

BOARD WORKSHOP

TITUSVILLE-COCOA AIRPORT AUTHORITY

October 1, 2002

The Board workshop of the Titusville-Cocoa Airport Authority was held on October 1, 2002, at 8:40 a.m., at the Titusville-Cocoa Airport Authority office, 355 Golden Knights Boulevard, Titusville, Florida. The following members were present: Jay G. M. Schenck, Chairman; William C. Van Engelenburg, Vice Chairman; William C. Sawyer; Frank Kinney; R. Craig Rastello; David N. Edwards, Jr., A.A.E., Executive Director; and Timothy F. Pickles, Esq.; Airport Attorney. Joel H. Taft, Secretary/Treasurer and Brian M. Lally, P.E. were absent.

Mr. Schenck addressed the public and stated that they may be given a chance to speak during the workshop, and asked them to raise their hands if an important comment would like to be stated.

Mr. Edwards reviewed the presentation and the items to be covered at the workshop.

Mr. Edwards reviewed the objectives and accomplishments for Fiscal Year 2001/2002.

Mr. Edwards stated the accomplishments for the Arthur Dunn Airpark as follows:

- Renegotiated Skydive Space Center Lease to incorporate the Walkwitz FBO Facilities
- Completed the Apron Expansion/Rehabilitation Project
- Fully Executed Sheltair T-Hangar Construction Project Contract

Mr. Edwards stated the following objectives for Arthur Dunn Airpark, which still need to be completed as follows:

- Resolve Stormwater Issue with the City of Titusville
- Land Acquisition
- Airspace Obstruction Removal Project (Trees)

Mr. Edwards stated the accomplishments for the Merritt Island Airport as follows:

- Completed Runway/Taxiway Rehabilitation
- Space Coast Aviation Lease

- Fully Executed T-Hangar Maintenance Project Contract

Mr. Edwards stated the following objectives for Merritt Island Airport, which still need to be completed as follows:

- Complete AWOS Installation
- Sheriff's Hangar Project

Discussion ensued regarding the Sheriff's project and the various offers presented to the Sheriff's Department for their facility.

Mr. Edwards stated the accomplishments for the Space Coast Regional Airport as follows:

- Completed Runway/Taxiway Rehabilitation
- Extend Tower Hours of Operation (Currently in the Works)
- Funded 3rd Position and Equipment
- Funded Design and a Portion of the Construction of New Corporate Terminal Project
- Design and Construction of New Corporate Terminal Project (Currently in the Works)
- Land Acquisition
- Worked with PAA to Begin Construction of their new Facility
- Fully Executed Sheltair T-Hangar Construction Project Contract
- Finalize the City of Titusville Interlocal Agreement
- Completed Phase I Water and Sewer Project
- Fully Executed T-Hangar Maintenance Project Contract

Mr. Edwards stated the following objectives for Space Coast Regional Airport, which still need to be completed as follows:

- Installation of AWSS
- Reconstruct Safety Areas for Runway 9/27
- Reestablish Non-Precision Approach for Runway 18

- Finalize Time-Frame for Construction of Helicopter Adventures' New Facility
- Amtrak Station at Space Coast Regional Airport
- Land Lease with City of Titusville for Maintenance Facility

Mr. Edwards stated the accomplishments for the Airport Administration as follows:

- Updated Personnel Policy
- Updated Minimum Standards and Rules and Regulations
- Continued Seeking Funding for Future Projects
- Hired Operations Assistant (Colette Edmisten)
- Codification (Enabling Legislation)
- Fully Implemented Appraisal Rate Setting Methodology

Mr. Edwards stated the following objectives for Airport Administration, which still need to be completed as follows:

- Evaluate Management of T-Hangar Facilities

Mr. Edwards reviewed the objectives for Fiscal Year 2002/2003.

Mr. Edwards stated the objectives for the Arthur Dunn Airpark as follows:

- Complete Land Acquisition (5 acres)
- Remove Displaced Threshold on the Grass Runway and Lengthen to 2,000 feet (FDOT Standard)
- Resolve Stormwater Issue with City of Titusville
- Airspace Obstruction Removal Project (Trees)
- Master Plan Update
- Runway/Taxiway Lighting Project
- Security Project
- Install AWOS

Discussion ensued regarding the past due stormwater fees at the Arthur Dunn Airport. Mr. Edwards reviewed his past conversations with the City Manager regarding possible resolutions.

Mr. Edwards stated the objectives for the Merritt Island Airport as follows:

- Complete AWOS Installation
- Sheriff's Hangar Project
- Southwest Apron Rehabilitation Project
- Security Project
- Renegotiate Lease with Sebastian Communications
- Complete T-Hangar Maintenance Project

Discussion ensued regarding the funding of the Security project. Mr. Edwards stated that the grant funding is coming from the FDOT.

Mr. Lally joined the workshop at 9:15 AM.

Mr. Schenck addressed the frequency for the AWOS system. Mr. Edwards confirmed that there will be a separate frequency for each airport.

Mr. Edwards stated the objectives for the Space Coast Regional Airport as follows:

- Installation of AWSS
- Reconstruct Safety Areas for Runway 27
- Reestablish Non-Precision Approach for Runway 18
- Finalize Time-Frame for Construction of Helicopter Adventures' New Facility
- Amtrak Station at Space Coast Regional Airport
- Complete T-Hangar Maintenance Project
- Design Corporate Terminal Complex and Commence Construction
- Rehabilitate Taxiway "E" Pavement
- Upgrade Lighting on Taxiway "E" and "C"
- Install REILS on Runway

Mr. Edwards stated the objectives for Airport Administration as follows:

- Evaluate Management of T-Hangar Facilities
- Complete Enabling Legislation Codification
- Adopt Update Minimum Standards, Rules and Regulations and Airport Authority Policies
- Adopt Position on FBO Management

Mr. Edwards reviewed the process for updating the Rules and Regulations for the Airport Authority. Mr. Edwards asked the Board to review both the old and newly drafted copies and provide additional input. He offered to schedule another Board workshop for any updated information provided by the Board if need be.

Mr. Edwards asked the Board to follow the above stated process in updating the Minimum Standards for the Airport Authority.

Mr. Edwards reviewed the same process for updating the Airport Authority Policies and Procedures.

Mr. Edwards stated that Staff did not include the Travel Policy as he is working through some issues related to the legalities of the travel policies. Once Staff receives further recommendations for this policy, it will be presented to the Board for review and comments.

Mr. Schenck asked about the possibilities of posting the above policies on our website. Mr. Edwards stated that the current policies are posted on the website and can be downloaded by the public. Once the new policies are approved, they will be accessible via the website as well.

Mr. Schenck noted that the newly drafted policies are available through the Authority office should the public wish to view them prior to adoption.

Mr. Edwards reviewed the codification and update process for the enabling legislation. He advised that the Authority is required to redraft the current enabling legislation, and then present it to the Local Legislative Delegation as a local bill in the November/December time frame. The enabling legislation will be considered during the 2003 State Legislative Session.

Mr. Edwards presented a redraft of the legislation prepared by legal counsel, which incorporates all the various amendments that took place over the past years.

Mr. Edwards reviewed the items in the legislation that he felt should be modified.

Mr. Edwards advised the Authority to consider dependant status versus independent status and described the differences. He also advised to consider the process of Board appointments and the options for this process. The last item Mr. Edwards advised to consider is whether the Authority would prefer to have more discretion over the Authority budget.

Mr. Taft joined the workshop at 9:25 AM.

Mr. Pickles reviewed the items in the enabling legislation that needed to be modified and offered his suggestions.

Mr. Edwards also offered his suggestions for modification of the mentioned items.

Discussion ensued among the Board.

Mr. Kinney suggested making a more conservative approach to any small changes needed, but suggested to refrain from making any radical changes at this point.

Discussion continued among the Board with their suggestions.

Ms. Tidd, Port St. John, stated that Port St. John had a representative on the Board over many of the past years. She stated that the Port St. John community will continue to provide support in obtaining another representative on the Board.

Discussion continued.

Mr. Schenck called a short recess at 10:30 AM.

Mr. Sawyer exited the meeting at 10:30 AM.

The Board workshop reconvened at 10:40 AM.

Discussion continued.

Mr. Edwards stated that with the consensus of the Board, Staff will work with legal counsel to clean up the existing enabling legislation as discussed, with the one minor change to provide greater flexibility to the County Districts for Board appointments. The final draft will be presented to the Board for final approval.

Discussion continued among the Board.

Mr. Edwards introduced the FBO operation topic for the new Corporate Terminal. He stated the two options for consideration are either utilizing a 3rd party operation to provide FBO services, or the Authority may prefer to provide FBO services directly.

Mr. Edwards reviewed the pros and cons for utilizing a 3rd party service.

Mr. Edwards stated the pros as follows:

- Committed revenue stream
- Minimize overhead expenses
- Professional FBO expertise

Mr. Edwards stated the cons as follows:

- Difficult to manage service levels
- Limited upside revenue potential
- Maintaining compliance with Part 139

Mr. Edwards reviewed the pros and cons for providing the FBO service directly.

Mr. Edwards stated the pros and follows:

- Direct control over level of service provided
- Revenue potential increased
- Ensure compliance with Part 139

Mr. Edwards stated the cons as follows:

- Revenue stream potentially volatile
- Increased fixed overhead expenses

Mr. Edwards presented different scenarios of an FBO revenue analysis. These scenarios compared the two options to provide assistance for the Board in obtaining knowledge on this issue, and help provide a rough idea of the possibilities for each option.

Discussion ensued among the Board on this issue.

Mr. Edwards stated that he is not sold on either of the two options at the present time. He stated that more information and research is needed in order to make a confident decision.

Discussion continued.

Mr. Edwards presented further detailed information sheets regarding the scenarios previously reviewed.

Discussion continued among the Board regarding the impact NASA has on the airport when launch dates approach.

Mr. Edwards briefed the Board on updated information regarding the current Board appointments. He stated that due to some conflicts in where the Board members reside, Mr. Sawyer will no longer be serving on the Airport Authority Board. Mr. Edwards stated that Commissioner Carlson is now currently working on a reappointment to fill his position.

Discussion ensued regarding the County Commission and the upcoming election.

Mr. Edwards commented on the By-laws that were distributed at the last regular meeting, and mentioned that he had not yet received any comments from the Board. He asked the Board if they would like to provide their input during this workshop to incorporate any necessary changes.

Discussion took place and the Board agreed to simplify the By-laws and follow State law on all items.

Mr. Lally exited the meeting at 12:35 PM.

Discussion ensued on each item and the Board offered their suggestions of modifications to the By-laws.

Mr. Pickles offered his suggestions on each item and noted all changes that the Board agreed upon.

Mr. Rastello exited the meeting at 1:00 PM.

The Board continued reviewing the remainder of the items and offered suggestions for any additional changes or language updates.

Mr. Edwards stated that the discussed changes will be made and presented at the upcoming regular Board meeting in mid-October.

Mr. Pickles stated that he will create a black-line version to present to the Board. He stated that each section will show what changes will be made. Once the Board approves the changes, an official version will be drafted for final signatures.

Mr. Edwards stated that in conjunction with the By-laws, an adoption of the Board meeting day and time will be agreed upon and resolved.

Mr. Edwards requested that the Board review the policies presented today and provide any comments on changes or removals at their earliest convenience.

He advised the Board that he would like to receive all comments within a 30-day time period, which will allow them to be finalized no later than the regular Board meeting in December.

Mr. Kinney motioned to adjourn, seconded by Mr. Taft. All voted Aye.

The Board workshop was adjourned at 1:30 PM.

JAY G. M. SCHENCK, CHAIRMAN

JOEL H. TAFT, SECRETARY/TREASURER