moved and was seconded by Mr. Thompson.

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

Old Business – None.

New Business – None.

Information Section

Item A – Discussion of Proposed Sculptor School Relocation.

Mr. Watts opened the floor to public comments about the Sculptor School Relocation before the presentation.

Mr. Ken Ward, Vice Mayor City of Titusville and Board of Directors for Sculptor Elementary School, stated The City of Titusville met with FDOT and FAA and members of the Titusville Cocoa Airport Authority recently to discuss the pending litigation filed against the City of Titusville for the rezoning of the school. He further stated that based on their attorney's participation at that meeting, a possible resolution was presented. Mr. Ward asked that the idea be seriously evaluated and considered it as an option and that a decision be made and given to him tonight. Mr. Ward stated that he has the support of area neighbors to help with the relocation of the school and asked that the Board also buy in as well.

Mr. Patrick Corr expressed his concerns with the relocation of the Sculptor School. He further stated that the Board should do whatever possible to up hold the law that prohibits schools to locate near airports.

Mrs. Veronica Clifford expressed her concerns with the relocation of the Sculptor School. She stated she supports the Airport Authority in opposing the relocation of the school.

Mr. John Evans, attorney for Sculptor School, stated that there were things stated about the relocation of the school that were inaccurate. He stated

he wanted to address them. He further stated he had spoken with council members for the City of Titusville. Stating that they had expressed they were happy with their vote and was hopeful that the Airport would change their position and not continue with the lawsuit. He discussed that there is a misrepresentation that the school is in the middle of a flight path. Mr. Evans stated that there are county schools in the flight path on the south and north runway but Sculptor is not. He quoted Florida Statutes Chapter 333.03 and stated that the school meets the criteria of the airport ordinance. Mr. Evans stated that they have made an offer to settle and believes it is reasonable. They will agree to limit the number of students at the school and to leave the building after a period of time; which will give the airport time to strengthen the ordinance, to eliminate the uses within proximity of the airport that might be inappropriate. Mr. Evans stated that due to the growth of Titusville, many businesses, some unsuitable to the airport, want to move into the industrial park. He believes that the board should resolve the issues permanently, leave Sculptor in place, then it would be to litigate a year or two only to find out that the City Attorney is correct. He further stated that he agreed with Mr. Ward and that a settlement needs to be made or to continue with the litigation. He believes the early settlement is a wise thing.

Mr. Watts conducted the presentation concerning the Proposed Sculptor School Relocation. The board was asked if they had questions.

Mr. Pickles reminded the board about the meeting in May where it voted unanimously to oppose the rezoning. The lawsuit to stop the rezoning was filed within the 30-day window because the rezoning was inconsistent with the City's comprehensive plan; citing the city stated that it was. He also stated that there is also an issue with Chapter 3.33, as well as grant assurance issues. Which requires the board to do what it can to prohibit inappropriate use near the airport. Mr. Pickles reviewed the settlement offer that was presented by Sculptor School. Mr. Pickles suggested that an open meeting followed by an executive session be scheduled for the following week to discuss the terms of the settlement and how to proceed. Mr. Pickles agreed that the settlement would offer the Airport Authority the opportunity to tighten the current airport zoning ordinance; if the city were on board it would be something to consider.

Mr. Pickles further stated that the lawsuit would continue forward until such time that the board determines either they are correct or the city is correct about the zoning. He urged the board to consider everything they heard and to make themselves available as they are required to reply to the complaints no later than next Friday.

Mr. Kinney asked if Mr. Pickles was suggesting that a special meeting take place at a later date and why that would be necessary. He asked why the board cannot look at the offer made tonight and deal with it verses pushing it off to another meeting.

Mr. Pickles said that they could do that. The Board would have the ability to discuss the terms and perhaps other terms in a private executive session. It is not required, but something the board can do.

Mr. Kinney stated that under State Law you can while under litigation have the opportunity to have a closed meeting to discuss strategy is basically what it boils down to. Later the records are made public in the court system.

Mr. Pickles agreed and stated that it was up to the Board. But a final decision would have to be made.

Mr. Schenck stated he is concerned as a pilot that the school is directly under a flight pattern. Citing safety concerns.

Mr. Rastello also commented he was concerned about safety issues with the School being located near the runway.

Mr. Thompson stated that there was not enough time or information to make a decision about the School but agrees that another meeting should be scheduled to discuss it.

Mr. Kinney stated he was concerned about the safety of the children as well. Citing airport traffic statistics.

Mr. Corr stated possession is 9/10ths of the law and that Sculptor is scheduled to move into the new building this weekend and asked that the authority consider requesting an emergency injunction to stop the school from moving in.

Mr. Kinney restated that the board has pursued legal action and asked if there should be a special meeting or dispose of it this evening.

Discussion ensued.

Mr. Kinney stated that there would not be a special session about the school and requested to move forward with the next item on agenda

Mr. Watts requested that the Skydive Space Center be moved to the next agenda item.

Mr. Kinney asked if there were any objections. No objections were made, request granted.

Item B – Discussion of AWOS Project/Skydive Space Center.

Mr. Watts opened the floor to public comments about the AWOS Project/Skydive Space Center before the presentation.

Mr. Greg Nardi, Skydive Space Center, outlined concerns about the placement of the AWOS Tower.

Mr. William Raulerson, expressed concerns about the AWOS Tower. Citing safety issues.

Mr. Hugh Williams, City of Titusville, asked if construction had started on the towers without a permit or application.

Mr. Watts stated that preliminary work had started.

Mr. Williams stated that this had been done without benefit to an application or permit and requested that the board voluntarily stop construction until the application is processed. And further stated he would go out tomorrow and issue a stop work order if they do not voluntarily do so.

Mr. Clif Burch, safety and trainer advisor for Skydive Space Center, expressed his concerns of the AWOS Tower. Explaining the process of how skydivers jump and the negative effects of the placement of the tower would have on jumpers.

Ms. Carolyn Holt, skydiver with Sky Dive Space Center, expressed her concerns of the placement of the AWOS Tower.

Mr. Dwight Brubaker, skydiver with Sky Dive Space Center, offered jump history and the hazard viewpoint of the placement of the AWOS Tower.

Mr. Bill Hall, certified flight instructor, expressed his concerns of the placement of the AWOS Tower would have on planes landing and taking off at

Mr. Nardi requested to review the slides one by one. As he reviewed them, he offered his comments. He disputed receiving a letter from Mr. Carr in December in reference to the AWOS Tower Project. He stated that he was not consulted prior to the construction and should have been because the towers were being constructed in the drop zone. He reviewed the details of his lease with the airport authority. He continued to review slides and offered his comments and expressed his concerns to safety of the jumpers.

Mr. Nardi presented a petition signed by 18 pilots that stated they opposed the proposed location of the AWOS Tower because they create an unnecessary obstruction to the air space that can result in serious personal injury or death to pilots using Arthur Dunn. He also presented a petition by 50 skydivers that stated they opposed the proposed location in our main landing area because the towers will present an obstruction that can result in serious personal injury or death to skydivers at Arthur Dunn Airport.

Mr. Thompson excused himself from the meeting at 6:45 PM.

Mr. Nardi stated a motion needed to be made to table the project.

Mr. Gary Evans questioned if PBS&J won the contract to install the AWOS and that Mr. Brian Lally who is a director of the Airport Authority is an employee of PBS&J and that it is a conflict of interest.

Mr. Kinney brought the discussion back to the board.

Mr. Schenck questioned alternative locations based on the slides presented.

Ms. Patch offered her concerns about the AWOS Project and how the Airport Authority handled notifying Mr. Nardi.

Mr. Kinney asked if the consideration of the Skydive Center and the impact it would have ever presented to the board.

Mr. Carr stated that after the plans were developed, and even though Skydive Space Center didn't have lease hold interest in the area, it was noticed that there might be an issue based on their jumping activities; he delivered the letter to Mr. Nardi and he awaited a response.

Discussion ensued among the board.

Mr. Kinney asked if the Authority walked away from the project what would be the cost to the Authority.

Mr. Watts stated what has already been extended is \$26,000. He stated he was unsure of the contractor. The authority has a contract to install the AWOS. The contractor gets paid whether or not the AWOS is installed.

Mr. Pickles reviewed the legalities of the issue. Stating that the authority would be responsible for 10%-50% if the contract amount.

Mr. Schenck stated his concerns of the AWOS Project and the negative affect it will have on the tenants of the airport.

Discussion ensued among the board.

Mr. Schenck made a motion to put the AWOS Project on a temporary hold and for staff to immediately explore any opportunities while working hand in hand with Mr. Nardi on what can be done. As soon as we can come to a logical conclusion, call a board meeting as soon as possible to address the contractor running up expenses. Seconded by Ms. Patch.

Discussion ensued.

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

Executive Director's Report

Willow Creek Property – Mr. Watts stated that he and Scott are scheduled to meet with the representatives from Willow Creek next week. Update on that – Willow Creek is still anxious to go forward with their full development of 1200 homes in the general area. The environmental assessment of the property is in the process of being finished up so the Airport Authority can have an idea of to what degree the property can be developed.

Island Aviation – Mr. Watts advised that in early June he received the Executed Joint Participation Agreement with the State for the construction work for the Island Aviation building at Merritt Island and will be working with the tenants to make the move forward.

FAA Inspection – Mr. Watts stated that the first of July, FAA came from the Southern Region and conducted the certification inspection. The airport received a very good report. There were no discrepancies. This is the first time in five years that the Space Coast Airport has experienced this.

Merritt Island Fence Project – Mr. Watts advised that the offer that the board authorized to give the surplus gate to airport neighbor, Ken Hardison, was turned down.

Space Coast Regional Tower damage – Mr. Watts stated that on July 11th the airport tower suffered a tremendous lighting strike. Damage is in excess of \$80,000. All equipment needs to be replaced. The insurance adjuster has been contacted and authorization to replace equipment has been given and ordered. Working hard to get it back up and running again.

Arthur Dunn Airpark T-Hangar Damage – Mr. Watts advised that on July 6th a storm knocked down three hangar doors off one of the buildings. He stated that the insurance adjuster has been contacted and work has begun to get it expedited.

MagLev 2000 of Florida Corporation – Mr. Watts advised that staff is moving forward with the eviction process for MagLev. He asked Mr. Pickles to give status on the process.

Mr. Pickles stated that eviction process was moving forward and the authority staff is in the process of accessing the total amount of damage from Maglev. He further stated he has been in contact with counsel for Maglev and is hoping to work out some sort of compromise to the amount of monetary damages and if unable to do so possibly go after some of Maglev's equipment.

Finance – Mr. Watts stated that the Board has been provided with the monthly check register and budget to actual report.

Project Report – Mr. Carr presented a project report for all three airports listing the current projects, accompanied by the operations and fuel flowage reports.

Marketing Report – Mr. Carr presented a marketing report and explained that it was a summary of newspaper clippings since the last meeting, which is provided by Patterson Bach Communications.

Authority Member's Report

Mr. Kinney expressed his appreciation to Ms. Patch for serving on the board.

Mr. Rastello welcomed Ms. Patch to the board. He further stated he had an opportunity to speak with Jack McSwain from FAA at the recent inspection, and that he was very complimentary about the operations of the airport.

Mr. Schenck welcomed Ms. Patch to the board. He reminded her that her purpose on the board is to protect the pilots, airport, and the properties that are owned. He commended Mr. Watts and staff on the great FAA inspection.

Mr. Kinney asked the board about the meeting dates and times and their reaction on how it is working; as attendance has dropped off since the meeting times had been changed.

Discussion ensued among the board.

Mr. Kinney asked the board to consider the policy on tenant contracts. He suggested that a policy be adopted to review contracts after a certain period of

time, to determine if contracts should be renewed or any other appropriate actions that may need to be taken.

Public Comments

Mr. Eldridge, of Island Aviation Partners, Inc., welcomed Ms. Patch to the board. Mr. Eldridge also addressed some continuing concerns he has with the appearance of the airport. He stated he had sent a letter in May addressing the issues. He further stated he met with Mr. Watts and went over things that needed to be replaced, doors, gutters, and etc. but no activity has taken place. Mr. Eldridge stated that he was embarrassed to run his business out of the airport because of the conditions. He presented pictures to the board. Mr. Eldridge stated that the grass isn't being mowed around the hangars. He requested an agenda as to when they can get started on the renovations. Mr. Eldridge also commented that he had heard that the Sheriff's Department may be moving from the airport and requested that he be given any information about it. He further stated that the Sheriff's Department has a fuel farm at the airport that is far below minimum standard and referenced a picture he had given the board to review. He expressed his concerns. Mr. Eldridge asked to get an update on the scheduling of the AWOS tower project. He further stated that the fence project is complete at the airport and that it looks great but there is not a lock on the pedestrian gate. He expressed his concerns that the gate is not secure.

Mr. Hall expressed his concerns that additional lawn maintenance needs to be done around the runway lights at the Merritt Island Airport, as the PVC pipes are not readily visible, due to the grass height, and can cause prop damage.

Mr. Evans stated that he had a question about the Las Vegas meeting that Mr. Watts and Mr. Carr recently attended; but is waiting for more information and will withdraw the question until it is received. He also commented that he had an issue with the beacon at the Merritt Island Airport. He stated he had received a letter from Mr. Carr on June 18th in response to a complaint he had raised with the FAA in regards to the beacon being inoperative for over six months. Mr. Evans referenced that Mr. Carr stated at the May 13th meeting that a contract had been awarded to company in Longwood for \$44,800 to rehabilitate or replace the beacon. Due to his concerns about the amount of money that is required, Mr. Evans stated he checked with various companies that produced airport lighting and found a company in California that can repair the beacon for \$18,500. He presented the quote to the board. He expressed his concerns about the airports accountability for taxpayer's money.

Discussion ensued.

Mr. England stated that Moon Port Modelers have a property lease where the AWOS tower is being constructed and asked if they would still be able to fly their model planes there.

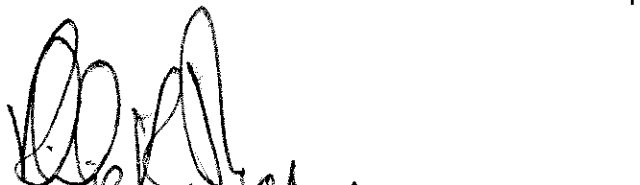
Mr. Kinney stated that staff would look into it.

Mr. Kinney motioned to adjourn the meeting, seconded by Mr. Rastello.

The regular meeting was adjourned at 8:10 PM.



FRANK KINNEY, CHAIRMAN



PHILIP R. THOMPSON, SECRETARY