

1 ST. AUGUSTINE - ST. JOHNS COUNTY AIRPORT AUTHORITY

2 Regular Meeting

3 held at 4796 U.S. 1 North

4 St. Augustine, Florida

5 on Monday, June 18, 2007

6 from 4:04 p.m. to 5:26 p.m.

7 * * * * *

8 BOARD MEMBERS PRESENT:

- 9 RANDY BRUNSON
- SUZANNE GREEN, Chairman
- 10 KELLY BARRERA, Secretary-Treasurer

11 BOARD MEMBERS ABSENT:

- 12 WAYNE GEORGE
- JOHN "JACK" GORMAN

13 * * * * *

14 ALSO PRESENT:

15 DOUGLAS N. BURNETT, Esquire, Rogers, Towers, Bailey,
 16 Jones & Gay, P.A., 170 Malaga Street, St. Augustine,
 FL, 32084, Attorney for Airport Authority.

17 EDWARD WUELLNER, A.A.E., Executive Director.

18 BRYAN COOPER, Assistant Airport Director.

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JANET M. BEASON, RPR, RMR, CRR, FPR

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St. Augustine Court Reporters

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AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

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AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 P R O C E E D I N G S

2 CHAIRMAN GREEN: Call to order the meeting of
3 the St. Johns County-St. Augustine Airport
4 Authority board. Stand for the Pledge, please.

5 (Pledge of Allegiance.)

6 3. - APPROVAL OF MINUTES

7 CHAIRMAN GREEN: Next order is the approval
8 of the minutes. The board members reviewed the
9 minutes. Are there any exceptions or additions or
10 deletions to the minutes as presented?

11 MR. BRUNSON: Make a motion we approve the
12 minutes as presented.

13 MS. BARRERA: I second it.

14 CHAIRMAN GREEN: All in favor?

15 MS. BARRERA: Aye.

16 CHAIRMAN GREEN: Aye. All opposed?

17 (No opposition.)

18 CHAIRMAN GREEN: Hearing none opposed, the
19 minutes will be approved as presented. Financial

20 report?

21 4. - FINANCIAL REPORT

22 MS. BARRERA: I've reviewed the financial

23 report and found no exceptions.

24 CHAIRMAN GREEN: Any comments?

25 MR. BRUNSON: So move.

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 CHAIRMAN GREEN: Okay. I'll accept the
2 financial reports then as presented, hearing no
3 objections to it?

4 (No objections.)

5 CHAIRMAN GREEN: None? Okay. Accept the
6 financial report as presented.

7 5. - AGENDA APPROVAL

8 CHAIRMAN GREEN: The agenda approval. If
9 people have the agenda in front of them, any
10 comments, exceptions, additions to the agenda?

11 (No exceptions or additions.)

12 CHAIRMAN GREEN: Hearing none, agenda will be
13 approved as presented.

14 Committee reports. MPO.

15 6. - COMMITTEE REPORTS

16 MR. BRUNSON: Unfortunately, at the MPO
17 meeting in Jacksonville, I was detained in
18 Washington, D.C. And the same for the EDC. I did
19 not attend either one of those meetings on

20 Thursday morning.

21 CHAIRMAN GREEN: Did you hear anything,
22 anything significant?

23 MR. BRUNSON: No. I think everything was
24 pretty normal business. At the EDC, you might
25 want to comment, Ed, on the EDC and Skybus

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 presentation at Serenata. You were there.

2 MR. WUELLNER: Yes. Mr. Denis Carvill
3 with -- with Skybus was in attendance and the
4 principal speaker at that meeting and basically
5 went over how they -- how they operate across
6 country, how they choose their markets, and
7 expect -- you know, expressing their optimism for
8 the -- the St. Augustine-St. Johns County north
9 Florida market. And seemed to be well-received by
10 the membership. And everybody seemed to be
11 genuinely excited about what was going on there.

12 CHAIRMAN GREEN: When's the next one, next
13 month?

14 MR. BRUNSON: It will be about a month.

15 CHAIRMAN GREEN: Okay. Intergovernmental,
16 did we hear anything?

17 MR. WUELLNER: I don't believe there was a
18 meeting this month.

19 CHAIRMAN GREEN: Okay.

20 MR. WUELLNER: I think the next one is

21 probably July.

22 CHAIRMAN GREEN: And there wasn't one for

23 Aerospace either, right, Kelly?

24 MS. BARRERA: Huh-uh.

25 CHAIRMAN GREEN: All right. Reports.

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 7. - REPORTS

2 MR. WUELLNER: Commissioner Sanchez let us
3 know that he was not going to be in attendance
4 today, so I don't think anybody --

5 CHAIRMAN GREEN: I didn't see anybody.

6 MR. WUELLNER: -- showed up in his -- okay.

7 CHAIRMAN GREEN: Okay. Michael Slingsluff?

8 MR. SLINGLUFF: Nothing to report.

9 CHAIRMAN GREEN: There he is. Okay.

10 Northrop, Daniel?

11 MR. McKENDRICK: I'm here for Dan Nehring,
12 but we have nothing to report.

13 CHAIRMAN GREEN: S.A.P.A., Mike?

14 MR. THOMPSON: The only item I have, los
15 presidentes -- I call her that because you just
16 got back from Spain -- asked for the extensive
17 infrastructure relocation to be done regarding the
18 port-a-potty at the clubhouse, and Mr. Wuellner
19 took care of it, and thank you very much, sir.

20 And that's it.

21 MR. WUELLNER: No problem.

22 CHAIRMAN GREEN: Thanks. Anyone from FACT?

23 Bjorn, I didn't see. No? Doug?

24 MR. BURNETT: We've been working on a number

25 of things for you, mostly with Ed, concerning

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 lease documents that are on the agenda here today,
2 and finishing up the ARFF lease for the fire
3 services facility.

4 Had very productive meetings with Grumman
5 folks last -- last week, last Thursday. And I
6 know Ed followed up again on Friday with those
7 meetings. So, that's what we've been doing, for
8 the most part.

9 CHAIRMAN GREEN: Remind me again when our
10 mediation is.

11 MR. WUELLNER: The mediation's over. Went
12 nowhere. So, you have a trial date of August, I
13 want to say it's the 20th, 18th or 20th.

14 MR. BURNETT: And I've been focused on the
15 lease stuff so much, I apologize for not
16 mentioning that one. That was obviously probably
17 as big, if not a bigger issue, than some of these
18 others.

19 CHAIRMAN GREEN: Right.

20 MR. BURNETT: So...

21 CHAIRMAN GREEN: Is it set for a day, two,
22 three?

23 MR. WUELLNER: It's a four-day.

24 CHAIRMAN GREEN: Four day? I figured it
25 would be several. So, around the 20th, you think?

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 MR. WUELLNER: And there's still -- yes, plus
2 or minus a day or two.

3 CHAIRMAN GREEN: Right.

4 MR. WUELLNER: But it's -- it's scheduled
5 to -- four days. And as you well know, any -- you
6 know, anything can happen between now and then,
7 but not optimistic at this point.

8 CHAIRMAN GREEN: How long did mediation last;
9 do you know?

10 MR. WUELLNER: That one was about three
11 hours, I believe.

12 CHAIRMAN GREEN: Okay. Went nowhere --

13 MR. WUELLNER: After --

14 CHAIRMAN GREEN: -- fast.

15 MR. WUELLNER: That was the fourth. Yeah,
16 and that was the fourth mediation, so...

17 CHAIRMAN GREEN: Okay.

18 MR. WUELLNER: Colossal waste of time.

19 CHAIRMAN GREEN: All right. Air traffic? Do

20 you know if David's --

21 MR. WUELLNER: I do have the magic chart. I

22 don't know if David's here or not. About 300

23 operations less than last year. And he wished to

24 point out between the weather and the fires in

25 southern Georgia, western part, you know, were

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 greatly having an effect an air, you know, VFR
2 traffic all around. So, he attributed the --
3 there were 300 operations. So, it's about 10
4 takeoffs and landings a day difference between the
5 year before for the month of May. That's pretty
6 much all I have on it.

7 CHAIRMAN GREEN: Okay. Have project updates.

8 8. PROJECT UPDATES

9 MR. WUELLNER: Project updates. Several
10 projects out there ongoing at this point. South
11 hangar apron development project; T-hangar
12 development project; terminal development; the
13 marketing and public relations plan; and the
14 airport leasing activities.

15 First is Taxiway Foxtrot and the apron. And
16 work continues. I would point out Taxiway Bravo
17 intersection, had Ms. Barrera out there a little
18 while ago looking it over, and they're getting the
19 lime rock wrapped up in that connection.

20 Otherwise, you have the first four inches of
21 asphalt down. Edge lighting is beginning in the
22 balance of it. And there's still about a two-inch
23 section of asphalt to be applied to the whole
24 project to bring it up to completion.
25 Still looking at just sometime early July,

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 thereabouts, to be -- to be pretty well wrapped up
2 with the Taxiway F apron project. And the time, I
3 mean, nobody's in a big panic on that project,
4 because T-hangars are lagging that by -- by
5 several months.

6 T-hangars, bid opening is the 28th of this
7 month. I understand we have had exceptional
8 interest in terms of contractors picking up plan
9 sets and looking them over, and hopefully that
10 will result in a competitive project in terms of
11 that -- the prices we received or the bids we
12 receive.

13 We'll get those evaluated after the 28th, and
14 it will be an item for -- on your agenda for your
15 July 16th meeting. And on that schedule, we're
16 still looking at sometime January, February kind
17 of time line for -- for occupancy of the
18 buildings. And we'll know a lot more when we get
19 the bids in and get a feel for what the lead

20 times, if -- if there's something unusual in the

21 leads.

22 CHAIRMAN GREEN: So, what you're saying is

23 we'll have enough. It's going to be a real

24 competitive bid then.

25 MR. WUELLNER: I'm optimistic. That's

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 usually a very good sign. I understood it was in
2 the order of 50 -- 50 plan sets out there. So,
3 that's -- that's pretty significant.

4 And next project, terminal project, also
5 known as hangar 11, site and slab work's complete.
6 The structure's about 90 percent complete on --
7 from the physical point of the shell of the
8 building. And the build -- buildout is now
9 officially progressing at a -- at lightning speed
10 inside the building, with upwards of 20 or 30
11 workers going pretty much 12, 14 hours a day at
12 this point to get the facility open and usable by
13 July 16th for the first flight of the aircraft on
14 the 18th. So, things look great, and I -- I
15 suspect that we'll meet or beat that first date
16 relative to complete. So, things look very well.

17 Relocation of fence by Staff and some other
18 things are -- are going along. We've pretty much
19 got the parking lot isolated from the old Grumman

20 leasehold at this point. So, real pleased with
21 the progress. Everybody's really, really working
22 hard to make sure this gets -- gets completed
23 by -- by the date it needs to be. Right now, I
24 don't have any reason to believe it won't be.

25 CHAIRMAN GREEN: Randy?

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 MR. BRUNSON: Question. Ed, are you -- any
2 issues with the County?

3 MR. WUELLNER: None at all.

4 MR. BRUNSON: Good.

5 MR. WUELLNER: Absolutely none. It's
6 almost --

7 MR. BRUNSON: Scary.

8 MR. WUELLNER: Yeah, almost. But they've
9 been very, very helpful at every turn on this one,
10 making sure the inspections are done in a timely
11 manner and reviews and everything else that needs
12 to go into it from the county side. So, very good
13 that way.

14 CHAIRMAN GREEN: And everything else with all
15 our security and --

16 MR. WUELLNER: All of that stuff's being
17 integrated into the building. We're just about
18 ten days away from getting in there and doing
19 installs on things as the -- as the walls finish

20 up. So, looks good. I mean, I'm very pleased
21 with it. Now it's under roof and liner's in, and
22 looks real good.

23 MR. BRUNSON: Any -- any date for the
24 aircraft being here for training?

25 MR. WUELLNER: I don't have the training

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 date, but I think they're still looking at the 8th
2 to come in with FAA out of Columbus with something
3 that's to do with the airline, not about us, but
4 it has to do with them inspecting the facilities
5 before they authorize them for service.

6 MR. BRUNSON: Sure.

7 MR. WUELLNER: So, approximately the 8th on
8 that side. And we'll be in the final, you know,
9 final -- I think they'll be doing the floor impact
10 that week. So, it should be -- should be pretty
11 well buttoned up for their purposes. I don't
12 expect any problems anywhere on that.

13 CHAIRMAN GREEN: All right.

14 MR. WUELLNER: And looking at the -- just on
15 the same token, just looking at the information
16 the airline has shared and the relative load
17 factor, is they look -- I think you're looking at
18 80 percent load factor's all ready for the first
19 six weeks of service in the community. So, I

20 think the airline is looking very seriously at
21 their commitment to service here. So, I think
22 you'll see nothing but good things at this point.
23 So, nothing -- nothing but encouraging news so
24 far.
25 Airport leasing activities. We have an

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 agenda item in just a few minutes on the --
2 relative to Northrop Grumman, and it's to discuss
3 the leasehold or various leasehold interests of
4 Grumman with the Airport Authority. And we can
5 review the -- where we are with Staff and Northrop
6 Grumman folks and see if we can't get some
7 ratification of where we are to date that will
8 ultimately produce probably a lease amendment or
9 two out of this, and -- and chart -- get everybody
10 on the same page of where the -- the leases are
11 going over the next several years. So, I'll brief
12 you in more detail in just a minute.

13 And I think that's it. I think we're at --

14 MR. BRUNSON: You want to mention MS ride?

15 CHAIRMAN GREEN: Well, the marketing and
16 public relations.

17 MR. WUELLNER: I'm sorry. I think I skipped
18 over that --

19 CHAIRMAN GREEN: Yeah.

20 MR. WUELLNER: -- didn't I? A little quick
21 on the finger. I think I mentioned at last
22 meeting, we're -- we're working closely on the
23 public relations side to get some -- some basic
24 informational brochures prepared and out there.
25 You've seen some of the press releases related to

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 air service at this point. There'll be several
2 more coming out.

3 And the MS 150, just to hold the dates, are
4 the 29th and 30th of September. And we'll again
5 be hosting that MS bike ride, the MS 150. Huge
6 success last year. And I know they're -- they're
7 really excited to come down here and do it again.
8 I think we meet with them in either late -- late
9 this month or early next month. They're coming
10 down and we'll go back over the site issues and
11 make sure everybody's on the same page going into
12 late summer and September, of course. So, any
13 questions about any of the --

14 CHAIRMAN GREEN: Kelly, I just wanted to ask,
15 is there anything more from the public relations
16 group?

17 MS. BARRERA: No, everyone was out of town
18 this past month, so we haven't had an opportunity
19 to meet.

20 CHAIRMAN GREEN: No? Then we'll go to our
21 first agenda item.

22 9.A. - SECOND FBO - DISCUSSION

23 MR. WUELLNER: Okay. First agenda item,
24 which is not that, is second FBO discussion. And
25 what we had envisioned from the Staff side, just

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 to refresh your memory, was we were asked to go
2 out and see what we could round up from those
3 companies who had submitted letters of interest
4 from us, or to us, I should say, relative to what
5 their business plan suggests relative to
6 developing new market into St. Augustine without
7 overly bleeding off existing FBO business with the
8 idea of having two strong FBOs and ultimately
9 emerge from this, rather than diluting the
10 existing business base.

11 And we communicated that to those companies
12 who had submitted the letters of interest, and you
13 have kind of the results of that. I believe we
14 gave you the full-blown packages in a previous
15 submittal. And then Cindy had prepared for
16 your -- for your help, anyway, in reviewing those,
17 a fairly detailed spreadsheet or comparison of the
18 questions that were asked versus the response
19 received. So, you have some idea how the

20 individual businesses reviewed or viewed the
21 second FBO position as they would -- they would
22 hope to see it.

23 With that information, I think you have
24 some -- some fundamental questions to begin to
25 look at as a board. You need to kind of decide

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 whether that satisfies -- satisfies you
2 collectively as to interest and sufficient market
3 out there to warrant moving forward with any
4 further evaluation of those -- those individuals
5 or firms that have submitted, or whether, you
6 know, it kind of, you know, sways you the other
7 direction that, you know, there's not enough
8 market here; maybe we ought to back off on this
9 for a little while or -- you know, those kind of
10 two extremes or even somewhere in between.

11 Once that's been answered and -- and if
12 you -- I jump to the assumption that you elect to
13 move forward with something, then you probably
14 need to talk about exactly what it is you want
15 those firms to provide to you at this point or
16 what is it you're looking for. And that probably
17 includes a discussion, if not at this meeting,
18 certainly at an upcoming one, on the details of
19 how you intend to package or develop the FBO or

20 second FBO facility.

21 Is it -- and by that, I mean, is -- is this

22 something the Airport Authority intends to

23 capitalize completely, partially, or not at all,

24 and just simply be in the land lease business?

25 So, you'll -- you'll have to come to a conclusion

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 of whether -- whether or how or when you make
2 those investments, if you indeed do.

3 And then that would probably result in some
4 kind of a, I would think, presentation and/or
5 question-and-answer kind of scenario with those
6 proponents you'd choose to -- choose to interview.

7 And then I would think at some point in the
8 future, some sort of ranking, much like you would
9 do a consultant, with a preferred vendor and then
10 perhaps a couple of, a two and a three kind of
11 position, and then probably some kind of contract
12 or lease-related development negotiations moving
13 forward.

14 So, it's not a one -- one-time agenda item to
15 solve all those things, but you guys again are
16 setting the pace on that as to how quickly you
17 want to -- want to do that and how you want to
18 respond. And there are a lot of questions to get
19 answered that -- that you -- you folks have got to

20 answer. And then you also have, at that point, a
21 lot of questions and -- and things that need to be
22 addressed by the prospective tenants, too.

23 And ultimately, I would -- I would hope that
24 you end up with, you know, pretty good marriage
25 of -- of what your expectation is with -- with

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 providers out there. So, I -- again, you set the
2 pace. So, it's really whatever you want to do
3 from this point.

4 But I think your first probably essential
5 decision is to decide, at least on a -- on a high
6 level, whether you believe that sufficient market
7 is likely to exist, and that not, you know, undue
8 detriment to the existing FBO from a -- from a
9 business based standpoint. And if that's a
10 positive decision, then I think the rest of it
11 needs to be discussed. If it's not a positive
12 decision, then perhaps you're done for a while.
13 So, it's yours.

14 CHAIRMAN GREEN: Okay. I have public.
15 Warren? You had asked to speak on this?

16 MR. RAUHOFER: Yes. I've been gone for a
17 while, so I -- I don't know where this all is --
18 is lying. But we're -- we're pressing ahead.

19 It seems to me that we've already deter --

20 one of the reasons this whole second FBO
21 situation -- topic came to -- to rise is -- is
22 there are deficiencies in the services that we can
23 have at the airport that -- that are not here.
24 And I'm talking about maintenance and -- and more
25 or less somebody who's interested in servicing at

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 a hundred percent volume the general aviation side
2 of the thing, not only general aviation that sits
3 here at the base, but incoming -- general aviation
4 that transits through our area, people who we can
5 attract to have a maintenance situation like other
6 fields have.

7 I'm very familiar with how things work in the
8 aviation industry as far as building and -- and
9 where the whole thing should fit in. The optimum
10 is what we have, the situation we have right now,
11 is the fact that we are expanding and we are
12 building to the south. And I'm not saying -- I'm
13 not advocating -- please don't get me wrong; I'm
14 not advocating you rush into this. But I am
15 advocating that you move along. And you can do
16 more than two or three things at the same time as
17 a board.

18 And I think it's very important that we --
19 that you go ahead and you -- and you move forward

20 positively to -- to do all the things that Ed just
21 described, but -- but invite these -- invite some
22 of these people to come and make presentations.

23 CHAIRMAN GREEN: Uh-huh.

24 MR. RAUHOFER: Reba, I don't know why she
25 picked me, but I received two phone calls from

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 other people, from -- from two people who I didn't
2 really know, but who have told me that they had
3 put in and answered the question of -- of
4 interest. And in each case, they said they
5 couldn't get through to who they wanted to get
6 through, and that was Ed and you guys.

7 So, my point is, we've got -- as -- as a
8 board and as the director of the airport, we've
9 got a responsibility, now that we've asked these
10 people to -- these things cost time and money
11 to -- to put out, and I think we should go ahead
12 as -- as a -- you should go ahead as a board
13 and -- and just not sit these things aside, but at
14 least find out -- because you'll never get an
15 answer if you don't ask the question.

16 And -- and the whole thing ultimately comes
17 to where each people -- each person or each
18 company that you want to get up and just answer
19 the -- do the Q and A, because that's basically

20 how you'll -- you'll feel warm and fuzzy at the
21 end of this whole thing, is to -- is to -- and
22 that -- and you can find that you don't have
23 anybody that you want to -- you know, from all
24 this.
25 But there are good people out there that want

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 to be a part of the second FBO. And I urge that
2 you move ahead with it.

3 CHAIRMAN GREEN: Thanks, Warren.

4 MR. RAUHOFER: Thank you.

5 CHAIRMAN GREEN: Mr. Martinelli, you didn't
6 mark, but do you want to speak on the FBO?

7 MR. MARTINELLI: Yes. Victor Martinelli, 24
8 Carriage Lane, Ponte Vedra Beach.

9 The issues in the sequence of resolution of
10 those issues as -- as Mr. Wuellner has laid them
11 out, I think, is very proper. I think if you come
12 to the conclusion that there is a sufficient
13 niche, and I'll call it that, for a second FBO to
14 fill, without detracting or putting the present
15 FBO under the gun competitively and then both
16 lose, I think that's the way to go. And I
17 personally think that there is a niche that can be
18 filled.

19 Having said that, the next step, of course,

20 is the facility. And I think your history shows
21 that facilities that you build and you lease are
22 much more profitable for the Airport Authority
23 than just a plain land lease. Because the -- the
24 investment that the respective FBO or tenant would
25 have to make is so substantial that the term of

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 the lease has to be long enough for him to recover
2 that investment, as well as make a profit and
3 still be competitive.

4 So, the best of both worlds in that case is
5 for the Airport Authority to build a facility and
6 lease it. That's my opinion, but I think there's
7 ample statistical proof to -- to validate that.

8 And then thirdly, the capability of that
9 prospective FBO to sustain itself, to make a
10 profit, and that, I believe, is all in a
11 definition of a niche that has been defined, and
12 whether or not that niche is a viable one, and
13 noncompetitive with the present FBO so everybody
14 lives happily together ever after. Thank you.

15 CHAIRMAN GREEN: Thanks. Reba?

16 MS. LUDLOW: No, he said what I needed to
17 say. Thank you.

18 CHAIRMAN GREEN: Okay. Having no other
19 public discussion, board discussion.

20 MS. BARRERA: Go ahead, Randy.

21 MR. BRUNSON: Go ahead, Kelly.

22 MS. BARRERA: I appreciate how the Staff has

23 gone ahead and laid out the different answers that

24 we got back from the different FBOs, and I think

25 they did a good job of substantiating the market

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 analysis for us and doing the research and
2 providing us with a lot of their research in
3 regards to this. So, I feel like that the market
4 niche has been identified. And I feel, at least
5 from my perspective, I'm settled with that.

6 MR. WUELLNER: Okay.

7 CHAIRMAN GREEN: I'm kind of with Kelly,
8 because I've spoken to Dominion; I've met with
9 them. And I've also spoken with Sky Harbor. And
10 I like them, at least whether -- you know,
11 whomever we choose or not or whatever, but the
12 information they gave us, at least it did kind of
13 open my eyes and think that there is enough out
14 there, especially with all our new T-hangars
15 coming in, that it's something we should seriously
16 look at presentation-wise.

17 I like the idea, Warren -- and we've done
18 this before -- we had an engineering project where
19 we had them do live presentations to us. And we

20 came up with some questions ahead of time. And,
21 of course, more came during the presentations.
22 But I think that's an excellent idea.
23 I don't know if it has to be at a separate
24 meeting. I think if we're down to only three or
25 four, I think we could probably do it at a regular

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 board meeting.

2 MR. WUELLNER: It's really more how much time
3 you want to spend with them, you know, and what --
4 what you'd like them to present, if you will,
5 relative to us, or more generic, more vanilla.

6 CHAIRMAN GREEN: I'd be looking at numbers of
7 what they say. You know, what do you want? If
8 we're doing a land lease, what type of terms would
9 you want? What do you think your ops are going to
10 be? What do you think you can do as far as what
11 the competitiveness is going to be with our
12 current FBO? You know, just hard core questions
13 to them.

14 MR. WUELLNER: Uh-huh.

15 CHAIRMAN GREEN: Randy?

16 MR. BRUNSON: You know, what my feeling is
17 that I think this is so important, that it
18 deserves a workshop. I think that we need to help
19 identify the market, the niche, and -- and keeping

20 Galaxy in mind and the other people that are
21 coming in, and do the workshop, and to be fair to
22 these people, let them know about the little
23 decline in traffic because of fuel cost and
24 weather, and to get everything out there that
25 these people that are interested, know the good

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 and the bad.

2 Now, Ed, of this pack of people that last
3 time had interest, and we've only got four people
4 now, is this the people that supplied the material
5 back that you really needed to start thinking
6 about it?

7 MR. WUELLNER: Yes. We made a specific
8 information request of all those who submitted
9 letters, and we received four back.

10 CHAIRMAN GREEN: That's this one?

11 MR. WUELLNER: And these are the four you
12 have.

13 MR. BRUNSON: Yeah. Okay.

14 MR. WUELLNER: So...

15 MR. BRUNSON: So, I'd be in favor of a
16 workshop, and with -- with Ed, who's in -- in this
17 industry, more than us on the board, to get the
18 questions that we should be asking, that you
19 already have. But having talked to a couple of

20 the FBOs, I know some of their concerns, and I
21 know some of Galaxy's concerns, that we all know,
22 that go ahead and get it out there and so we can
23 make good decisions.

24 But I think we certainly merit at this
25 airport going forward with a second FBO.

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 MR. WUELLNER: All right. Do you -- the
2 question I have then is, are you looking to have
3 them prepare more written information or simply
4 get them in here and, you know --

5 MR. BRUNSON: I think -- I think after the
6 workshop, we should -- we should come up with what
7 the board thinks or written information that we
8 need from them. But they can be prepared to give
9 a presentation.

10 CHAIRMAN GREEN: Well, either that, or if we
11 do our workshop and we formulate what our
12 questions are and what our directions are, I think
13 we can give them that. But in order to speed
14 things up so -- they've already done two proposals
15 in writing, basically. I'd rather have them here
16 after our workshop.

17 MR. BRUNSON: I think they deserve --

18 CHAIRMAN GREEN: Yeah.

19 MR. BRUNSON: -- what we say at the workshop

20 and give them that information.

21 CHAIRMAN GREEN: Right.

22 MR. BRUNSON: They don't have to respond to

23 it in writing, but at least they have the

24 information that we're thinking about.

25 CHAIRMAN GREEN: Right. Just give them our

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 feedback, this is where we're looking at, and we
2 would like live presentations if you want to at
3 board meeting --

4 MR. BRUNSON: Sure.

5 CHAIRMAN GREEN: -- whatever that --

6 MR. WUELLNER: So, you're going to use the
7 workshop time frame to develop the criteria and --

8 CHAIRMAN GREEN: I think we can sit and
9 discuss, all right, let's look at numbers
10 budgetwise. Do we want a land lease? Do we want
11 a, you know, build lease, what -- you know, that
12 kind of stuff so we know what direction the
13 board's in, what concerns we have, and what we
14 need to tell them, like you're saying, Randy.

15 MR. BRUNSON: Exactly.

16 CHAIRMAN GREEN: Get that information
17 disseminated to these four and then have them do a
18 presentation so we know your concerns.

19 I could envision them coming up and saying,

20 "We heard your concerns, Board; these are ours,"
21 and so we can just answer and give questions right
22 then and there.

23 MR. BRUNSON: And, you know, some of these
24 FBOs, I'm sure, are smart enough to look at the
25 economic things and will, when they talk to us,

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 they'll tell us how they feel about how they think
2 they can be competitive and profitable here.

3 CHAIRMAN GREEN: Uh-huh. I think we can do a
4 workshop, what, hour and a half, two hours be
5 enough?

6 MR. WUELLNER: I would think.

7 MS. BARRERA: Uh-huh.

8 MR. WUELLNER: You're looking at when, July?

9 MR. BRUNSON: The sooner, the better.

10 CHAIRMAN GREEN: I don't -- let's do it
11 that -- so that we're I guess looking for the --

12 MS. BARRERA: Would it be possible to do it
13 the same time we do the financial workshop? That
14 might be a problem for you.

15 CHAIRMAN GREEN: Yeah, I won't be here,
16 but...

17 MS. BARRERA: Right.

18 CHAIRMAN GREEN: I was just saying when do we
19 want them to do the presentations? Are we looking

20 at -- do we want to move it up that quickly to the
21 August meeting or the September meeting, and then
22 we just make sure we have -- it might be better if
23 we do it the September meeting for the
24 presentations to us so that we have time to do our
25 workshop, figure out where we are, disseminate

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 that to the potential FBOs, let them digest it,
2 and then be prepared to come. I think that might
3 be a lot to put on their plate for August.

4 MR. BRUNSON: I would agree with that, but
5 give both of us time --

6 CHAIRMAN GREEN: Right.

7 MR. BRUNSON: -- us and them, and then not to
8 rush it and -- because we certainly don't have the
9 facility for them. And --

10 CHAIRMAN GREEN: Ed, with our budget stuff,
11 do we have enough time on the September agenda to
12 do that?

13 MR. WUELLNER: You know, it's impossible to
14 predict, but certainly we can, even if you
15 scheduled it on the -- one of the two public
16 hearing days; that way, you don't actually meet a
17 second time, but you might have an expanded --

18 CHAIRMAN GREEN: Meeting?

19 MR. WUELLNER: The one that's normally short,

20 or relative short.

21 CHAIRMAN GREEN: Okay. I just didn't want

22 to --

23 MR. WUELLNER: See how that would work.

24 CHAIRMAN GREEN: -- extend us too long one

25 night with budgets. Okay.

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 MR. WUELLNER: Plan on that in September.

2 CHAIRMAN GREEN: Do you want us to come up
3 with a date for the workshop now?

4 MR. WUELLNER: No, because your -- the first
5 one's already set. When is first -- we haven't
6 had to submit it yet. It's not set. But it will
7 be statutorily defined.

8 CHAIRMAN GREEN: Oh, no. I'm not talking
9 about the budget. I'm talking about the FBO
10 workshop.

11 MR. WUELLNER: Oh, this.

12 CHAIRMAN GREEN: I'm sorry.

13 MR. WUELLNER: Not September, you're talking
14 about.

15 CHAIRMAN GREEN: Correct.

16 MR. WUELLNER: Okay. No, I think you're out
17 into July, and -- and for sanity purposes around
18 here, obviously we'd prefer it after the 18th.

19 CHAIRMAN GREEN: Sure.

20 MR. WUELLNER: You are meeting the 16th.

21 CHAIRMAN GREEN: Uh-huh. No, we changed

22 that, Ed. Our airport meeting's the 12th.

23 MR. WUELLNER: It is.

24 CHAIRMAN GREEN: Uh-huh.

25 MR. WUELLNER: You are absolutely right. I

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 see it here. Okay. It's the 12th. So, whatever

2 you want to do after that.

3 MR. BRUNSON: I'm -- I'm looking at the 23rd.

4 MR. WUELLNER: You could do it the 12th if

5 you just want to do it --

6 CHAIRMAN GREEN: That's what I'm wondering --

7 MR. WUELLNER: -- before the Authority

8 meeting.

9 CHAIRMAN GREEN: -- if we could -- because

10 part of the reason, Randy, if you recall, we had

11 to move the 16th to the 12th because a lot of

12 people are going to be gone the last week or two

13 of July.

14 MR. WUELLNER: My only criteria that I'd

15 suggest is that it certainly occur after the

16 budget workshop on the 27th, because I think

17 you -- you know, collectively you need to

18 understand where we are and what we're thinking

19 before you -- it will be helpful, anyway, in

20 making decisions on how you do it.

21 CHAIRMAN GREEN: How does our agenda look on
22 the 12th, as far as you know now?

23 MR. WUELLNER: I think you'd be fine if you
24 want to --

25 CHAIRMAN GREEN: Could have a little workshop

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 either before or after?

2 MR. WUELLNER: Yeah.

3 MS. BARRERA: I'd be open for that.

4 CHAIRMAN GREEN: You want to try it for an
5 hour before or --

6 MR. WUELLNER: Yeah. Worst case, you could
7 continue it into your regular meeting, if you
8 wanted to.

9 CHAIRMAN GREEN: Yeah. Right. You want to
10 shoot for 3 o'clock, then?

11 MR. BRUNSON: Fine with me.

12 CHAIRMAN GREEN: On the 12th, Kelly?

13 MS. BARRERA: That works for me.

14 CHAIRMAN GREEN: Okay. Let's do that, then.
15 Yes, ma'am?

16 MS. BARRERA: And Ed, would you be able to
17 provide a couple of different models, or is that
18 going to be too much?

19 MR. WUELLNER: Models of...

20 MS. BARRERA: Of the different -- if we were

21 to lease the land versus build.

22 MR. WUELLNER: Sure.

23 MS. BARRERA: Would that be too much?

24 MR. WUELLNER: I could do some assumptions,

25 you know, just some baseline facility. Yeah,

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 sure.

2 CHAIRMAN GREEN: Okay. Well then, we'll do
3 it right before the airport meeting. If we have
4 to include it as part of our meeting, then we
5 will.

6 MR. BURNETT: And if I might, Ms. Green...

7 CHAIRMAN GREEN: Sure.

8 MR. BURNETT: Just to make sure that -- I
9 know some of the second FBO folks are here. Just
10 to make sure that it's clear, they'd be -- they'd
11 have the opportunity to make comments and the like
12 during the workshop so if they thought there were
13 some things that were important to point out to
14 the Authority --

15 CHAIRMAN GREEN: Yeah.

16 MR. BURNETT: -- that they have that
17 opportunity.

18 CHAIRMAN GREEN: It's a public forum.
19 Absolutely.

20 MR. BRUNSON: We'd need to --

21 CHAIRMAN GREEN: Just let them know we're

22 getting direction for us, too. So, we might not

23 have good answers yet.

24 MR. BRUNSON: But they might come up with

25 some good ideas that we need to talk about. So,

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 you'll notify the interested people.

2 MR. WUELLNER: Sure.

3 CHAIRMAN GREEN: Okay. Any further board
4 discussion?

5 (No further discussion.)

6 CHAIRMAN GREEN: No? Hearing none, Ed, is
7 that okay? Is that enough direction for you?

8 MR. WUELLNER: Perfect. Thank you.

9 CHAIRMAN GREEN: All right. Next agenda
10 item?

11 9.B. - GRUMMAN LEASE DISCUSSION

12 MR. WUELLNER: Next item I have is relative
13 to leases with Northrop Grumman. And without
14 going into a lot of detail, it's really their
15 information, I think most of you have been made
16 aware of -- of the ongoing issues relative to
17 Northrop Grumman and the fact that they're
18 certainly a long-term tenant on the airport.

19 The North 40 complex, as it's affectionately

20 known around here, which is the eastside facility
21 over by our corporate infrastructure on the
22 northeast side of the -- of the runway 13/31
23 environment, that lease with the Airport Authority
24 tentatively expires toward the end of this year,
25 October in fact. And that lease contains options

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 to -- at the expiration of that, for them to
2 continue to lease that facility at fair market
3 value. And it has ten, five-year terms associated
4 with the original lease which dates back into the
5 early 1990s, as my recollection, anyway.

6 The -- it also has a concurrently running
7 ground lease that obviously is property that
8 underlies the -- the facility there of the North
9 40 complex, as well as some adjoining property
10 that's referred to as an option property, but they
11 had exercised pieces of which that include
12 facilities such as the run-up hush house out
13 there.

14 We also have other leases with them, all of
15 which expire in the year 2010. And these include
16 hangar 27. Those of you that have been in the
17 community long enough may or may not remember the
18 extreme north end of this side of the street,
19 there's a hangar building up there that was

20 originally built by the Airport Authority for the
21 Coast Guard in the late 1980s, thereabouts. And
22 Coast Guard occupied that facility for a couple of
23 years and then elected to leave town. And that
24 facility was -- was vacated by them, and they
25 effectively left the Airport Authority holding

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 the -- the paper on the building because it was a
2 bond issue the Airport Authority had issued to --
3 to finance the original construction of that.

4 Well, that arrangement was wrapped into the
5 North 40, just for -- that's where this deferred
6 rent that you keep hearing about in your budgets
7 and financial statements and annual audit, that's
8 where that comes from, was the assumption of that
9 debt, which is why there's no cash affiliated with
10 the front end of the North 40 complex facility
11 lease.

12 There are no remaining options on the
13 westside Grumman facilities and property that are
14 owned by the Airport Authority. Those have all
15 run their course over the years, and in fact
16 expire in the year 2010.

17 Now, I -- I threw this up there, and I
18 apologize; it's really hard to tell when you see
19 it on the screen as to where -- how well some of

20 these things show up. But the North 40 complex,
21 just to orient yourself, this -- this is U.S. 1,
22 generically. The North 40 complex is this up in
23 here. The option property, as it's referred to,
24 is this area.

25 Then it's really hard to see this line. It

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 looks really good on my screen, but that's about
2 the only place.

3 This is the land lease parcel affiliated with
4 what's hangar 27, which is this building here is
5 the old Coast Guard facility. That wraps along
6 the -- the property edge and -- and in fact is
7 airport property or airport land, and comes down
8 into this area, widens significantly, and becomes
9 part of a ground lease that is also a part of the
10 2010 arrangement.

11 That dark -- the green area, as it's
12 highlighted here, is the area that we've been
13 talking about in association with the airport
14 terminal and would become automobile parking
15 associated with the airline terminal. So, you get
16 an idea where things are. Of course, the
17 Intracoastal out this way. And you're more or
18 less looking pretty much due north at this point.

19 All right. Enough of the orientation. But

20 you get an idea where those parcels are now.

21 All right. Other issues on the table with

22 Northrop Grumman: We are proposing, as you're

23 well aware of, to use Northrop Grumman's staff

24 and -- and some equipment of theirs in support of

25 the airport rescue and firefighting requirement we

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 have that goes with scheduled airline service, and
2 they would be providing that service to the
3 airport through an agreement directly with us.

4 The secondary issue is the terminal area
5 parking, which I -- I kind of just mentioned, but
6 they're extremely flexible with us on the -- the
7 layout of that, and in fact, have said we can, as
8 necessary, kind of go back to the well and -- and
9 seek additional property there, that they're --
10 they're very willing to help us make sure we get
11 the parking needs met as they relate to scheduled
12 service over in that area. And provides a -- you
13 know, certainly a critical revenue component to
14 the -- the airline operating program or the
15 terminal area revenue plan.

16 So, with that said, the other issues is, you
17 know, we're trying to find a balance here of
18 Grumman's long-term viability in St. Johns County
19 and balance that with the short-term business

20 issues that -- that they have that are very normal
21 in their -- their -- their line of work and, you
22 know, it's tied to -- to federal funding, and in
23 this -- in most of their cases, federal defense
24 funding. And, you know, it has a cyclical nature
25 to it. And -- and there are years it's up, years

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 that are down.

2 And, you know, overall, the defense industry
3 is obviously on a -- on a more of a preservation
4 mode right now, with most of the assets being
5 deployed abroad right now. And keeping those
6 things working and -- and functional is a budget
7 priority within -- within Congress and the
8 administration right now. And a lot of -- a lot
9 of the money that might normally go into new
10 products and -- and new development and new things
11 is -- is being deferred. Some of those decisions
12 are being deferred down the road.

13 So, while it creates angst in the aerospace
14 industry in the production and things of that
15 nature, it -- it -- it's -- it's certainly not
16 something that they're not going to do over time.

17 And in fact, I think one of you, at least,
18 attended the rollout of the next generation
19 Hawkeye here back a month or so ago. And, you

20 know, eventually that will go into production and
21 will -- you know, at this point, will be produced
22 out of here, and will continue to be a long-term
23 player in St. Johns County.

24 The timing of the lease issues with the
25 Airport Authority is, you know, unfortunate in

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 that our issues come up during a time when their
2 business is -- is -- is less than optimal, at
3 least it's today's environment.

4 So, with that being said, what we've talked
5 about -- you have two different things that we
6 provided to you that are outlined on the screen,
7 so you choose which way you want. But there's a
8 little more detail from -- from Northrop Grumman.

9 We'll talk about the North 40 proposal, as we
10 have been able to get to it, with -- with Northrop
11 Grumman. And we're -- as Doug alluded to earlier,
12 we've been really dealing with folks out of
13 Bethpage and also out of California who handle the
14 property or the real estate kind of transactions
15 now. Those are not local decisions out of -- out
16 of this branch of -- of Northrop Grumman. All
17 that kind of stuff is referred to corporate for
18 decisions.

19 They are extremely happy and helpful at the

20 local level, but the end result, the -- you know,
21 the actual final say has come out of places other
22 than St. Johns County. And -- and I think you
23 need to know that so that you realize the spirit
24 that some of this comes out of. It's at a
25 different level than -- than the folks actually

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 doing the work here.

2 What we are throwing out in front of you at
3 this point is a five-year facility lease
4 extension. Keep in mind, this -- again, this
5 North 40, two components; there's a facility
6 component that refers to the building; there's a
7 land lease component to this, too.

8 So, we're going to talk about the facility
9 first. Basically, we -- we're recommending to you
10 a five-year facility lease extension. In other
11 words, we're not going to allow the base lease or
12 the original term of the lease to revert to the
13 option period. So, we're just extending the base
14 term at this point in advance of its expiration,
15 which is an October time line of this year.

16 The advantage to that is, if you recall,
17 the -- the original term of that lease was at a
18 no-revenue picture, a deferred rent component to
19 the Airport Authority. So, it would extend that

20 no-rent period for five years, at which time it
21 would pick up the original options in place, which
22 require it to be adjusted to fair market rental
23 value at the time.

24 I can tell you that the fair market rental
25 value right now, as appraised today, is in excess

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 of \$1.2 million. So, it's a significant revenue
2 source that you would effectively defer for a few
3 years. However, when you -- when you plug this
4 back into the financial modeling the Airport
5 Authority's been doing, we have only been
6 budgeting this revenue impact at less than
7 \$500,000 a year, because we didn't know what that
8 appraised value would be when -- back when we were
9 developing that model.

10 So, while it would perform -- you know, you'd
11 defer the revenue. You actually return it at a
12 much higher rate than you were planning beginning
13 at the -- at the end of the five-year period.

14 Now, tied to that is the ground lease
15 component. The ground lease component would
16 result in a land lease renewal with the Airport
17 Authority, but in this case, instead of it being
18 at a no-rent scenario like it had been, would
19 revert to fair market value in October or at the

20 expiration of the lease.

21 And I didn't correct it on the slide, but we

22 had tentatively went back -- they had an appraisal

23 done, we had an appraisal done, and we effectively

24 split the difference on the land lease value. And

25 the numbers come up about \$158,000. So, it's up

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 from the \$120,000 component. So, it would be a
2 ground lease component beginning in October of
3 about \$158,000, round numbers. It's real -- very
4 close. That would extend from October on and
5 regardless of when the facility comes on line.

6 So, when the facility came out of this
7 extended option period, that still remains in
8 place as a ground lease, but you'd also have a
9 facility component on top of it at whatever value
10 it is at that point.

11 They still -- as a part of the original
12 agreement, they would still continue to do all
13 maintenance on the facility. They're responsible
14 for all of those things as they are today. So,
15 there's no assumption of any other liabilities by
16 the Airport Authority.

17 As a part and parcel to this -- let me go
18 with the other one here. They would also provide
19 to us our initial ARFF services to the airport at

20 no charge, provided those services are -- are done
21 during normal business hours. And we would
22 basically purchase extended service as necessary.
23 And we're still working out what that rate is, but
24 it's a fairly minor amount of money for airline
25 operations. This is the only time that service is

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 required. So, I just need to make you aware of
2 that.

3 But during the actual aircraft operations is
4 the only time that ARFF service is required to be
5 provided on the airport. So, for instance,
6 weekends or some delayed flight scenario or
7 something might result in some revenue to -- or
8 some expenditure by the Airport Authority, but we
9 would envision that to be, you know, in the area
10 of a couple hundred dollars an occurrence, versus
11 tens of thousands of dollars.

12 It also includes an agreement to use, in
13 advance of their lease expiration, basically they
14 would delete from the westside leases the area
15 used for the parking lot. So, it would -- at no
16 adjustment to their rental structure with the
17 Airport Authority, we would get the use back of
18 the -- of the parking lot out there.

19 MR. BURNETT: That little area shaded in

20 green on your map.

21 CHAIRMAN GREEN: Uh-huh.

22 MR. WUELLNER: Right. Which is -- let me

23 find my notes here real quick. Which is about --

24 I don't -- I don't think we've estimated. Did

25 they estimate what -- two -- it's about two and a

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 half acres additional property or property that
2 would come out of that original 15.66 acre parcel
3 that was outlined there, wraps around the back
4 side.

5 They also would allow us to advance place the
6 airport fire station on the leasehold, or on what
7 would be the leasehold in advance of 2010, and
8 they would at this point pick up the operating
9 cost of that facility, meaning the power and water
10 and things like that.

11 And we already -- the -- the first line item
12 there talks to the service side of it. So, that
13 would happen, too. Plus, they'd also agree and
14 negotiate in good faith moving into 2010 for
15 hangar 20 -- excuse me, hangar 27 on the north end
16 and the related property that you may or may not
17 want to continue leasing to them at that point.

18 So, in about three years, you'd have a
19 significant bump in the revenue. You've got a

20 significant bump beginning this fall to the tune
21 of \$158,000. And then beginning in 2010, you'd
22 have a bump in rental as hangar 27 comes on line,
23 which is significant size building, as well as the
24 balance of the 16 acres that wraps around there
25 would be up for complete negotiation at market

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 values. And then two years after that, you'd have
2 the North 40 complex coming on line as a market
3 value facility lease with the Airport Authority.

4 So, it's kind of a way to phase it in, and it
5 assists Grumman in pricing the unit pricing. And
6 I don't pretend to understand the accounting
7 that's done on the defense industry side, but
8 apparently there are different ways to allocate
9 the asset or fixed costs related to -- to the
10 facility into the defense contracts. And it's
11 extremely helpful to them in this first five-year
12 period to be able to allocate that, that there are
13 no costs that have to be allocated while they're
14 trying to ramp up the advanced Hawkeye program.

15 And I think that's it in -- in a nutshell as
16 to what they're asking the Airport Authority to --
17 to buy into. You have -- as I said, the two
18 letters kind of detail -- give a little more
19 detail.

20 But without getting bogged down in that, we
21 would ask that -- that you consider approving
22 those in concept, and that would result in -- in
23 Doug here drafting the actual lease amendments or
24 documents that -- that support all of that, and
25 getting those out for signature of both Grumman

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 and the Airport Authority. And really, you guys
2 need to decide whether that's -- those are
3 acceptable terms.

4 I will have some detail -- I know it doesn't
5 help today, but as -- as we go into the -- the
6 budget workshop in two weeks or thereabouts,
7 you'll have -- you'll be able to readily see the
8 impacts of not only, you know, this year's
9 expectation on the ground lease, but also how
10 that -- that kind of phases in within that 10-year
11 plan and get a real strong feeling that -- that we
12 don't internally believe it's a problem,
13 especially based on how the financial forecast and
14 modeling was being done.

15 So, you defer it for a few years, but at the
16 end, you're collecting more than twice the rent,
17 almost three times the rent in aggregate that you
18 were planning on collecting for the facility
19 sooner. So, it's more than a wash.

20 CHAIRMAN GREEN: Okay. Public discussion?

21 Reba?

22 MS. LUDLOW: No.

23 CHAIRMAN GREEN: Okay. I didn't have any

24 others marked for public discussion. Seeing none,

25 board.

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 MR. RAUHOFER: Oh, public discussion?

2 CHAIRMAN GREEN: Yeah, Warren, if you want
3 to, that's fine. It wasn't marked on here, but if
4 you want to --

5 MR. RAUHOFER: Public comment general?

6 CHAIRMAN GREEN: Yes -- well, it's under
7 Grumman lease, if you want to speak --

8 MR. RAUHOFER: Oh, no.

9 CHAIRMAN GREEN: -- on it? Okay. No, I'm on
10 the -- we're on the Grumman lease.

11 MR. RAUHOFER: It doesn't have anything to do
12 with public comment, general.

13 CHAIRMAN GREEN: No. Just on the Grumman
14 issue right now.

15 Okay. Seeing none, board discussion.

16 MR. BRUNSON: More comments than discussion.
17 Several things pop in my mind. Number one,
18 Grumman is probably the employer of this county
19 that has done more for the county with their

20 facilities and monies and -- and trying hard to be

21 a good neighbor.

22 Having said that, then I think about our

23 commitment to be self-sufficient in a few years

24 out. And in all my voting, I've been -- I've been

25 relying on the -- the lease ended in October.

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 However, you have -- in my opinion, you have
2 to weigh fair market value of what you could get
3 for this facility and -- and how much trouble it
4 would be to convert this to some other business
5 and -- and so forth and so on.

6 So, we've got a good business going here. I
7 think the U.S. Government is going to be here for
8 a long time, and I think that there will be
9 contracts given them. And I know right now that
10 Grumman is having some setbacks in some areas and
11 had some layoffs. And having -- there's nothing
12 ever guaranteed with anything, that we -- we look
13 to the future to get our money.

14 But I think that Grumman has looked at this
15 hard, and I think they know what they can do
16 comfortably, and I think we should look at it.
17 But frankly, I would like to put a little more
18 study into this overall plan. This is the first
19 I've seen or had the time to really look at this,

20 and so I'm not prepared to -- to vote to bullet

21 every one of these items and go forward.

22 CHAIRMAN GREEN: Kelly, do you have any

23 comments?

24 MS. BARRERA: I've looked over this

25 information, and I think that -- I also looked at

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 the forecast and the modeling. I think the return
2 on investment, if we negotiate in good faith on
3 the land lease renewal, and then I think it will
4 set us up for greater return on our investment on
5 the facility renewal that'll be coming up in 2010.

6 Those are my thoughts on it.

7 CHAIRMAN GREEN: And I have some concerns
8 just what we need, especially with Skybus and
9 everything else. We need parking. That's a big
10 factor right now.

11 And if we could negotiate something that
12 they're willing to let that property to be used
13 for that facility, that's a big one, I think.

14 Because that would be a cost to the airport, to
15 build some parking somewhere else. And in my
16 opinion, I think Skybus is a good boon for this
17 airport. And I'd like to make sure that we
18 solidify that and make sure it happens.

19 Also, the ARFF services, if Grumman doesn't

20 do it, we have to do it. And that's going to be
21 another cost that we weren't really considering.
22 I understand what Randy's saying about our budget
23 did consider income coming in at about \$500- for
24 the tax rolls, but we also now have hopefully some
25 decent revenue coming in from Skybus, the capital

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 we wouldn't have to outlay for the terminal. So,
2 there's give and take on both of this that we need
3 to look at.

4 What I wanted to ask Ed is, was the five-year
5 extension something that was looked at monetarily?
6 Is it set in stone? Was it because it was ten,
7 five-years terms, we just extended it one other
8 term or --

9 MR. WUELLNER: Actually, we started, in
10 negotiation, our suggestion was a three-year
11 period.

12 CHAIRMAN GREEN: Right.

13 MR. WUELLNER: They came back and -- and kind
14 of convinced us that they -- the five-year is what
15 they really needed. However, they did leave the
16 door open with us that in the event the Hawkeye
17 funding and -- and the use of that facility's
18 funding contract-wise is accelerated and they can
19 get into production sooner than that, that -- that

20 they're -- they're very willing to go back and --

21 and -- and renegotiate that portion of it.

22 CHAIRMAN GREEN: Shorten that?

23 MR. WUELLNER: Exactly. And they're not

24 trying to get something -- you know, in a sense

25 get something for nothing, although that's -- you

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 know, at a real cursory level, it could feel that
2 way. But they've -- they've really tried to --
3 to -- to sweeten the pot, if you will, on the
4 deficient -- or the ability -- they can do
5 something with the lease, the ground lease side,
6 but the way it rolls into the contract side, the
7 building is -- is really difficult for them to do.

8 And they've tried to sweeten the pot with
9 providing, you know, the parking area, allowing
10 that to come out of the -- the lease with us
11 early, and providing the ARFF service. Those --
12 those are real expenditures the Airport Authority
13 would have to have gone out and solved in order to
14 accomplish some sort of scheduled service.

15 CHAIRMAN GREEN: Right. They're both
16 necessary for Skybus, big time.

17 MR. WUELLNER: Yes. And they are -- they
18 would be a real expenditure versus the offset
19 revenue here. And that's assuming you could --

20 you could actually get a negotiated deal with

21 Grumman.

22 And my -- my concern is, you're going to --

23 that by not finding a way to work with them here,

24 that we're going to -- we're going to really put

25 Northrop's long-term future in St. Johns County in

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 jeopardy by not being able to play, you know, play
2 well with them. And, you know, they've been -- as
3 Randy points out, they've been, you know, a great
4 community partner. They're certainly huge in
5 terms of economic impact in St. Johns County.

6 You know, those are all great things, but at
7 the end of the day, you know, the Airport
8 Authority -- just for clarification, the
9 Authority's charter does not allow you, nor do our
10 agreements with the federal and state
11 governmental, allow us to consider, quote,
12 unquote, economic development as rent. So, we
13 have to -- we have to come up with ways to -- to
14 make that tangible and -- and benefit the airport.

15 And I think we get past the big test, because
16 the ground lease, the ground, the property
17 involved here, you know, comes to market value,
18 comes, you know, into a rent situation as we -- as
19 we have it in this in October.

20 CHAIRMAN GREEN: The 158?

21 MR. WUELLNER: Yeah. And that is full value

22 of the property. It's not -- you know, it's not a

23 discount or anything else. It's -- it's full

24 market value for the lease of that property.

25 CHAIRMAN GREEN: And do we know -- I mean,

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 everyone's kind of looking at these tax cuts that
2 are pending up in Tallahassee, which may or may
3 not come to fruition in a year, two years, or
4 whatever. But do you know anything how -- how
5 that might affect us if we -- if we do extend it
6 three years, five years?

7 MR. WUELLNER: Yeah, it's a way to
8 definitively act on something. You know, I --
9 your guess is as good as mine. I mean, the
10 scenarios as they affect the Airport Authority
11 are -- are increasingly minor, as the Airport
12 Authority, you know, will in all probability be
13 off that -- that tax roll completely anyway
14 within, you know, the three and a half years or so
15 from now. So --

16 CHAIRMAN GREEN: Right.

17 MR. WUELLNER: -- you know, it's -- it's a
18 disappearing issue for the Airport Authority,
19 regardless.

20 And I think you're going to be impressed,
21 because we -- you know, as Kelly worked with us
22 about a week, two weeks ago, I guess it is now,
23 you know, working the budget issues and -- and --
24 and seeing the revenue sources and the like, and
25 you have a significant uptake in revenue, you

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 know, going into next year.

2 I mean, you have a lot of facility that's
3 coming on line and productive. You have revenue
4 related to airline service. You have -- there
5 are -- you're not behind the curve at all on a
6 revenue side in this deal. I mean, you may be, as
7 you relate it only to the Grumman leasehold, but
8 certainly not as it plugs into the financial
9 forecast.

10 And so I don't -- I don't see any issues
11 relative to the length of time projected for on
12 the ad valorem tax rolls and -- and moving
13 forward. It just gets in a sense better and
14 better and better financially for the Airport
15 Authority.

16 CHAIRMAN GREEN: Well, that would be my
17 opinion, or suggestion to Staff, that if there's
18 anything we could do to lessen that five-year time
19 or incentives as -- as you're saying, that if

20 their funding does get accelerated, that's my only
21 concern, an extended five-year time where we don't
22 have the revenue coming in.

23 But I think the offsets with the ARFF and the
24 parking is essential, because the commercial
25 airline service is just going to, I think, going

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 to be a good revenue source for us here. And I
2 really don't want to jeopardize that.

3 So, that would be my only suggestion. Do
4 what you can lease-wise to see if you can minimize
5 the five; if not, then give some incentives so if
6 Grumman does get their funding and take off, then
7 we can shorten that time frame within the lease
8 parameters.

9 MR. WUELLNER: Okay. Otherwise, the
10 incentive parts in the sense of ARFF and -- and
11 parking and the like, they're already in the --

12 CHAIRMAN GREEN: Right.

13 MR. WUELLNER: -- in there. But the --
14 the -- the formality of getting it -- the time
15 line reduced, if the situation changes.

16 CHAIRMAN GREEN: Kelly, did you --

17 MS. BARRERA: My point was two part. One, I
18 wanted to address the parking revenue that we're
19 going to be receiving from that property. That

20 was substantial.

21 MR. WUELLNER: Yes.

22 MS. BARRERA: Do you have any, off the top of

23 your head, numbers without looking at it?

24 MR. WUELLNER: The estimates were in the

25 area --

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 MS. BARRERA: How many spots?

2 MR. WUELLNER: Spots were 230-ish.

3 MS. BARRERA: Spots that we were getting from
4 Grumman.

5 MR. WUELLNER: Two hundred thirty-ish.

6 MS. BARRERA: At \$5.

7 MR. WUELLNER: Yeah. I mean, the -- the --
8 the estimated revenues for the first year are in
9 excess of \$188,000, I think is the number.

10 MS. BARRERA: Right. Which is coming from --
11 from the -- this negotiation --

12 MR. WUELLNER: Yeah.

13 MS. BARRERA: -- with this lease. So, that's
14 actually added revenue that's not spelled out in
15 the -- in the contract that you've come up with,
16 but it's -- it's -- it's a part of that revenue
17 that we're getting from them by using their
18 parking spaces.

19 CHAIRMAN GREEN: Now.

20 MS. BARRERA: Now. Right.

21 CHAIRMAN GREEN: Yeah.

22 MS. BARRERA: As opposed to waiting to build
23 something at a later date.

24 MR. WUELLNER: You know, with -- with all of
25 the pieces together, I mean, if you looked at

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 the -- either the -- what you wouldn't expend --

2 CHAIRMAN GREEN: Uh-huh.

3 MR. WUELLNER: -- you know, in those

4 services, there's no offset for the return of the

5 property to us three years early. So, it's not

6 like we're crediting them rent on top of that.

7 You know, you're in close to the \$400,000 range

8 when you add the --

9 CHAIRMAN GREEN: The ARFF.

10 MR. WUELLNER: -- the ground lease component

11 and all -- you know, all the pieces of parts back

12 together. You're not terribly far off, you know,

13 in terms of new revenue. It's coming from a

14 different place, but, you know, that's what I

15 mean, the model, when you put -- put it all in

16 there again, it's -- it's awfully strong right now

17 and just gets better.

18 MR. BRUNSON: Ed, when -- when we did the

19 proposal on the hangar 11, and we showed revenues,

20 were the Grumman parking, was that taken into

21 that --

22 MR. WUELLNER: Yes, it's in there.

23 MR. BRUNSON: So, it was in there when we --

24 I looked at the bottom --

25 MR. WUELLNER: Yes, you did.

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 MR. BRUNSON: -- net profit.

2 MR. WUELLNER: Yes, it was.

3 MR. BRUNSON: Okay. So, this is no
4 surprise --

5 MR. WUELLNER: No, sir.

6 MR. BRUNSON: -- with this new thing. And --

7 MR. WUELLNER: This is formalizing --

8 MR. BRUNSON: Right.

9 MR. WUELLNER: -- kind of where we've been
10 trying to go for -- for a while.

11 MS. BARRERA: My second point on that was,
12 to -- to piggyback onto Suzanne's point, is I -- I
13 would like the contract to contain those
14 incentives, the three-year incentive versus the
15 five if -- if the economic conditions --

16 MR. BURNETT: Well -- and that's an
17 interesting thing. We can talk about it more, I
18 guess, and maybe Ed can look into it. But we
19 could put some contingency in there that if

20 they're awarded blank millions of dollars in
21 federal contracts, then -- or if that specific
22 program, the Hawkeye program, is -- is funded at
23 whatever year, then it accelerates or we
24 renegotiate at that point in time.

25 MR. WUELLNER: And I don't see it being a

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 stumbling block with them, because they have been
2 agreeable to that in the past so --

3 CHAIRMAN GREEN: I'd rather have it
4 accelerate, not renegotiate. I think we're
5 negotiating now to get it set so we can set our
6 budget.

7 MR. BURNETT: And -- and I guess we can tie
8 that to either that specific project or some
9 dollar amount in total projects.

10 CHAIRMAN GREEN: Or both.

11 MR. BURNETT: Yeah.

12 MR. BRUNSON: How about overall company
13 profits, maybe?

14 MR. WUELLNER: It might even be better tied
15 and easier to measure, is tying it to local
16 employment, creating a threshold there of, you
17 know, if -- if they don't maintain, you know,
18 certain level of employment --

19 MR. BRUNSON: There's --

20 MR. WUELLNER: -- then it would revert back.

21 MR. BRUNSON: In my opinion, there's a few

22 things to look at and negotiate. And legally --

23 MR. WUELLNER: They're just -- they're

24 just -- the reason this is here today versus

25 October is two-fold; one, to give some time to

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 look through it. The secondary issue is their
2 lease, as it stands even today, requires a 90-day
3 notification. So, they've kind of wanted to get
4 an idea of where they stood going into that 90-day
5 period. And that's --

6 CHAIRMAN GREEN: And we're there, close.

7 MR. WUELLNER: Yeah.

8 CHAIRMAN GREEN: I know, I think, Ed, you had
9 received an e-mail from Mr. Gorman that couldn't
10 be here. And basically he just wanted to say his
11 thoughts, that he had concerns with the five-year
12 extension, too, but this is just negotiation at
13 this point. But that's pretty much his concern,
14 was just how long of an extension.

15 Okay. Any other board discussion? Ed, did
16 you get --

17 MR. BURNETT: Well --

18 CHAIRMAN GREEN: Doug, I'm sorry.

19 MR. BURNETT: Well, one -- one legal point.

20 And we discussed this before, probably ad nauseam,
21 related to the fire services agreement. But I
22 just want to remind you of one thing. One is more
23 of a business issue, which is they are committing
24 to run the facility essentially during business
25 hours --

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 CHAIRMAN GREEN: Right.

2 MR. BURNETT: -- during the week and then
3 plus these 20 additional operations.

4 But the other thing that the -- the
5 agreement's really been tightened up on is that
6 the liability, when Northrop Grumman is fighting
7 Northrop Grumman-related fires, is all on Northrop
8 Grumman. But if a -- if Northrop Grumman responds
9 to an airport-related emergency, not related to
10 Grumman, but an airport-related emergency, then
11 the liability for their firefighters and their
12 efforts is shifted to the Airport Authority.

13 That's something --

14 MR. WUELLNER: And insured.

15 MR. BURNETT: -- we talked about a lot.

16 Yeah. And Ed's taken care of insurance related to
17 that matter.

18 CHAIRMAN GREEN: Covered that.

19 MR. BURNETT: But that was something that was

20 very important to them, because at that point in
21 time, essentially they're acting as though they're
22 government employees responding to fight a fire on
23 government property. So, to them, they want that
24 burden shifted to the Airport. So, I just need to
25 remind you and point that out again. I know we've

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 talked about it, but...

2 MR. WUELLNER: Our -- are you collectively
3 okay with it if we can get that? I -- I'm just
4 trying to give them some assurance.

5 CHAIRMAN GREEN: My -- my opinion -- I don't
6 want to speak for Kelly, but it sounded like, yes,
7 I mean, we're collectively okay. We'd like to see
8 the incentives to bring it to a shorter period of
9 time.

10 MR. WUELLNER: Okay.

11 CHAIRMAN GREEN: But I think we're all
12 understanding we need the term -- we need the
13 parking and to take those costs off of us for
14 running ARFF and -- and getting some revenues we
15 weren't really counting on for that parking right
16 off the ground.

17 MR. WUELLNER: Yeah. And we'll -- we'll
18 report back at the June meeting on -- on where
19 that is --

20 CHAIRMAN GREEN: July.

21 MR. WUELLNER: I mean July. And if it -- if

22 that's successful, then we'll be able to get

23 through it all.

24 MR. BRUNSON: I'm -- I'm okay with that, but

25 like I say, I do want to meet with you and give

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 you my ideas and see if we can --

2 CHAIRMAN GREEN: Well, we'll get to see the
3 lease prior to --

4 MR. WUELLNER: Absolutely. Probably
5 September time line, I would think.

6 CHAIRMAN GREEN: Okay. Okay. I guess we'll
7 go on to housekeeping.

8 10. - HOUSEKEEPING

9 MR. WUELLNER: Okay. Just reminder, the
10 access badge and program is continuing. 139
11 inspection for the upgraded Class 1 certificate
12 was completed on the 21st and 22nd.

13 And the reminder the FAC conference, those of
14 you desiring to attend that, is July 8th through
15 the 11th in Orlando. And you'll need to get with
16 Cindy and firm up those arrangements if you intend
17 to go. Otherwise, I think that's all I have.

18 CHAIRMAN GREEN: Okay. We have some general
19 public comments? Warren?

20 11. - PUBLIC COMMENT - GENERAL

21 MR. BRUNSON: Give us your age and address

22 for the record.

23 MR. RAUHOFER: My age? Warren RauHofer, 159

24 South Roscoe Boulevard. I tell you, I'm -- I'm

25 like everybody else in this community; we're

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 really glad, and -- and I -- I think the board
2 and -- and Ed and -- and his staff and everybody
3 associated with getting an airline in here is
4 really -- really deserves everybody's thanks and a
5 big round of applause for that.

6 MR. BRUNSON: Here-here.

7 MR. RAUHOFER: One of the -- one of the
8 things that I thought about when I heard this,
9 being with American Airlines for 35 years, the
10 last seven as a senior management type, was why
11 don't -- why don't the board think about -- maybe
12 you have already, and if I -- if I -- you know, if
13 you have, just say so, so I -- but write to the
14 other major airlines that fly into -- to
15 Jacksonville. Jacksonville, distance-wise and
16 time -- flight time-wise, is a perfect -- we're a
17 perfect tag airport for -- for any of the major
18 airlines that are flying in here.
19 Now, for those of -- of you that don't know

20 what a tag is, a tag is a satellite airport that
21 services a fairly high -- high density population
22 area. The reason we wouldn't use Cecil Field for
23 a tag is there's nobody out there.

24 But there is huge growth rate to the south
25 down here, and I certainly would rather, if

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 American Airlines or Delta Airlines or Continental
2 or one of the air -- airlines that serves
3 Jacksonville were to have two -- two flights a
4 day, for instance, out of here to go someplace, it
5 would certainly -- I would rather travel down here
6 than go to -- to JIA or JAX.

7 I would urge the board to -- to think about
8 writing a letter to these airlines and asking them
9 if they would consider tagging into -- into
10 St. Augustine, let's say, once a day or twice a
11 day, because you already have your -- your -- your
12 terminal. You already have the inspectors down
13 here. You already have your security set up.

14 So, it wouldn't -- all it would mean would be
15 excess revenue. And there's certainly a lot of
16 people from -- from Palm Coast all the way up to
17 the Duval County line that would rather come down
18 here to St. Augustine to take an airplane to go to
19 Chicago or New York or Dallas.

20 Now, I was personally -- I personally
21 tagged -- 12 years ago, we tagged Savannah. We
22 had five -- do you remember that, Kelly? Five
23 flights a day from -- from Jacksonville to Dallas
24 and back. And all we did was split off two -- two
25 flights that went up to Savannah and picked people

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 up.

2 Now, you can -- we code -- we didn't even
3 co-chair those -- or coded those. We just coded
4 those one flight number from Dallas to Savannah
5 through -- through Jacksonville. But it's -- how
6 is it working? It's working great. And I
7 understand from my sources that they're going to
8 tag another flight into Savannah.

9 So, we are eligible down here to do just that
10 and to get other airlines involved. And I -- as I
11 look around, we're -- the destinations are that --
12 of airlines that are up in Jacksonville, we're not
13 in any competition with going into Columbus, Ohio.
14 So, that wouldn't -- that wouldn't freak Sky --
15 Skybus out. Anyhow, if you haven't done it,
16 please consider it.

17 CHAIRMAN GREEN: Thank you. Any other public
18 comment? Okay. Oh, I'm sorry, go ahead.

19 MR. PARKER: I'm -- I'm Rick Parker. I --

20 I'm a resident and an employee of Northrop
21 Grumman. It's -- 6th and North is -- is where I
22 live. I'm just wondering if there's an update on
23 the purchase of any more properties for the
24 airport extension?
25 CHAIRMAN GREEN: Huh-uh.

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 MR. PARKER: I haven't been to any of the
2 meetings in pretty while. So, that's the only
3 reason I'm asking.

4 MR. WUELLNER: No. There's nothing ongoing
5 at this time.

6 MR. PARKER: Okay. So, the -- I guess the --
7 won't go any further in the Araquay area, I guess.

8 MR. WUELLNER: Correct.

9 MR. PARKER: Is that correct?

10 MR. WUELLNER: Correct.

11 MR. PARKER: So, in the future, it should
12 be --

13 MR. WUELLNER: North of -- would be well
14 north of North Boulevard.

15 MR. PARKER: Okay. Great. That's a good
16 answer. Thank you.

17 CHAIRMAN GREEN: Okay. Any more public
18 comment?

19 MR. JONES: I'll do a couple more things.

20 CHAIRMAN GREEN: Oh, I'm sorry. Joe, I asked

21 you --

22 MR. JONES: Joe Jones, St. Augustine. Yeah,

23 considering this thing with Grumman, you know, and

24 having to delay everything, I know you're

25 projecting good revenues and everything from the

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 airlines and everything, but that's still
2 speculation and everything. And you've got your
3 bids coming out what, on the 28th. And you're
4 already talking about a second FBO because of the
5 hangars and everything that you're fixing to
6 build.

7 Like Mr. Martinelli was trying to tell you a
8 few times before, you might just want to take a
9 deep breath after you get your bids in and look at
10 your revenues that you're really going to get.
11 Give it a little bit of time, maybe even a year,
12 before you commit to borrowing money to build
13 hangars and everything else.

14 With interest going up, you're -- you're
15 renting them out at 7 percent. Interest at 7
16 percent, so you're almost going to be nil on that.
17 So, you'll just give yourself a little breathing
18 room until you see what's really happening with
19 the new airlines and everything else, you know?

20 Because the revenue is not going to come in like
21 you projected right off the bat, you know.
22 Because you were banking on Grumman. And you
23 can't really bank on something with the new
24 airlines and say it's going to happen until you
25 see it happen. Because you know how many times

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 you see startup businesses don't start up very
2 long.

3 Don't say anything. When you get your bids
4 in, take your time and, you know, just don't rush
5 into nothing.

6 CHAIRMAN GREEN: Thank you. No further
7 public comment?

8 (No further public comment.)

9 CHAIRMAN GREEN: Board comment? Kelly?

10 12. - AUTHORITY MEMBERS

11 MS. BARRERA: No, I don't have any comment,
12 except to say that attending the conference in
13 Washington was very enlightening. I think we were
14 able to be brought up to date on several issues,
15 and it was very informative.

16 CHAIRMAN GREEN: Okay. Randy?

17 MR. BRUNSON: Okay. I -- pops in my mind is
18 I'd like to thank the visitors being here. We
19 look around and you see a lot of familiar faces.

20 And I'd like to thank Peter Guinta from The
21 St. Augustine Record being here. And I know
22 you'll have some good comments on -- in the front
23 headlines tomorrow morning. Thank you, Pete.
24 But we do -- we do have -- we have a visitor
25 from a FBO, Dominion, is here, and all of the

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 people from Galaxy that we think so much of. And
2 so it's nice to have so many visitors here.

3 I would like to get an update on Wayne
4 George, if I may, who we miss here. And can you
5 tell us anything?

6 MR. WUELLNER: Kind of in a incommunicado
7 state right now.

8 MR. BRUNSON: Okay.

9 MR. WUELLNER: He's not being allowed to talk
10 to anybody or have visitors or the like for about
11 another week.

12 MR. BRUNSON: Okay.

13 MR. WUELLNER: And -- but I did speak to him
14 one day last week.

15 MR. BRUNSON: Yeah.

16 MR. WUELLNER: He's making progress.

17 MR. BRUNSON: We miss him, and he adds so
18 much to the board here. And so we look forward to
19 him getting back.

20 MR. RAUHOFER: You know they took him back

21 into the hospital.

22 MR. WUELLNER: When?

23 MR. RAUHOFER: On -- when did we have our

24 dinner? Saturday.

25 MR. WUELLNER: Saturday?

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 MR. RAUHOFER: Yeah.

2 MR. WUELLNER: Okay.

3 MR. RAUHOFER: He had a bad night Friday,
4 and -- and I talked to the nurse up there. And
5 when they took -- on Saturday, because I had
6 understood from Len Tucker that he had gone back
7 in and he had had -- he's stable. That's what the
8 nurse told me. Otherwise -- you know, she can't
9 give out -- give out that information. But
10 he's -- he's stable.

11 MR. BRUNSON: Good.

12 MR. WUELLNER: That's good. I didn't know
13 that.

14 MR. RAUHOFER: Yeah.

15 MR. BRUNSON: And like Kelly said, we did
16 attend the AAAE, and I was impressed with this one
17 as much as any I've been to. We brought back a
18 lot of good things. I was very impressed with the
19 chairman of Skybus and his presentation. And I

20 can't say his last name, but --

21 MR. WUELLNER: Diffenderffer.

22 MR. BRUNSON: Diffenderffer. But anyway,

23 he -- this -- this guy is a real go-getter. And

24 I'm pressed that they've raised more money than

25 Jet Blue in their financial outing.

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 We -- we were privy to have the Secretary of
2 Transportation speak to us with six of her Secret
3 Service people around her every moment. And we
4 saw our tax dollars at work. And -- but it was --
5 and I'm excited about Skybus and excited about the
6 new hangars, and I'm excited about this good board
7 that we have now.

8 That's all I have, Madam Chairman.

9 CHAIRMAN GREEN: Okay. The only thing I
10 wanted to add, we did have a representative from
11 Sky Harbor also that was here. Mr. Edwards was
12 here and left earlier. So, I know those two are
13 very interested. So, I'm glad we're looking -- at
14 least taking our time, but looking into what's
15 available out there.

16 I -- I know I'm excited about Skybus from our
17 last public meeting we had when we were allowed to
18 at least disseminate it was coming out. I told Ed
19 this: I'm pretty active with the sports alumni

20 associations that have their clubs out of
21 Jacksonville and Ponte Vedra. And Ohio State has
22 their largest alumni association out of Ponte
23 Vedra/Jacksonville, and I think they booked up 80
24 percent of those flights, that night.
25 So, they're -- because they fly to Columbus.

AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 I mean, they really got on board with it. And
2 they're very excited. I've heard from their
3 president twice. So, that's need out there, and I
4 hope we're filling it.

5 13. - NEXT MEETING DATES

6 CHAIRMAN GREEN: All right. Next thing we
7 have is our next meeting date. We have the
8 financial workshop June 27th at 4:00. Then we'll
9 have our July 12th FBO discussion workshop at
10 3:00, and then our regular meeting following at
11 4:00.

12 And I encourage anybody who's interested in
13 discussing the FBO on the 27th, our budget, so
14 that would be great to have input from the public
15 on that. Okay. That's everything. We're
16 adjourned.

17 (Meeting adjourned at 5:26 p.m.)

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AIRPORT AUTHORITY REGULAR MEETING - JUNE 18, 2007

1 REPORTER'S CERTIFICATE

2

3 STATE OF FLORIDA)

4 COUNTY OF ST. JOHNS)

5

6 I, JANET M. BEASON, RPR-CP, RMR, CRR, FPR,

7 certify that I was authorized to and did

8 stenographically report the foregoing proceedings

9 and that the transcript is a true record of my

10 stenographic notes.

11

12 Dated this 26th day of June, 2007.

13

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JANET M. BEASON, RPR-CP, RMR, CRR, FPR

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