

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, April 15, 2013

6 from 4:00 p.m. to 7:15 p.m.

7 * * * * *

8 BOARD MEMBERS PRESENT:

- 9 CARL YOUMAN, Chairman
- ROBERT COX, Secretary-Treasurer
- 10 KELLY BARRERA
- JOSEPH CIRIELLO
- 11 MATTHEW MERCER

12 * * * * *

13 ALSO PRESENT:

- 14 DOUGLAS N. BURNETT, Esquire, St. Johns Law Group, 509
- Anastasia Boulevard, St. Augustine, FL, 32080, Attorney
- 15 for Airport Authority.
- 16 EDWARD WUELLNER, A.A.E., Executive Director.

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- JANET M. BEASON, RPR, RMR, CRR, FPR
- 21 St. Augustine Court Reporters
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1 PROCEEDINGS

2 CHAIRMAN YOUMAN: The Northeast Florida
3 Regional Airport, St. Augustine-St. Johns Airport
4 Authority meeting Monday, April the 15th is called
5 to order. May we stand and say the Pledge of
6 Allegiance, please?

7 (Pledge of Allegiance.)

8 CHAIRMAN YOUMAN: Welcome to everybody. I
9 hope everybody had a good weekend. It's been 30
10 days since our last meeting so that we can
11 reconvene and have some more fun today.

12 MEETING MINUTES AND FINANCIAL REPORT

13 CHAIRMAN YOUMAN: Meeting minutes and -- are
14 there any corrections or amendments to the meeting
15 minutes?

16 (None.)

17 CHAIRMAN YOUMAN: Minutes are approved as
18 distributed. Any corrections or amendments to the
19 financial report? Would you like to --

20 MR. COX: None.

21 CHAIRMAN YOUMAN: -- give a report, please?

22 MR. COX: Nothing to report on the financial
23 report. I looked over the financial. Everything's
24 square.

25 CHAIRMAN YOUMAN: Minutes are approved as

4

1 distributed -- or the financial report is approved

2 as distributed.

3 MEETING AGENDA APPROVAL

4 CHAIRMAN YOUMAN: Meeting agenda approval.

5 Are there any correct -- corrections or amendments

6 to the meeting agenda?

7 (None.)

8 CHAIRMAN YOUMAN: The agenda's approved as

9 distributed.

10 EXECUTIVE DIRECTOR'S REPORT

11 CHAIRMAN YOUMAN: Executive director's report,

12 please?

13 MR. WUELLNER: Just a couple -- just a couple

14 of items of interest related to the -- to grant

15 projects. The work continues on design of Taxiway

16 Delta 3. The drainage associated with that and

17 what will become a part of that project, which will

18 be the mill and overlay of about approximately 80

19 to 85 percent of Runway 2/20 will be completely

20 rehabbed as a part of this job.

21 That will complete really other than the small

22 section as it joins Taxiway Alpha on the east

23 side -- other than that small section which will be

24 picked up in that project later, that'll completely

25 bring all the main runway and both secondary

5

1 runways into really brand new pavement over the
2 last 12 months. So we look forward to getting that
3 worked in there. That'll greatly -- I think that
4 takes care of the last major piece of pavement with
5 the exception of Alpha system that hasn't been --
6 that's been re -- rehabbed. So it's a -- we're in
7 a good place with pavement. So it's almost like a
8 brand new airport in many respects.

9 That looks like -- if I were guessing right
10 now, I would tell you that over the summer is when
11 that project will be put under grant. It could
12 happen a little sooner. I saw a little release
13 Friday, indicated that FAA was rumbling that they
14 were going to get those grants beginning the
15 process over the next few weeks. So it's possible
16 it will pop out of here in the next few months and
17 be ready to roll by sometime during the summer.

18 It's not a particularly complicated project.
19 I think we're only allowing a 90-day, might be as
20 long as a 120-day suspense on the entire job
21 because it's just not that physically big an area.
22 But hopefully we'll be able to get that rolling
23 this summer and get it open and get it closed and
24 be sitting in a good place by fall.

25 What else can I tell you? Oh, just a few

6

1 things. We're -- we finished our licensing
2 inspections and all those. There were no -- no
3 substantive issues on any of that. And I would
4 point out we're going to have -- oh, we have the
5 events coming up, I guess those are actually
6 covered later in the agenda, with TPC and Aerospace
7 Academy Family Fun Day coming up later in the
8 month. So those dates are later in the agenda and
9 we'll touch on them. That's really all I've got.

10 We've had a bunch of things going on, but
11 they're largely covered under the topic of the
12 tower, so I'll touch them when we get to that --
13 that particular agenda item here in a minute.

14 CHAIRMAN YOUMAN: Any questions for
15 Mr. Wuellner?

16 (None.)

17 BUSINESS PARTNER UPDATES

18 CHAIRMAN YOUMAN: Business partner updates.
19 Mr. Sanchez I believe has called in and will not be
20 here. Mr. Slingluff is not here. Reba Ludlow for
21 SAAPA is not -- not here. Since I went to the
22 SAAPA meeting, I'll just give you a brief recap.
23 The fire marshal was -- would you like to give a
24 recap of the meeting?

25 MR. CROSBIE: You were there.

7

1 CHAIRMAN YOUMAN: Okay.

2 MR. CROSBIE: Sorry.

3 CHAIRMAN YOUMAN: Okay, Ryan. I was just -- I
4 didn't want to --

5 MR. COX: Is Ryan the fire marshal now?

6 MR. CROSBIE: No, no. You.

7 CHAIRMAN YOUMAN: The fire marshal came and
8 gave a presentation, and there was only about five
9 people in attendance at the meeting. It was
10 just -- it was a real shame. It was a very
11 interesting presentation.

12 And what was good about the comments is that
13 people like Ryan are doing an excellent job out
14 there monitoring the hangars. And the fire marshal
15 said that if any incidents are picked up in his --
16 his inspections, that they are taken care of
17 immediately and followed up on and he's very happy
18 with the administration of the airport in
19 inspection activities in hangars. You just walked
20 in in time. Are you going to stop there and give
21 us a talk?

22 MR. SLINGLUFF: Good afternoon. Nothing new
23 to report.

24 CHAIRMAN YOUMAN: I knew that was coming.

25 Mr. Nehring?

8

1 MR. NEHRING: I have nothing.

2 CHAIRMAN YOUMAN: Norman Gregory is not here.

3 Mr. Zimmerman? I haven't seen him in a couple of
4 meetings.

5 MR. WUELLNER: He's had some health issues.

6 CHAIRMAN YOUMAN: Has he really?

7 MR. WUELLNER: Yes.

8 CHAIRMAN YOUMAN: I didn't know that.

9 MR. WUELLNER: Last month you had Peter Apol
10 here as -- because of that.

11 CHAIRMAN YOUMAN: Mr. Burnett?

12 MR. BURNETT: Thank you. I'll cover a little
13 bit of Commissioner Sanchez and maybe a little bit
14 of Norm Gregory's turf on this one since they're
15 not here. But it's really interesting I think to
16 the airport.

17 Two weeks ago, the Board of County
18 Commissioners took the first step to approve an
19 economic incentive for Grumman, and it's on the
20 commission's agenda tomorrow. It's a consent item
21 and it's to approve an economic incentive for
22 Grumman.

23 And it basically waives impact fees, water and
24 sewer connection fees and up to four years' ad

25 valorem tax dollars. It's about \$2.9 million of

9

1 incentives for expansion of Grumman in capital
2 improvements and creation of new jobs and those
3 kinds of things. So the county is showing some
4 support for economic development over here at the
5 airport, which is a -- a neat thing. And since I'm
6 over at the county often, I figured I'd share that
7 with y'all since I know Commissioner Sanchez
8 certainly would have if he had been here.

9 One other thing. The -- there's been this
10 house bill banter about out there, House Bill 881,
11 which would say essentially that special districts
12 such as the airport, if they were to do a capital
13 improvements project, it would have to be approved
14 by whatever the local government would -- is that
15 covers the jurisdiction of the airport. So if
16 you're entirely in a city, for example, or here or
17 were entirely within a county, every capital
18 improvement project we went to do at the airport
19 would have to not only be approved here, but also
20 approved by the county commission.

21 That may fit in certain areas where you've got
22 airports that are within the jurisdiction of a city
23 or a county to make sure that's clear as to what
24 the authority is, but it doesn't really fit our

25 airport.

10

1 Right now, that bill is maybe -- maybe not
2 completely killed, but it's not -- not gaining a
3 lot of traction at the moment. So hopefully it
4 dies and we don't have any change in our authority.

5 It looks like that's -- and also the companion
6 Senate bill of that, which is 538, is not moving
7 anywhere, either currently. So both those things
8 are good developments for us.

9 CHAIRMAN YOUMAN: Since we're an independent
10 authority, chartered that way, that bill would
11 override?

12 MR. BURNETT: Yes, sir. It's a change in
13 Florida law.

14 MR. COX: Question.

15 MR. BURNETT: It's something that
16 Mr. Wuellner's been -- been on top of for some time
17 now. It's one of those things -- and things like
18 this come up from year to year in different little
19 ways.

20 In fact, the airport's gotten the benefit of
21 it over -- I don't know. The last thing that was
22 significant was airports were exempt from traffic
23 concurrency, so when we build improvements on our
24 airport, we don't have to subject ourselves to the

25 county's traffic concurrency requirements. So

11

1 we've gotten some good benefits along the way.

2 When those laws change, we watch them and see
3 what goes on, and this is one that was potentially
4 a negative impact on the airport that we've been
5 following. It looks like it's probably not going
6 to go anywhere, which is --

7 MR. WUELLNER: And it wasn't -- wasn't
8 constructed with airports in mind.

9 MR. BURNETT: True.

10 MR. WUELLNER: It wasn't something that was
11 targeted toward airports at all. It's just we got
12 caught up in the general language of independent
13 special district.

14 MR. BURNETT: And there's also hospitals that
15 are independent special districts. So the
16 hospitals started saying, okay, well, exempt us.
17 And so there's one exemption after another
18 exemption after another exemption of what was a
19 good thought. And so it's kind of died for that --
20 that reason.

21 CHAIRMAN YOUMAN: Mr. Cox?

22 MR. COX: That kind of went to my question.
23 How many of these areas or authorities are involved
24 in this in the state? It's not like -- you hope to

25 answer that by saying it's not airport specific --

12

1 MR. BURNETT: No.

2 MR. COX: -- of course, but are there

3 thousands or --

4 MR. HICKOX: 327 to be exact, because I was

5 watching the hearing.

6 MR. COX: Well, there you go.

7 MR. WUELLNER: Independent ones?

8 MR. HICKOX: Yeah, yeah.

9 MR. BURNETT: I mean, even -- even our county

10 we've got the Anastasia Mosquito Control District

11 and we've got Hastings --

12 MR. COX: In the same boat.

13 MR. BURNETT: Yeah, five of those states,

14 stormwater district, you know, that kind of thing.

15 MR. COX: Yeah.

16 MR. BURNETT: So that's all I have. I'm

17 obviously going to be speaking --

18 MS. BARRERA: Mr. Chairman, I have a question.

19 On the -- over the summer, we had a group come

20 out and present to us about regional

21 transportation, and I know that there's a bill

22 that's going through the state right now. And last

23 I checked with Ed on it, we hadn't heard that there

24 had been any significant changes to it, that

25 developing that Regional Transportation Authority.

13

1 Do we know where that's at and what the status of
2 that is and if it will have any impact on us?

3 CHAIRMAN YOUMAN: They're still working on it.

4 It hasn't been approved yet. That's all I know.

5 And it's -- this thing between the plan for a
6 regional authority versus the TPO in the first
7 place, because the TPO's a regional authority also
8 the way the counties are covered, and they haven't
9 come up with -- come up to a finalization on that
10 yet. There's a -- there's a regional freight
11 impact study that the TPO's conducting right now.

12 MS. BARRERA: With that new authority that
13 they're looking at trying to get legislation to
14 support, would the airport be represented?

15 CHAIRMAN YOUMAN: In what now? Say that --

16 MS. BARRERA: Would the airport have
17 representation?

18 CHAIRMAN YOUMAN: That, I don't know. I'd
19 have to check that out.

20 MS. BARRERA: Okay. Thank you.

21 MR. BURNETT: I'm not sure.

22 MR. WUELLNER: I think the -- if I remember,
23 the intent of that organization was to do very
24 broadly fundraising or money identification for

25 these large scale transportation projects in the

14

1 Northeast Florida region.

2 There didn't appear to be -- in the few
3 meetings I attended early in this process, which is
4 when they were studying the study, there didn't
5 seem to be any broad consensus on what benefit it
6 would be to even create the authority, let alone
7 any consensus on how some funding situation could
8 be arranged.

9 You've got, what, five different -- I think
10 it's five different counties in the region and
11 everybody's got their own opinion as to what --
12 what ought to happen and how it ought to be paid
13 for. So that usually spells disaster up front or
14 an ineffective kind of government agency.

15 I know personally I viewed when I read it as
16 just another layer of no need for it. You have a
17 TPO that's doing about 90 percent of that same
18 thing and the Florida Department of Transportation
19 doing the rest, so...

20 CHAIRMAN YOUMAN: Plus the fact, just like Ed
21 said, paying for it.

22 MR. WUELLNER: Yeah. These are big dollar
23 projects. These are, you know, hundreds of
24 millions of dollars at a time, not --

25 MS. BARRERA: Oh, I understand. I just want

15

1 to make sure that we're staying on top of it and
2 that we're keeping our eye on that because it is
3 moving through.

4 CHAIRMAN YOUMAN: Thank you.

5 MR. WUELLNER: I don't know what the final
6 form of the bill was. I know at one time they were
7 discussing essentially letting the TPO members be
8 that board also, but I don't know whether that's
9 how it got drafted, to be honest with you.

10 MS. BARRERA: Okay. Thank you.

11 MR. WUELLNER: We can do a little follow-up.
12 We'll figure out what the bill is and see where
13 it's going, if it's going anywhere. I think it's
14 considered a local bill or -- I don't even think
15 it's a -- yeah, I don't know. It was kind of being
16 spearheaded by JTA as I recall --

17 CHAIRMAN YOUMAN: Uh-huh.

18 MR. WUELLNER: -- as they're looking for other
19 money sources to do their big projects.

20 CHAIRMAN YOUMAN: Particularly for mass
21 transit.

22 MR. WUELLNER: Yeah.

23 CHAIRMAN YOUMAN: That's -- that's where the
24 key -- that's where the key focus is.

1 AIR TRAFFIC CONTROL TOWER CLOSURE

2 CHAIRMAN YOUMAN: All right. Our first agenda
3 item air traffic control tower closure,
4 Mr. Wuellner.

5 MR. WUELLNER: Going to try a little different
6 format for the presentation here. So hopefully
7 we're going to -- it's all going to work out here.
8 Very good so far. Good so far. All right.

9 Assuming I can -- this will pull off, I'm
10 trying a little different format for presentation.
11 Hopefully you'll find it a little more entertaining
12 than the standard PowerPoint, but we'll see.
13 Anyway a picture of the air traffic control tower.
14 Got a couple of things I want to cover today.
15 Okay. We're already frozen up. That's a good
16 place to start.

17 MR. COX: There you go.

18 MR. WUELLNER: All right. Let's try this
19 again.

20 MR. MARTINELLI: That's a nice tower.

21 MR. WUELLNER: All right. Anyway, the key
22 items for today, I'm not going to stand in front of
23 the mic, but a little bit of a status report. A
24 quick review of the data for everyone's benefit.

25 We come to our first decision point relative to

17

1 this. We'll talk about the nonfederal air traffic
2 control program. There'll be a little decision
3 point after that and then we'll talk briefly about
4 how we would -- or are moving forward with how --
5 looking at alternatives for paying for it.

6 First is a status report. Status report, we
7 have a revised closure date that you're probably
8 aware of already. I think we sent stuff out to
9 you. But if nothing changes at this point, the
10 tower is scheduled to close at the conclusion of
11 June 15th's operations.

12 The only good news in that discussion --
13 actually there are two pieces. One is we got till
14 June 15th out of this. And the only other good
15 piece of news is at least it moves us past through
16 TPC, which was a subject of a stand-alone request
17 we had made already to the administrator.

18 Next, litigation activities. We promised we'd
19 bring you up to speed on that. But there are over
20 20 separate lawsuits been filed as of this date
21 against the Federal Aviation Administration. These
22 are by communities all over the country. And
23 several different district courts are involved in
24 hearing those cases.

1 date of closure to June 15th was that the emergency
2 filing as it would take through the federal courts
3 was abandoned and they're now taking a more normal
4 route because there's more time on the schedule to
5 deal with it. That may or may not be to our
6 benefit, but we'll see.

7 We did look into the intervenor option, and
8 numbers came back in the \$30- to \$50,000 range to
9 retain a firm. And that is really just to sort of
10 attach yourself to someone else's lawsuit. And
11 that number could continue to climb as you continue
12 to litigate it. So we have not jumped on that --
13 that -- that option at this point.

14 We have offered to participate at a much lower
15 level, in the \$5,000 range, with AAAE who has filed
16 their own suit in this -- this entity. The
17 advantage to the AAAE suit is depending on the
18 narrowness of a ruling if and when it does come
19 out, AAAE's lawsuit in -- already brings every one
20 of 149 towers into the lawsuit.

21 Whereas, the individual lawsuits, you'd have
22 to go through that intervenor part in order to be
23 attached to the lawsuit. So if a judge narrowly
24 ruled, as I understand it, it could be that you

25 are -- you may still be outside looking in

19

1 depending on how it's filed.

2 FAA's appeal request is being prepared, and so
3 far I have not heard anyone that's actually had a
4 hearing yet or any other thing in front of a judge
5 at this point. But some of them are making a way
6 to dockets as we go.

7 All right. FAA continues to avoid the
8 questions, which has been a real problem up to this
9 date and continues even now. Now, we've
10 participated on a staff level on numerous
11 conference calls with FAA, including one over
12 one-hour conversation with FAA administrator Huerta
13 and their chief operating office -- officer David
14 Grizzle. And the common theme emerged among all
15 the airports on the call -- there were over 200
16 people from different airports participating in
17 this call -- is the fact that FAA was not returning
18 calls, was not returning e-mails, and in fact were
19 providing almost no answers to anyone about
20 anything related to this.

21 And the con -- conversation appeared to be
22 that FAA was ill prepared to move it forward. And
23 that conversation occurred really 48 hours ahead of
24 them extending it to June 14th, which kind of

25 illustrated that they weren't prepared to deal with

20

1 the -- with the quickness of closures, too. The
2 overwhelming response from FAA throughout that over
3 one hour was "We'll get back to you on that." They
4 have yet to do that with anyone.

5 MR. HICKOX: Could I also point out, Ed, for
6 you that's that also happening with other federal
7 agencies, including the FCC.

8 MR. WUELLNER: Is that right?

9 MR. HICKOX: Yeah. Same -- the same response.

10 MR. WUELLNER: They really just don't seem to
11 have any idea what -- what the process needs to be
12 in getting information out. They have -- they have
13 already rescinded the first guidance they gave us.
14 Have promised new guidance. That has yet to
15 materialize either. My suspicion is it won't come
16 out until much later.

17 Which brings us to the new legislative energy
18 to resolve here, which is House and Senate bills
19 have been filed at this point. Both versions
20 pro -- prohibit closure of towers by FAA for the
21 next two years. They're making their way through
22 committees right now.

23 You have Senator Bill Nelson as a cosponsor.
24 I didn't update the slide here, I meant to catch

25 that earlier, but we got word late last week that

21

1 Senator Rubio is also a cosponsor on the bill and
2 Representative Ron DeSantis is supporting the bill
3 at this point. But last I heard, he had not signed
4 on as an actual sponsor for it, but is supporting
5 it.

6 And basically it's Senate Bill 687, which the
7 way it's written appears to be the same bill for
8 both houses. So it simplifies, doesn't make you go
9 into that -- I can't think the name of it off the
10 top of my head, but that point where both -- a
11 joint committee to work out all the differences.
12 It's a very simple two-page bill, which is an
13 extremely unusual event in itself, I understand.

14 Jump back here. All right. Let's walk
15 through the data real quick as to why at least from
16 our staff perspective we believe it's critical that
17 the tower remain open. And operations data and the
18 top 20 contract tower operations numbers. And
19 here's the operations data.

20 What we did was take the 2008 through current
21 year 2013. You have the monthly information,
22 monthly number of operations that run across this
23 direction. What we did was simplify and total it
24 to the right-hand side for you so you get a feel

25 for what the annual operations are.

22

1 But I think it's easy to see that 2013 is off
2 to an awfully strong start in terms of numbers.
3 And when you -- when you look at 40,000 almost
4 operations for the first quarter, if you could
5 average that over the year, you're really looking
6 at something slightly under potentially 160,000
7 takeoffs and landings for the current year if that
8 level were to hold.

9 The -- across the top, I wanted to point out
10 in the green here is this is the number of
11 operations that would be required each month to get
12 150,000 operations. So you can see we're off to a
13 very strong start this year. Along the bottom, I
14 just wanted to point out that the previous Airport
15 Master Plan, there were milestones of prediction in
16 the forecasting of that master plan in 2005-2006.
17 And you get a feel for the numbers.

18 Potentially, you're -- you have a chance this
19 year to exceed the 20 -- year 2023 forecast into
20 operations for the airport at the current pace.
21 Anybody need more time on that? A little
22 overwhelming data, I know.

23 I did want to show you that based on the last
24 evaluation of contract towers, this -- this got

25 confused by a number of people after the last

23

1 meeting. We are referring to contract towers, not
2 towers nationwide, all of the towers. So when
3 we -- when I quote this, it's related to that. And
4 we are -- there's the list at of the top towers --
5 and somehow I blew right through the second one.
6 Let me go back one. Go back one. I guess I didn't
7 link it in. But in any case, St. Augustine's
8 located 17th here. And this is for the calendar
9 years 2011 and 2012.

10 So when you average the data for the two
11 years, which was how they did this report, we are
12 17th busiest contract tower in the country. So I
13 have yet to be able to rectify that level of
14 operation to the decision to close the tower in the
15 first place, but --

16 MR. COX: Very quick comment, Ed.

17 MR. WUELLNER: Sure.

18 MR. COX: On the radio this morning they were
19 announcing that Northeast Florida Regional Airport
20 was the busiest airport in Northeast Florida.

21 MR. WUELLNER: It is by operations.

22 MR. COX: I just wanted to pass that out.

23 MR. WUELLNER: That's a very good point.

24 MR. COX: It was in there.

25 MR. WUELLNER: Okay. That takes us to

24

1 basically decision point one as I see it, which is
2 a very fundamental question, and it's really --
3 this is why we're -- why we're here today I think
4 is essentially should the airport remained
5 controlled or should it revert back to uncontrolled
6 status as of June 15th?

7 So that's really a yes or no kind of question
8 for the Airport Authority. And I suspect we
9 already know the answer, but you probably need to
10 at least get some consensus on that, Mr. Chairman.

11 MR. COX: Action item consensus.

12 CHAIRMAN YOUMAN: I'd like to ask for a motion
13 that --

14 MR. COX: He's just looking for consensus.

15 CHAIRMAN YOUMAN: Consensus?

16 MR. COX: Consensus on it. Do you need a
17 motion, Ed?

18 MR. WUELLNER: You can do it in either form.
19 It doesn't really matter.

20 CHAIRMAN YOUMAN: Does the board feel better
21 with a motion or a consensus?

22 MR. MERCER: What are the options? I don't
23 know what we're voting on. Are we voting on the
24 policy of keeping the tower --

25 CHAIRMAN YOUMAN: Just the policy --

25

1 MR. WUELLNER: Just general direction.

2 CHAIRMAN YOUMAN: General direction we want to
3 keep the tower open at this point in time. We can
4 change that in the future without -- but just for
5 guidelines.

6 MS. BARRERA: I would be in favor of as a
7 consensus moving forward with keeping the tower
8 open.

9 MR. COX: I would agree with that.

10 CHAIRMAN YOUMAN: I agree with the consensus.
11 Joe?

12 MR. CIRIELLO: I agree.

13 CHAIRMAN YOUMAN: Mr. Mercer?

14 MR. MERCER: I'm certainly in agreement on
15 keeping the tower open, but, you know, I would need
16 more definite parameters before I could say I'm
17 voting in favor of something.

18 MR. WUELLNER: Understood.

19 Okay. With that, the nonfederal program --
20 because after June 15th, this is the only
21 methodology unless, and we all hope this is the
22 case, FAA solves this and extends it through the
23 fiscal year or hopefully longer than that and well
24 out into the future.

25 But in the event June 15 rolls around and

26

1 there is no longer a Federal Contract Tower
2 Program, we would have to enter in order to keep
3 controlled services here the nonfederal air traffic
4 control program. Which obviously has some
5 questions that I'm sure you have because they were
6 similar to the last discussion.

7 But what is a nonfederal air traffic control?

8 And it's essentially any air traffic control
9 facility not paid for by FAA. The federal program
10 included two elements. One was FAA employees
11 operate the tower. The other methodology was as a
12 federal contract tower facility. We fell into the
13 federal contract tower facility discussion.

14 Typically it's accomplished by a contractual
15 relationship or the airport auth -- airport in this
16 particular case employing the actual air traffic
17 controllers. But there are really two basic
18 methodologies. One, you hire a company that
19 provides ATC services or you bring them on board
20 and they're employees and they do the same
21 function.

22 The program's much simpler than the Federal
23 Contract Tower Program. The Federal Contract Tower
24 Program emulated FAA's operations almost to the

25 letter. On the nonfederal programs, it's a

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1 streamlined process. You don't have all these
2 federal requirements related to training, security,
3 all kinds of things. You can create your own
4 policies in that regard. They're not mandated from
5 the federal side as they are under the contract
6 tower program. So it's a simpler program to
7 administer. And as a result, you would expect it
8 to be less expensive.

9 It's governed by FAA's Advisory Circular 90-93
10 Alpha, which is the airport's advisory circular.
11 It's a -- it's a very short document, again a
12 couple of three or four pages, and it basically
13 only says you've got to have somebody in charge and
14 they've got to be able to keep the records as
15 they're -- as they're needed. And you have to have
16 certified controllers, meaning they have to meet
17 the basic requirements to be an air traffic
18 controller, which is an FAA licensed position. So
19 you can't just stick somebody up there.

20 I've got to tell you what it costs is
21 absolutely determined by the methodology that's
22 chosen to be in the program. That being as a
23 contract provider, we would expect those costs at
24 least to be in the \$600,000 plus number annually.

25 RVA if you remember gave us an estimate of

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1 about \$52,000 -- I think it was \$51,800 per month.

2 When you do that, it's nearly \$600,000 for the

3 year. Not only that, while we could -- we could

4 contract initially likely as an emergency provision

5 for a couple of months, you would need to go

6 through a normal competitive bid process to --

7 where we'd send out a solicitation of some sort and

8 receive bids for the services we identified.

9 The downside to contractor-provided services

10 is that you're limited by whatever you scoped in

11 the contract. So it may be difficult to change the

12 parameters of that contract as you go on. And what

13 I mean there is you -- depending on how the

14 contract's written, it may be difficult to scale

15 back the number of hours, the number of individuals

16 in the tower. You may -- if you have budget issues

17 or whatever, you may be bound to the contract. So

18 you've got -- you've got to kind of work those

19 contract issues out or think through them before

20 you go out and solicit bids and ultimately enter

21 into a contract agreement.

22 The next methodology of course is as an

23 employee. Our best guess based on running numbers

24 we saw, you're down to about \$480,000, and that

25 number does include the FAA reimbursable

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1 agreements. FAA requires you when you are in the
2 nonfederal program to pay for things that are
3 normally included in your tower as a non -- as a
4 federal program.

5 Examples, there are dedicated data and
6 telephone kind of lines from the tower up to
7 Jacksonville to -- to the approach control as well
8 as to other towers. That allows instantaneous
9 communication via telephone. They literally pick
10 up the phone and they're speaking to someone at the
11 other end. In theory, anyway. Any other data
12 related to NOTAMs and the like, that kind of thing
13 is reimbursable to FAA. My recollection is that's
14 an expensive \$12- to \$15,000 a year just for the
15 data phone kind of setup because of the kind of
16 line that's involved.

17 What we are hearing is that the FAA-maintained
18 equipment in the tower, which is just some, we'll
19 call it some miscellaneous hardware in there, the
20 majority of the tower equipment the airport already
21 owns. We own. But there are a few pieces that FAA
22 installed once the tower was rolling to help with
23 the -- with the movement of data. Primarily one of
24 them is the FIDO --

1 MR. WUELLNER: The FDO strips, which is
2 basically the flight plan information. There's a
3 machine there and the like. Effectively we have to
4 either -- we have to enter a reimbursable agreement
5 to maintain that and again another data line.

6 Looking at insurance liability quotes that are
7 out there looks to be a \$20- to \$30,000 kind of
8 uptick. But that's for \$25 million worth of
9 liability. So those are big -- those are big
10 liability numbers. And we could probably do some
11 work on that, too. And I'm not sure that
12 considered -- I need to just point out, I'm not
13 sure that considered as employees the -- any
14 implications related to Florida's sovereign
15 immunity law. So we -- that may play in those
16 rates and charges. In theory, they would be lower
17 not higher, as a result of that.

18 All right. So what does it all mean no longer
19 in the federal program? We -- the problem I see is
20 we may never get back in the federal program.
21 While we've heard the language from Senator Nelson
22 that, oh, we can solve that, I wouldn't take
23 anything to the bank with any of them at this
24 point.

25 But he seems to think that we could get back

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1 in the Federal Contract Tower Program, they would
2 just insert language in whatever bill was necessary
3 to back -- or collect all those towers that were
4 removed and allow them to be eligible again for the
5 program.

6 That doesn't mean FAA would administer it that
7 way. It could very well be you go back through
8 the -- I'll call it the proving runs of your tower
9 again to reestablish your cost benefit ratios and
10 eventually get into a fiscal -- you know, when it's
11 funded kind of situation.

12 And considering that 149 towers were jumping
13 out at once, they are in no way ready to deal with
14 149 towers getting back in the program. Keep in
15 mind they typically added a few a year, was how the
16 program got to 149 towers in the first place. It
17 wasn't instantaneously 149 towers. So I'm not
18 entirely certain that will go as smoothly as they
19 seem to think it would. Especially if it drags
20 beyond June 15th. If we get out of the program and
21 you have to get back in, I think that's more --
22 definitely got more complication involved than if
23 the program continues and they work out the bugs
24 first.

1 for certain costs. And certain equipment, I do
2 want to point out, at this point they're saying
3 equipment such as STARS, which is the -- I forget
4 I'm holding that button. Sorry, guys. The STARS
5 equipment, which is the radar display that's in the
6 tower currently, that nonfederal towers are not
7 even eligible to have that device in the tower.

8 So it could mean that they come and confiscate
9 that equipment and store it rather than allow it to
10 be used in the tower. That would be a -- a big
11 blow to the tower operation as it -- as it stands
12 now. A lot of the efficiencies that they gain are
13 by their use of radar control prior to being handed
14 off by Jacksonville approach controllers.

15 So we would certainly be lobbying FAA to see
16 if that stuff can't be kept and maintained in the
17 towers, but there's no guarantee on that.

18 Currently you're even not eligible to get it.
19 Since it's here and, you know, there's a chance --
20 as long as we keep the door locked and don't let
21 them in to take it, there's a chance we can keep
22 using it. Just kind of kidding there. You had a
23 question?

24 MR. MERCER: Quick question, Ed. Thanks.

25 What's the relationship between the \$600,000 figure

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1 and the 480-? Is the 480 a part of the 6 or is it
2 in addition to?

3 MR. WUELLNER: Well, the 6 -- the 600,000
4 represents what we would expect to pay a private
5 contractor to do that. So it's got some profit and
6 overhead and some things of that nature in it that
7 bring it up to 6.

8 MR. MERCER: If we outsource the whole
9 function, in other words.

10 MR. WUELLNER: Correct. On top of that 6 -- I
11 didn't make it very clear on this. In fact, I
12 didn't even deal with it on the slide. But
13 regardless of whether it's employee or contract, we
14 have those FAA reimbursable things that would have
15 to be accomplished. That's not normally done as a
16 part of the contract with, say RVA in this case.

17 So you'd still have to pay FAA on these
18 reimbursable agreements. So I think you're looking
19 at a cost of 650, maybe as high as 670, 680 as the
20 all-in kind of cost by hiring a contractor. My --
21 the number I gave you on the -- on the employee
22 side included the number, so it's actually
23 significantly better. It's about a \$200,000
24 difference when you look at it.

25 MR. MERCER: So the 480 is the -- what I call

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1 the in-house solution.

2 MR. WUELLNER: Correct.

3 MR. MERCER: And the 600 is the outsource.

4 MR. WUELLNER: Very good way to say it, yes.

5 All right. That brings you to what I would
6 call decision two, which is generally at some
7 point, you're going to -- you would have to say
8 moving forward -- again, not -- not considering how
9 we're going to pay for it, that's a later
10 discussion, but based on just what you would save
11 alone, what we're looking for is just general
12 direction.

13 Would you -- based on the numbers you saw, the
14 complexities and the like, would you feel like it's
15 more advantageous to have them as employees or as
16 go out and keep it as a contractual relationship
17 with somebody else? And that's kind of where we
18 are with the decision at this point.

19 Again, this isn't trying to commit anybody to
20 anything. But I think really it seems obvious to
21 me that there are -- there are benefits as
22 employees versus going as a contractor, cost alone.

23 CHAIRMAN YOUMAN: Mr. Cox?

24 MR. COX: Ed, just explain for me so I can get

25 it clear in my mind as both -- from the

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1 employment -- if we employ the controllers as
2 opposed to the contract, does that have anything to
3 do with the equipment that we would keep or not
4 keep?

5 MR. WUELLNER: No, that stands independent.

6 MR. COX: Pardon me?

7 MR. WUELLNER: Take stands independent.

8 MR. COX: The equipment's independent. So it
9 doesn't matter if we have a contract services or we
10 hire the -- the controllers independently.

11 MR. WUELLNER: Correct. We have \$50- to
12 \$80,000 estimated, is what the cost is --

13 MR. COX: That's all nonfederal -- nonfederal
14 includes both of those groups right there.

15 MR. WUELLNER: Yes.

16 MR. COX: Okay. But RPA could still be the
17 same -- RPA, right?

18 MR. WUELLNER: RVA.

19 MR. COX: RVA could be the same contractor.

20 MR. WUELLNER: It could be, yeah.

21 MR. COX: All right.

22 MR. WUELLNER: Once it's bid openly, it may
23 very well be or it may very well not be. There are
24 other companies out there that provide the

25 services. So whoever is low bidder and then

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1 whatever the specifications are we put on the
2 street would ultimately be the bidder -- or the
3 contractor in this case.

4 CHAIRMAN YOUMAN: But -- but still, it would
5 be the -- the connect -- the connections between
6 here and Jacksonville that would remain or be
7 removed.

8 MR. WUELLNER: That -- that cost would need to
9 be remain -- it has to remain regardless of which
10 methodology here.

11 CHAIRMAN YOUMAN: And STARS, we -- they would
12 pull that out no matter which -- whether it's
13 contract or not --

14 MR. WUELLNER: That's the current policy, it
15 would be that those are removed. But -- but I
16 think there's some openness -- I think as you went
17 through this process, there's still an open door to
18 have the conversation with FAA.

19 Now, the downside to that is even if they
20 agreed, you're going to assume financial
21 responsibility for maintaining that equipment and
22 the data lines for it. So, it's -- and that's a
23 very expensive piece of equipment rel -- especially
24 relative to some of the other things that are in

25 the tower. The interface is expensive.

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1 MR. MARTINELLI: That's not in the 480.

2 MR. WUELLNER: It is not in 480 because it's
3 an known at this point. Whatever it is, it would
4 apply to both sides.

5 CHAIRMAN YOUMAN: And it's not under 600
6 either.

7 MR. WUELLNER: That's correct.

8 CHAIRMAN YOUMAN: I would like to ask for a
9 consensus. Do we employ controllers or do we
10 contract for services?

11 And my opinion, if you want to agree with it
12 or not, that's up to you, is that we employ
13 controllers directly. Just as a general guideline
14 for Mr. Wuellner, which of course is subject to
15 board approval later on as this progresses.

16 MR. WUELLNER: This -- and I -- I didn't make
17 this real clear either, but there's -- there's
18 another way to kind of ensure later that the
19 value's there relative to employee versus
20 contractor.

21 And one of those ways would be you could still
22 go out and quote or bid those services from
23 companies to give yourself the assurance that the
24 value -- that the -- what it would cost to contract

25 it still represents a value of employees, you know,

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1 that you employ -- I may have said that in reverse.

2 But us employing individuals as controllers,
3 you could assure yourself of that value by going
4 out and soliciting the services contractually and
5 see what the numbers come in. If it turned out the
6 two were basically a wash at the end of the day,
7 then the decision ultimately just becomes which --
8 which way do you figure -- feel is better -- better
9 in terms of covering that.

10 MR. COX: Yeah. I'd like to question you, Ed,
11 on the implications of training and insurance and
12 all the other issues that go along with having an
13 individual employee as opposed to contracting those
14 services through another company.

15 MR. WUELLNER: Right. The -- the training
16 requirements are whatever we decide they are, and
17 that's consistent with the nonfederal program at
18 all.

19 MR. COX: So the FAA's not going to say --
20 obviously they have to meet minimum -- certain
21 minimum standards for controllers --

22 MR. WUELLNER: Right.

23 MR. COX: -- but you're saying --

24 MR. WUELLNER: But that's it. You know,

25 you're -- once you're con -- once you're -- and

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1 correct me if I'm wrong because this more up your
2 alley I guess, but it appears once you're up to
3 snuff at a particular facility, there's not
4 necessarily an ongoing need other than on new
5 equipment or procedures or when FAA changes
6 something in a -- say a vocabulary standpoint or
7 some new terminology --

8 MR. COX: So you become an employee as all of
9 the rest of our employees are at the airport.

10 MR. WUELLNER: Right.

11 MR. COX: And they get health insurance and
12 insurance and all the other, you know, medical
13 and --

14 MR. WUELLNER: Yes, sir.

15 MR. COX: -- all the perks.

16 MR. WUELLNER: And that's included in that
17 number.

18 MR. COX: Oh, it's included in the 480.

19 MR. WUELLNER: It's all in there. It's all in
20 that number.

21 MR. COX: Okay.

22 MR. WUELLNER: That's a -- that's an all-in
23 number. We ran it as though they were employees
24 for purposes of calculating the costs.

25 MR. COX: Gotcha.

40

1 MR. WUELLNER: So that -- that is in that
2 number.

3 CHAIRMAN YOUMAN: And, Ed, then we could
4 hypothetically, if they are employees or contract
5 either/or work, with schools like Embry-Riddle or
6 Jacksonville for students to train in the tower
7 with the people that are here.

8 MR. WUELLNER: Absolutely. And that -- that's
9 an item we want to continue to pursue. It's just
10 not a quick solution. So, you could look at this
11 as there is a couple of phases how you move
12 forward.

13 One is this sort of stopgap, get you to the
14 end of the fiscal year approach. And you'll see
15 the same kind of thinking I suspect when we talk
16 about funding the operation. And then there'll be
17 how do you deal with this issue long term?

18 How do we make sure there's a sig -- you know,
19 a significant or enough of a revenue source there?
20 Are there longer term options that can augment or
21 reduce the costs such as including a school such as
22 FSCJ or someone else into putting in turn kind of
23 controllers in there to work with and perhaps
24 reduce it?

1 contract towers. We -- we talked about that for
2 years, about how to work that into a college
3 curriculum, too, so that -- and it's just from
4 FAA's standpoint, they do not want anyone up in the
5 tower, you know, handling airplanes that aren't
6 controllers. And you have that option as a private
7 sector in a nonfederal program to explore some of
8 those options. I'm not coming out and saying
9 that's --

10 MR. COX: I'm probably --

11 MR. WUELLNER: -- agreeable to you. I don't
12 know.

13 MR. COX: I'm probably the only one on the
14 panel or the board here that would agree with the
15 FAA's position on that. I don't want trainees in
16 the tower, either. And I really wouldn't like the
17 airport to become known as having a tower that's
18 got trainees in the tower because we've got a lot
19 of corporate traffic that will shy away from that.

20 MR. WUELLNER: Yeah. But, the -- the other
21 thing that's changed a lot in the last say ten
22 years, you know, FAA finally allowed private sector
23 schools and the like to create and absorb and
24 all -- and create curriculum for air traffic

25 controllers. Years ago, that was strictly FAA's

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1 bail -- wheelhouse and you just didn't get in the
2 middle of it.

3 Well, they -- but the other thing that's
4 happened is technology related to that. Now over
5 90 percent of the air traffic control is done in
6 simulator environment. It doesn't really
7 require -- it's much like a lot of flight training
8 these days, you don't really have to get out of
9 the -- out of the simulator to be pretty much ready
10 to fly the airplane, and it's kind of the same
11 mentality.

12 CHAIRMAN YOUMAN: Mr. Ciriello?

13 MR. CIRIELLO: Yes. Is there any way that
14 statistics from any airport that has traffic
15 controllers on accidents and such -- Mr. Cox
16 mentioned he wouldn't like to have a bunch of
17 students up in a traffic control tower, and I keep
18 going back to that one up in Beaver County that I
19 know about. And I don't know if they ever had any
20 accidents contributed. But those students aren't
21 up there by themselves.

22 MR. WUELLNER: Right.

23 MR. CIRIELLO: Every time there's a student in
24 that tower, there is an instructor, FAA instructor

25 right there with them. So they're -- it's not like

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1 you have some students up there just working on
2 their own. So I would like to know if there's any
3 way of getting statistics on accidents that had --
4 anybody that might have a tower with some students
5 in it. Because I don't -- I don't think it's
6 anything to really worry about.

7 MR. WUELLNER: We can -- we can certainly look
8 and see what we can come up with. There's a lot
9 out there these days as far as data. But
10 specifically I don't know that --

11 MR. CIRIELLO: You -- you told me that you did
12 have somebody working on this --

13 MR. WUELLNER: Yes.

14 MR. CIRIELLO: -- with that college up there
15 to try to get some information.

16 MR. WUELLNER: There --

17 MR. CIRIELLO: Maybe --

18 MR. WUELLNER: There and FSCJ.

19 MR. HICKOX: I bet your potential insurers
20 could tell you.

21 MR. WUELLNER: Probably. Very good question.

22 CHAIRMAN YOUMAN: Mr. Mercer?

23 MR. MERCER: Thank you. I have a question. I
24 guess, you know, this is framed as an either/or,

25 using the disjunctive. And I guess I'm trying to

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1 figure out how we're getting to it being one or the
2 other, where as last week, or last month rather, we
3 voted as a board to extend certain authority and
4 discretion to be vested on a temporary basis with
5 the airport director to be able to provide some
6 interim relief --

7 MR. WUELLNER: Uh-huh.

8 MR. MERCER: -- there being the possibility I
9 think and the hope that the federal government
10 would get its act together, if I can be blunt, and
11 would stop playing games with this political
12 football so we could actually have some clarity and
13 resolution for the distinguished men and women who
14 provide support to those of us who fly from the
15 tower.

16 I guess my suggestion is, it seems like it's
17 being framed as only two -- one of two paths we
18 have to decide on. I'm not sure I'm comfortable
19 with that, because it seems to me that there's a
20 very realistic possibility that this whole thing is
21 not going to happen. I mean --

22 MR. WUELLNER: True.

23 MR. MERCER: -- they've already moved the date
24 to June.

25 MR. WUELLNER: Agree.

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1 MR. MERCER: So I guess -- I guess I'm a
2 little concerned that I don't see that other option
3 up there.

4 MR. WUELLNER: We -- we are trying -- we are
5 presenting this -- and I -- I didn't explain it
6 very well. It's really the -- the worst-case
7 scenario discussion.

8 We -- if FAA continues in some form or fashion
9 the Federal Contract Tower Program, ob -- I think
10 perhaps obvious to everyone is that's the place we
11 want to stay and it makes the most sense. This
12 kind of picks up in the event without change June
13 16th we wake up, what's the plan? Are we
14 uncontrolled or are we controlled? That's kind of
15 what direction are we trying to head here?

16 We've got a -- kind of a scant 60-day
17 window -- literally today, a 60-day window to get
18 some plan of action ready to -- ready to implement
19 right ahead of June 15th so that we can remain open
20 at the -- at the point of closure when FAA -- if
21 FAA does not fund it. I think everyone wants it to
22 stay funded and that's the preferred method and
23 that would trump anything that you ultimately
24 decide over the next two months.

1 manageable -- manageable direction, for lack of
2 better words. Should the worst case happen, what
3 are we trying to -- what are we trying to head
4 toward? We've -- we've looked at methodologies,
5 what the program lets you. You know, we tried to
6 put some numbers there to give you -- give you a
7 feel.

8 We'll -- you know, the next meeting really
9 deals with how do we pay for it piece of it,
10 because what we want to do -- and I'm kind of
11 stealing my own thunder here in a minute, but one
12 of the things we want to do is convene a kind of
13 user group of people on the airport, businesses and
14 users, and let's get a meeting of the minds of some
15 recommendations we can bring back to you in May as
16 to how we would go about paying for this thing.

17 MR. MERCER: I mean, I guess where I'm coming
18 from is, isn't a third option if you have -- do we
19 employ controllers in-house, do we put out a lowest
20 competitive bid, RFP scenario, as option number
21 two? Isn't option number three really a
22 month-to-month interim basis continuing to use RVA
23 until the federal folks figure it out?

24 MR. WUELLNER: Yes, but I believe that to be

25 contract for services. Because at the point you're

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1 paying month to month, you are outside of the
2 Federal Contract Tower Program and you're now
3 nonfederal. And what -- all you've done is buy a
4 month or two while you go out and solicit bids for
5 a private contractor or formalize the
6 employee/employer relationship in the other
7 alternative. If that makes sense.

8 CHAIRMAN YOUMAN: You're still out of the
9 program.

10 MR. WUELLNER: We're basically buying it
11 month-to-month until we bid it competitively or
12 we're buying it month -- and if you did it as
13 employees, you could probably skip the
14 month-to-month contract side. But you -- it's an
15 option you could employ, too.

16 MR. MERCER: If we wanted to go month to month
17 with RVA, would we -- would we have any duty to do
18 a competitive bid?

19 MR. WUELLNER: Yes. They're -- they're not --
20 we do not have any contractual relationship with
21 RVA. And the best we're going to be able to do is
22 make the argument that on the -- on an
23 emergency/interim basis for a month or two, the
24 services are essential, the -- the Authority's

25 determined to be essential. That lets the service

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1 continue uninterrupted while we go through normal
2 competitive bidding process.

3 And at some point a month or two down the
4 road, we're tran -- this would transition to
5 whoever the low bidder was on a contract if that's
6 the direction you chose. It's just -- it's got a
7 process. We -- Florida Statutes governs that. We
8 can't just give that work out, especially at a
9 value of \$600,000 or more.

10 MR. MERCER: So we could use RVA just for a
11 patch before you go to a formal --

12 MR. WUELLNER: Yes. And that was the short
13 kind of plan here going into May 5th, the original
14 date. And if you remember at the last Authority
15 meeting I didn't have confirmation that we were
16 indeed going to be on the 5th.

17 We had kind of seen an interim list, but
18 didn't really know, and that's kind of start the
19 discussion about whether we wanted to give me the
20 authority for a month, blah, blah, blah. Turned
21 out we didn't need any of that. None of that had
22 to be expended because they continued the program
23 into June at that point. So both pieces of that
24 were good news for us.

1 Tower Program goes away June 15th or at any other
2 date for that matter, we've got to figure out what
3 we do from there. Is it -- we've got to look at in
4 earnest going out and soliciting bids, are we going
5 to look at bringing them in as employees? And then
6 the next piece obviously at that point is how do we
7 pay for it.

8 Before we commit -- I mean, we're not
9 committing anything today. I don't see the final
10 decision happening until your May -- whatever the
11 date is May -- May 20th meeting. May 20th, you'll
12 have the revenue options on the table as how we
13 think we can pay for it short term as well as going
14 out -- going further.

15 Assuming those numbers meet with your -- your
16 approval, you'll formally decide which methodology
17 you're going -- whether it's employees or
18 contractor. And you still have the ability even
19 then to go, look, let's just go uncontrolled and
20 we'll work through these details and then reenter
21 control. I mean, that's an option that's still
22 there.

23 I wouldn't necessarily recommend coming off
24 and going back on. There's a lot -- a lot of

25 federal stuff to fix in that on/off methodology.

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1 That's kind of the -- that's the only way I see
2 through it right this minute.

3 CHAIRMAN YOUMAN: Ms. Barrera?

4 MS. BARRERA: With -- how does the FAA's next
5 generation modernization -- implementation plan
6 come into play with what we're doing here when
7 we're talking about training, we're talking about
8 equipment, and we're talking about those aspects of
9 it?

10 MR. WUELLNER: I -- I wish I knew. I have no
11 idea. I have seen absolutely nothing about how
12 that I guess trickles down to visual towers such as
13 ours. I have no idea how that's -- how that's
14 proposed. Anybody heard anything?

15 MR. MARTINELLI: ADS-B?

16 MR. WUELLNER: Well, that's a radar-related
17 item.

18 MR. MARTINELLI: I know, but that's gets into
19 control, too.

20 MR. WUELLNER: Right.

21 MR. MARTINELLI: It takes more of the emphasis
22 off the towers and more on the individual.

23 MR. WUELLNER: Cause they have more data to
24 work with.

25 MR. MARTINELLI: Right.

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1 MR. WUELLNER: Which even makes the radar
2 display in the tower even more valuable because
3 that will give more detailed information on that.

4 MR. MARTINELLI: Right.

5 MS. BARRERA: And will we be the ones having
6 to purchase it?

7 MR. WUELLNER: That's a great question.

8 MS. BARRERA: And -- and what will --

9 MR. WUELLNER: I don't think it makes any
10 sense at all -- if there's an opportunity to stay
11 in the federal contract program, you stay in the
12 federal contract program.

13 MR. COX: Right.

14 MR. WUELLNER: That's -- that's by far the
15 best place to be. You have -- we have a -- have
16 had a hands-off relationship on air traffic control
17 here since the day we opened the doors. The only
18 thing we provide is the facility and the base
19 equipment up in the tower.

20 Every other part of this is governed by the
21 FAA contract with RVA. We are not a party to that.
22 I just want to keep making that point. None of
23 that money flows through the Airport Authority. We
24 don't write checks to RVA. We have no relationship

25 with RVA other than we host them in the tower.

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1 CHAIRMAN YOUMAN: Mr. Cox?

2 MR. COX: Ed, you're just bringing this to us
3 as information right now because you want us to
4 have or have formed some type of consensus for our
5 May meeting to give you direction on which way we
6 want to go?

7 MR. WUELLNER: Yes. And -- and the reason I
8 think we need -- I need some general direction --
9 you're free to change your mind later. That's --
10 you know, we get that.

11 MR. COX: Right.

12 MR. WUELLNER: But with some direction, we
13 know when we look at the revenue side of this how
14 are we going to pay for it. Am I trying to build
15 to a \$700,000 number every year or am I trying to
16 build a \$460- or \$480,000 number a year? Those are
17 big differences in looking at our revenue and our
18 ability to pay for it on an annual basis. So it --
19 you know, the challenge is different.

20 MS. BARRERA: The numbers you gave us, though,
21 are only \$120,000 difference.

22 MR. WUELLNER: I'm sorry?

23 MS. BARRERA: The numbers you gave us have a
24 difference of \$120,000.

25 MR. WUELLNER: That's correct. I -- I tried

53

1 to explain that a minute ago. But the number
2 really is about \$200,000 difference.

3 MS. BARRERA: I heard you say that.

4 MR. WUELLNER: Yeah. It -- it spools up to
5 about that number when you add those FAA
6 reimbursable agreements and the insurance side of
7 it. Keep in mind we're responsible for that either
8 way.

9 CHAIRMAN YOUMAN: From -- from the
10 conversation as I see it, we want to stay in the
11 RVA program under the FAA. We don't want to drop
12 out -- I mean, we don't want them to cut us off.
13 And the second thing, we do not want to close the
14 tower and just go to the noncontrolled environment.
15 I do believe we agree on that, or do we?

16 MR. COX: Yes.

17 MS. BARRERA: We had a consensus on the non --
18 on keeping it as a controlled tower.

19 CHAIRMAN YOUMAN: We want to keep it as a
20 controlled tower.

21 MS. BARRERA: We had that consensus.

22 CHAIRMAN YOUMAN: Just for guidelines, do we
23 employ controllers or do we contract for services
24 just to -- for Ed to have a general direction to go

25 in? And it would seem to me if the costs are 480

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1 versus 600, it's --

2 MR. WUELLNER: Versus probably 680.

3 CHAIRMAN YOUMAN: 680, whatever is a lot
4 higher, that it's really no decision. It's made by
5 the cost. Do we have a consensus that Ed work
6 towards employing the controllers? And don't
7 forget this is just a consensus to give him some
8 guidance.

9 MR. WUELLNER: We're not going out --

10 CHAIRMAN YOUMAN: Mr. Cox?

11 MR. WUELLNER: I promise we're not going out
12 and hiring anybody to do anything --

13 MR. COX: No, I mean, I just --

14 MR. WUELLNER: -- whether it's contractually
15 or as employees. It's just --

16 MR. COX: My -- my discomfort is with what are
17 the hidden costs going to be once we hire these six
18 or eight people to be out there, you know, and all
19 of a sudden it turns into \$680,000 anyway and we've
20 gone through the time and trouble and labor and
21 everything else to put this group together. I
22 don't have a problem either way; I just wish I knew
23 more about that virtual reality out there of --

24 MR. WUELLNER: Yeah. In the interim -- I

25 mean, if it -- either way, we're going to make the

55

1 request, because the next step is to get FAA's take
2 on what the reimbursable costs are going to be
3 because they will formalize that to us.

4 We had a commitment from the administrator --
5 the contract towers that are -- that are up for the
6 ax here had the commitment from the administrator
7 that FAA will not mark up those services and
8 those -- those charges. We found out that
9 historically they've been getting 30 to 40 percent
10 markup. FAA's been marking those services up when
11 they sell them back to -- to airports.

12 MR. COX: How nice.

13 MR. WUELLNER: But they have said and
14 committed that they will not do that. But we have
15 to ask them based on our equipment inventory in the
16 tower that belongs to FAA what that cost is. And
17 each tower has a slightly different --

18 MR. COX: What -- what's your experience in
19 the -- in the long time that you've been the
20 director with airports and all over the country and
21 stuff, with airports that are using nonfederal
22 control towers with their own employees?

23 MR. WUELLNER: That -- that used to be really
24 the norm. If you were outside of the -- it was

25 either FAA employees or cities or counties.

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1 Lakeland for a lot of years did it. Lake City

2 still does it. Valdosta's doing it.

3 There are -- it -- it lost favor because you

4 had the opportunity to stick it in the federal

5 program and divest yourself of a lot of that cost.

6 I mean, that was a no-brainer in and of itself.

7 Now we've come --

8 MR. COX: You feel comfortable if we went that

9 direction, then we could manage that very well?

10 MR. WUELLNER: Yeah, yeah. I wouldn't be

11 asking for the -- more problems, if that makes any

12 sense.

13 MR. COX: Sometimes you do when you present it

14 to us.

15 MR. WUELLNER: I'm comfortable with the bud --

16 the general budgetary number. I mean, I -- that's

17 not an exact number. I'm not going to sit here and

18 represent that's -- you know, 480's the end-all

19 number. We'll -- we'll get it polished up as we go

20 through here.

21 MR. COX: Yeah.

22 MR. WUELLNER: But that's the best guess I've

23 got based on the input we've been getting

24 systemwide.

25 MR. MERCER: I -- I for one to comment on

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1 Carl's point, I understand the 600 number because
2 you've got a flat -- probably a flat monthly
3 contract price and it is what it is and there's
4 overhead and margin factored into that.

5 MR. WUELLNER: Right.

6 MR. MERCER: I for one would feel more
7 comfortable in making a preliminary consist --
8 consensus decision if I had an itemization on the
9 in-house side.

10 MR. WUELLNER: Okay.

11 MR. MERCER: If we're saying 480 is really the
12 number, what's the breakdown of that --

13 MR. WUELLNER: Yeah.

14 MR. MERCER: -- so that I can analyze what
15 numbers are in it and see if -- if I'm satisfied
16 that the number is higher, lower, or right where I
17 think it ought to be.

18 The second thing aside from that -- and again,
19 I'll preface my -- my point for the record with
20 concern about any decisions, and I know this has
21 already been stated, but any decisions without
22 having the data or numbers. But fundamentally, I
23 think I would be more in favor of an outsource
24 approach.

25 I think one of the reasons that those of us in

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1 the room who are pilots feel spoiled when we fly
2 and when we fly our airplanes into St. Augustine
3 and we deal with our tower, is we have an
4 outsourced situation right now here at
5 St. Augustine Airport where you've got folks that
6 are very responsive, very professional, and do a
7 great job. You go to other airports and sometimes
8 there's a different feel, might be the best way to
9 put it. We're lucky here in St. Augustine.

10 I think having it outsourced to a private
11 company, ceteris paribus is probably a better way
12 to go because you're going to have greater
13 accountability from the -- from the opportunity
14 that the contract could later be changed if there
15 was a prolonged or -- or substantial decline in the
16 service quality over time.

17 MR. WUELLNER: Okay.

18 CHAIRMAN YOUMAN: Mr. Cox?

19 MR. COX: Those are great points. And I
20 would -- you just brought up a good point, though.
21 In -- on the flip side of that coin, if we ran into
22 a problem with an individual or individuals in the
23 tower and we had them employed directly, we could
24 manage that situation much more quickly than going

25 through a contract company to say, we're having

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1 issues with certain people in the, you know,

2 control side.

3 MR. WUELLNER: I -- yeah. Moving sort of past

4 the question, but one of the -- unless I didn't

5 link it in here some reason --

6 CHAIRMAN YOUMAN: Is -- is there any reason

7 that you can't do both at the same time, pursue

8 both avenues at the same time? Why does it have to

9 be a decision?

10 MR. WUELLNER: Can we --

11 MR. MERCER: Oh, you mean to get the options

12 for May?

13 MR. WUELLNER: You mean find the --

14 CHAIRMAN YOUMAN: Yeah, pursue both options.

15 MR. WUELLNER: We can do that.

16 CHAIRMAN YOUMAN: Pursue both options. The

17 only thing you -- you --

18 MR. HICKOX: You've only got two months.

19 You've got a drop dead --

20 MR. WUELLNER: I've got 30 days to get it in

21 front of you.

22 CHAIRMAN YOUMAN: But either way, we should be

23 ready for either choice if we have the data like

24 Mr. Mercer says in the background and comments

25 about whether or not the contract services could be

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1 better or not versus employed in-house.

2 MR. HICKOX: Ed, if you were hiring, how long
3 is your startup time? Because you're starting from
4 ground zero on the --

5 MR. WUELLNER: I mean, our intent would be to
6 hire the controllers we have. I mean, that would
7 be the direction. I mean, I don't think you're
8 going to find a local pool here that's any more
9 qualified than these guys.

10 CHAIRMAN YOUMAN: Public -- public comment.
11 Mr. Slingluff?

12 MR. SLINGLUFF: Are you finished?

13 MR. WUELLNER: More or less.

14 MR. SLINGLUFF: I think that the numbers that
15 Ed has shown us are -- are pretty amazing. As
16 stewards of the airport, we have a lot of tough
17 decisions over the next 60 days and a lot of
18 planning to do. But with 150,000 operations a
19 year, that's a big number. Yes, we're the busiest
20 airport in Northeast Florida.

21 As I look around this room, it's a small
22 group. This tower closure really affects the
23 community a lot more than we all think. You know,
24 currently just our business, I'm not speaking for

25 Northrop Grumman or for anyone else but, you know,

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1 we're doing many thousands of hotel rooms a year,
2 many thousands. Thousands of car rentals.

3 Our -- our revenue stream to the airport is
4 based on, you know, performance of activity. The
5 more activity, the more revenues created for the
6 airport. Galaxy, we -- we can scale down or we can
7 scale up. We're very expandable that way. But the
8 community will take a hit. And I think that's
9 something that all of us as stewards of the airport
10 really need to share out there.

11 I've heard several times, "Oh, it's a shame
12 you're losing your tower." And I'm like, "Whoa,
13 wait a minute. No, we're not losing it; the
14 community's losing it and if we do, here are the
15 ramifications." And they really wake up. And I
16 think we all need to get that message out there.

17 Thank you.

18 MR. COX: Good point.

19 CHAIRMAN YOUMAN: Mr. Martinelli?

20 MR. MARTINELLI: Given the facts that Michael
21 just put forward, and I don't think there's any
22 difference of opinion there, going forward I think
23 you want to put yourself in a position to have
24 maximum flexibility, giving yourself the most

25 options as you go forward.

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1 An example would be if you chose to go
2 contract at this point and ruled out the
3 possibility of employee-run tower, you cut off an
4 option. On the other hand, as Ed said earlier, if
5 you start out with employees and you're pegging a
6 number at say 480,000 and as you go forward it's --
7 becomes 500,000 or it becomes something greater,
8 then you still have the option to go contract.

9 So, it seems to me that if you take the path
10 that gives you the maximum flexibility going
11 forward, that you'd want to say, okay, let's
12 examine our own -- we're going to be out of the
13 federal program in any event June 15th if nothing
14 changes. So, we're going to have to pay one way or
15 the other. Let's give ourselves maximum
16 flexibility and let's go with the route that's
17 going to give us the -- the best bang for the buck.

18 CHAIRMAN YOUMAN: Thank you, Mr. Martinelli.
19 Ms. Martin?

20 MS. MARTIN: I have really a question. When I
21 first moved here, there was no control tower. That
22 was in 1997. I assume there was an application
23 that had to be made where there were a lot of
24 requirements in order to be able to have a tower at

25 all in the beginning. And so I'm assuming that you

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1 had to apply to the FAA and other organizations
2 with certain criteria about why you need a tower.
3 Why suddenly are those criteria no longer -- you
4 know, what are those criteria and why are they no
5 longer valid?

6 MR. WUELLNER: That's a great question. We've
7 been asking that of FAA. They have yet to apply
8 their own criteria to the reverse process of
9 closure.

10 This -- this tower is at least three times as
11 busy as necessary to have a tower in the program,
12 and as we showed you earlier, the 17th busiest
13 contract tower in the country and for whatever
14 reason is still on the outside looking in.

15 Now, even being on the inside right now, the
16 current program right now is -- is scheduled to go
17 away the end of the fiscal year. So even if you
18 were in the lucky group, right now the proposed
19 budget that's been submitted by the President has
20 no money for contract towers beyond September of
21 this year, which means the balance of the program
22 would disappear if nothing -- you know, if that
23 budget were approved and that's the direction it
24 went.

25 I -- I don't think that's what's going to

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1 happen based on not only the fact there are about
2 30-plus senators already cosponsoring the bill. It
3 seems unlikely that that would get through that
4 appropriations process as unfunded. They would
5 force some other changes as they go forward. But
6 as it sits today, it would disappear unless
7 something changes.

8 MS. MARTIN: I have another -- another
9 question. I looked at the organization chart for
10 the FAA and my eyes started to cross. And there
11 were -- there were divisions or whatever they call
12 them that seemed to be doing exactly the same thing
13 as another division. You know, it was one thing in
14 safety and there was another like runway in safety,
15 and then a tower in safety, and it -- is there
16 any -- what is the move to reorganize the entire
17 structure of the FAA?

18 I learned when we had one of the Pilots
19 Association dinners and our control -- one of our
20 airport controllers were there, they would get a
21 directive one morning that said something and then
22 the next day, they would get another director --
23 directive from somebody else that negated the
24 directive they had gotten the day before, and then

25 they got evidently a three-page document that said

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1 "This is what you're going to do when the tower
2 closes," and they couldn't understand the
3 three-page document about what they were really
4 supposed to be doing.

5 MR. WUELLNER: That -- that was exactly what
6 happened. The three-page document was --

7 MS. MARTIN: So why don't we just fire the
8 whole FAA and start over?

9 MR. HICKOX: Well, that means firing Congress
10 first. They're the ones really controlling it.

11 MR. COX: Get rid of the whole administration.

12 CHAIRMAN YOUMAN: I think we lost control
13 here. Ed, is it -- is it feasible to do parallel
14 planning? Is it feasible to do parallel planning?

15 MR. WUELLNER: Yeah, sure. I mean, it's
16 just -- I think you've -- you've just got to --
17 you've got to posture yourselves at this point that
18 in order to effect anything by June 15th or there
19 is when we come in here in May, I mean, I'll have
20 flushed the numbers as close as I can on the cost
21 side and we'll also have looked at as many revenue
22 opportunities, and we'll at least have to deal with
23 the short-term what it's going to cost piece that
24 gets you through the end of the fiscal year.

25 You can reconsider how you would pay for it

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1 beyond September as a part of the budget process
2 which will be going on almost concurrently. We
3 start that about the June time also. So we just
4 need that stopgap plan in place at the May meeting
5 so that we know what we're doing, even if it's just
6 for a couple of months. Then -- then we can
7 reevaluate whether it's go out and solicit bids and
8 see other contractors or we just keep doing month
9 to month to try to get us to the point we can bid,
10 whether we hire people, whatever.

11 We may very well find all this exercise at the
12 end of the day didn't need to be done and FAA and
13 all of them have awakened from the slumber they've
14 been in and, you know, we can move forward. But
15 right now, we -- I mean, it wouldn't be prudent to
16 just stick our head in the sand and hope it all
17 works out June 15th because you're going to have a
18 lot of questions June 15th when the towers shut
19 down and we're all standing there scratching our
20 head on how to pay for it and what's the best plan.
21 I want -- that's what we're doing now, is trying to
22 talk through those things.

23 MR. MERCER: Will you circulate an e-mail with
24 the breakdown of the 480?

25 MR. WUELLNER: Yes.

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1 CHAIRMAN YOUMAN: Ms. Barrera?

2 MS. BARRERA: Ed, you're talking about
3 prudence and I don't think it's prudent to have our
4 meeting on May 20th if we're talking about 30 days
5 and June 15th. So I think that that's one of the
6 first things we need to do, is look at rescheduling
7 our meeting to an earlier date should we go down
8 that path of looking at it again in May, to give
9 you more --

10 MR. WUELLNER: Unless --

11 MS. BARRERA: -- to give you at least 30 days.

12 MR. WUELLNER: I -- you know, I'm -- I think
13 the June -- the May date is okay. I mean, in terms
14 of if you can get -- if you're willing to making
15 the decisions that at least give the interim
16 direction that would go into effect June 15th, then
17 that moves it forward.

18 If -- if you don't think you're going -- we're
19 still not going to have enough questions
20 answered -- because at some point we've got to
21 notify -- and I suspect this is just days ahead of
22 the 15th, we've got to notify the federal
23 government of what our intention is.

24 You know, we -- because based on the last --

25 the first round of closures that actually got

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1 noticed, the Thursday before the closure, which is
2 a Sunday, the Thursday before that, FAA issues a
3 blanket NOTAM announcing the closures. So, come
4 that Thursday, we need to sort of pull the -- pull
5 the pin and this is where we're going, unless
6 there's a last minute stay on Friday, which
7 happened to happen the last time. But certainly no
8 guarantee.

9 I -- I didn't get a warm and fuzzy, I tried
10 caging him in twice in our conversation last week,
11 with Senator Nelson as to what he saw the prospects
12 to being -- of getting this bill passed that
13 prohibits FAA from closing it. I mean, at least
14 that stabilizes the situation for the next couple
15 of years.

16 Well, the answer was, "Hopefully we won't need
17 this bill." "What about the interim?" "Well,
18 hopefully we won't need this bill." You know,
19 "Rally your representative. They're the reason
20 this isn't solved already." I mean, it was a
21 pretty political kind of response --

22 CHAIRMAN YOUMAN: It was very political.

23 MR. WUELLNER: -- to a real problem. And I
24 understand it's their perspective, but the reality

25 is we're -- we're as a community being affected by

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1 it, not -- we don't get to ride off the next day

2 into...

3 MR. MERCER: One quick question.

4 MR. WUELLNER: Yes, sir.

5 MR. MERCER: I thought I saw on the chart,

6 kind of interesting on the stack rank of the

7 different airports we were 17th, did I see Flagler

8 is like number like five or six or something?

9 MR. WUELLNER: It may have been, but I think

10 they have probably had one year of data, is all.

11 MR. MERCER: Okay.

12 MR. WUELLNER: They -- they haven't been open

13 that long. And they're on the -- and the reason I

14 say that is I think they -- they are a -- initially

15 a cost-shared tower, which is a kind of a subset of

16 the contract -- I don't want to get -- but when

17 towers initially qualified to get in the program,

18 if they didn't meet the cost benefit test to be

19 funded at 100 percent by FAA, then there was a

20 provision in a separate program and a separate

21 budget item that allowed the community to

22 participate in the cost. So they -- they kind of

23 create a pro rata share of operating the tower with

24 the community.

25 Since it's funded separately, those agreements

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1 continue until September of this year at which
2 point FAA's already announced they will close. So
3 regardless of that, that tower will close in
4 September, at the end of September as it sits now.

5 CHAIRMAN YOUMAN: Okay. I'll try again. I
6 trust Ed's judgment. He feels that May 20th is a
7 good date still, he can handle everything that has
8 to be handled before and after that date and --

9 MR. WUELLNER: Can I -- it's not me. I mean,
10 I think the 20th's doable with all parties. The
11 question is are you going to be comfortable or do
12 you think you're going to need even another
13 meeting? In which case we need -- I agree you need
14 to look at the schedule and figure out how to maybe
15 meet twice or whatever you think is appropriate.
16 But if I can get you to where you're comfortable on
17 the 20th, that would I think suffice. But --

18 CHAIRMAN YOUMAN: But --

19 MR. WUELLNER: -- only you get to judge that.

20 CHAIRMAN YOUMAN: Also it would still be in
21 your judgment as you see things coming to fru --
22 fruaction (sic) as to whether or not another
23 meeting's necessary, because we're outside doing
24 our thing and we have no idea whether another

25 meeting's necessary unless you see that you're

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1 getting to a position where you need a decision

2 before May the 20th.

3 MR. WUELLNER: Well, what we can do is pump

4 out additional information, additional detail some

5 of which I've heard today. So we'll get that --

6 we'll get that out. You'll have it well ahead.

7 And -- and if you're willing to get ahold of me,

8 you know, work through it if you don't understand

9 it, you know, let's have some of that detail

10 conversation where we can sit around, you know, as

11 individuals and have that conversation and get you

12 comfortable with it. I think that would smooth out

13 and certainly make the 20th viable.

14 If we're going to have to kind of, use the

15 term spoonfeed it on the 20th and we're just not

16 sure and we don't have all the answers, I can't

17 anticipate what your questions are until you ask

18 them. So...

19 MS. BARRERA: Why don't you -- if I can.

20 CHAIRMAN YOUMAN: Go right ahead.

21 MS. BARRERA: Why don't -- why don't we get

22 that information and that data in response to the

23 questions that's been asked today --

24 MR. WUELLNER: Okay.

25 MS. BARRERA: -- and if you can get that to us

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1 well in advance of the 20th, and then a decision
2 can be made whether or not this needs to be a
3 workshop item.

4 MR. WUELLNER: Okay.

5 MS. BARRERA: And that would -- we could do a
6 workshop or we could go ahead and move on the 20th.

7 MR. WUELLNER: And we'll -- we'll go ahead and
8 make the request from FAA as to what the cost share
9 of the reimbursement component of this would be. I
10 can't guarantee a response by then because they
11 were not moving fast on them based on what I heard.
12 But we can certainly ask, get it in the queue, and
13 maybe we'll have it by then.

14 CHAIRMAN YOUMAN: You can refine the data and
15 go both directions --

16 MR. WUELLNER: Absolutely.

17 CHAIRMAN YOUMAN: -- contract and not tower or
18 we employ and find the data?

19 MR. WUELLNER: We -- we have the exact number.
20 The piece that's missing in both places is the
21 exactness of the FAA component of this. We know
22 what the contract tower costs are to go interim.
23 We wouldn't know on a contract basis until we bid
24 it what the final numbers would be. But we know

25 what are the interim are because it's already been

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1 quoted from RVA.

2 I know and I'm very comfortable, a hundred
3 percent comfortable with the employee cost. I've
4 run that. That's easy to get out to y'all. It's
5 no -- no problem at all. You can see how that
6 exercise is done. It's the same exercise we run
7 going into budget every year. So it's -- it's
8 very -- you know, the model works, let's put it
9 that way. It's a very simple spreadsheet.

10 The only again number that's not there are two
11 pieces. One is the FAA component. The secondary
12 piece is I'd like to get a firmed-up quote for
13 liability insurance. That's -- that's the only
14 other. But I don't think that's much of a time
15 issue, that we'd probably have that inside of a
16 couple of days.

17 So I would think in the next, certainly the
18 next couple of days I can get you a good solid
19 number. The FAA number would have to plug into
20 both models either way, whether it be contractor or
21 employee. That number's going to be what it is,
22 whatever FAA says it is. And it's the same number
23 on both places.

24 CHAIRMAN YOUMAN: Are the board members

25 comfortable now so that we can now move on to the

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1 next agenda item?

2 MS. BARRERA: Yes.

3 MR. COX: I'm fine.

4 MR. CIRIELLO: (Nods head.)

5 MR. WUELLNER: I didn't really run through the
6 slide, but is everybody okay with the idea of
7 putting a user group together, we'll work through
8 some recommendations and see where the -- you know,
9 where the pain pieces are, what -- you know, there
10 may be some other thoughts out there on how best to
11 pay for this. We'll try to distill that and get
12 that back to you as a part of the 20th, too, so you
13 have some idea as to what the users believe is a
14 way of moving forward. So --

15 CHAIRMAN YOUMAN: Agreeable?

16 MR. COX: Uh-huh.

17 CHAIRMAN YOUMAN: Okay. Thank you, Ed.

18 MR. WUELLNER: Uh-huh.

19 CHAIRMAN YOUMAN: You've got your work cut out
20 for you.

21 MR. WUELLNER: Always.

22 CHAIRMAN YOUMAN: Always.

23 MR. WUELLNER: That's what makes it fun.

24 CHAIRMAN YOUMAN: That's why you make these

25 big bucks.

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1 MR. WUELLNER: Yeah, sure.

2 PROPERTY ACQUISITION

3 CHAIRMAN YOUMAN: Okay. The next item agenda,
4 proposed property acquisition. Ed, why don't you
5 keep that on the --

6 MR. WUELLNER: May as well. Okay. Three --
7 three properties that are -- that are up for
8 consideration today. Again, they're all FDOT match
9 grant properties at 50 percent. So we have 50
10 percent funding for all three properties.

11 It's the three orange blocks, 4778 U.S. 1,
12 4762 U.S. 1, and 4749 Casa Cola Way. That would
13 leave a grand total of, if I do my math, five
14 properties that if those acquisitions were -- were
15 brought to completion, there would be five
16 properties left in the little over 20-acre parcel
17 that represents the 100 block and U.S. 1 frontage
18 all the way down there that we do not own.

19 And -- and, yes, we still are somewhat
20 barricaded from being able to expand airside west.
21 Still limited by a few properties. But over time,
22 those opportunities will make an appearance if all
23 things go well. You want to move on, Cindy, to the
24 next one?

25 I -- I only put this slide in there because

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1 after our conversation at the last meeting, the
2 Airport Master Plan shows this as the future
3 development plan. So I wanted to -- I kind of
4 superimposed the properties onto it so you get a
5 feel for the fact that they are within where the
6 Airport Master Plan in 2005-2006 envisioned future
7 aeronautical development. So just -- just a frame
8 of reference. Okay. Next one.

9 First property is 4778. We refer to it as the
10 McQuaig property. It's owned by a private owner at
11 this point. It is in a short sale scenario as I
12 understand it with the bank. We have a tentative
13 offer out there of \$100,000 for it. This is
14 coincidentally essentially the same price we -- we
15 were negotiating 17 years ago when the property
16 first came on the market.

17 There is some -- some minor environmental
18 impayment -- impairment on the property. It has
19 gotten significantly better over the last 15 years.
20 So whatever is going on there is actually kind of
21 cleaning itself in many respects.

22 It is not a big cleanup in -- in the scheme of
23 things. We have seen a Florida DEP report that was
24 done just in the last couple of months by Golder

25 Associates. It's in the DEP cleanup program. So

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1 at some point when it meets the -- the rank
2 qualification of projects, it will be cleaned up by
3 DEP, and for the most part on their dime as we
4 understand it. We're not entirely sure which of
5 the two programs it's in. But one may have a
6 little cost share in it, but we're talking \$30-,
7 \$40,000 kind of number, not a big number either
8 way.

9 Reuse observations would be to just move some
10 of the buildings there and perhaps relocate one of
11 the storage buildings that's much newer on the
12 property. Purchase price or the offer I said is
13 \$100,000. Next one, Cindy.

14 The next one is 4762. This is what was
15 referred to as The Pantry store there. This has a
16 tentative offer of \$200,000 on the table. We're
17 continuing to negotiate a relatively benign
18 restriction that would transfer with the property
19 right now. But I've been assured that it's not a
20 restriction that would be problematic for us should
21 we -- should we choose to purchase it.

22 And it has to do with just the pro -- general
23 prohibition that the Airport Authority could not
24 operate -- if we purchase this, we can't open our

25 own convenience store and operate it on the

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1 property. Despite our assurance to that effect,
2 they -- they want that as a restriction.

3 MR. BURNETT: And a quick point on that, The
4 Pantry's publicly traded. They own Kangaroo and
5 they own Lil' Champ. So they have two stores
6 nearby and they don't want competition.

7 It's a big effort of Pantry to -- nationwide
8 to sell off parcels that they're not using. But as
9 part of that, they're not going to hurt their
10 business plan and not have some restriction there
11 at least for a period of time to prevent a
12 competitor from operating a gas station.

13 You know, for our purpose, they don't care if
14 we want to sell airside fuel and those kinds of
15 things. So it's a completely different type of
16 competition. So they don't care about those
17 things.

18 MR. WUELLNER: They're -- what they're
19 restricting us from are businesses we wouldn't be
20 in any way, to be honest with you.

21 MR. BURNETT: Yeah.

22 MR. WUELLNER: Last one is 4749 Casa Cola,
23 which is a little generous with the box here. It's
24 not quite that large a parcel. But it's a

25 single-family residence. They're looking to sell

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1 it and probably remain on the property for up to a
2 year. It appraised at \$80,000 -- we didn't fix
3 that bottom of that slide -- but at \$80,000, so
4 the -- it would be a \$40,000 acquisition cost to
5 the Authority versus 50 as it's shown there.

6 It's a -- it's a home, a stick built home.
7 It -- we would evaluate that to decide if it's
8 worth -- since we don't own the other parcels down
9 here and up here and we're kind of blocked from
10 airside development moving west in that, it may
11 make sense to rent -- get into a rental situation
12 on the home until which time as the balance of
13 properties are acquired.

14 We did that -- actually we were ongoing doing
15 that when I got here 17 years ago. We had at one
16 point almost 60 rental properties that we were
17 actively engaged in at one point. We're now down
18 to three or four, I think. But it would be no big
19 deal to lease that to someone else for a short
20 period of time and at least keep us above board on
21 taxes and what it costs to keep the property
22 maintained.

23 And it would be our recommendation that the
24 Authority approve all three purchases, assuming we

25 get to final contracts with each of the entities

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1 involved. I'm happy to try to answer any
2 questions.

3 CHAIRMAN YOUMAN: May I ask the board, can --
4 would it be agreeable to handle all three items
5 under one discussion instead of individually?

6 MR. COX: That's fine with me.

7 CHAIRMAN YOUMAN: Board discussion?

8 MR. COX: Question.

9 MR. WUELLNER: Yes, sir.

10 MR. COX: Are all three properties currently
11 listed or are they -- are we the only ones in
12 exclusive negotiations right now?

13 MR. WUELLNER: The residential unit, we're the
14 only ones.

15 MR. COX: All right.

16 MR. WUELLNER: The next-door property, which
17 is the McQuaig property, to --

18 MR. COX: Short sale.

19 MR. WUELLNER: -- my knowledge we're the only
20 ones that's stepped up and has had a conversation
21 with the bank. It is listed with a realtor sort of
22 going in between it.

23 MR. COX: Who's the bank that's got it?

24 MR. WUELLNER: Do you know the bank? No, I

25 don't off the top of my head.

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1 MR. COX: That's all right, sir.

2 MR. WUELLNER: Then The Pantry, we're dealing
3 directly with Pantry on. They had listed it, had
4 one other unsolicited offer on it and we're the
5 only one that's in play right now with it.

6 Oh, I failed to mention on The Pantry, there
7 is some environmental impairment on it, but it's
8 provided within the purchase agreement that they
9 have to -- they have to clean it up before we get
10 it. So it covers that base, too. And there's
11 almost no way it doesn't have when you consider a
12 filling station that's been there for 20 or more
13 years probably.

14 MR. BURNETT: Yeah. And that one also comes
15 with a continuing indemnification provision related
16 to whatever they may have done on the property.

17 CHAIRMAN YOUMAN: Any other board questions?

18 MR. WUELLNER: And there -- there is a current
19 tenant in one part of the building that probably
20 represents 20 percent of the building occupancy at
21 this point. The rest of the building is vacant.

22 There is a tenant there that we can decide whether
23 it makes any sense to continue a lease or whatever.

24 MR. MERCER: How long is the tenant's lease

25 presently?

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1 MR. WUELLNER: Honestly, I don't -- I think
2 it's month to month that was represented to us.

3 MR. BURNETT: I believe --

4 CHAIRMAN YOUMAN: I think it's a radio shop or
5 something.

6 MR. BURNETT: Yeah, they repair radios and
7 electronics. And at one time, it was a three-year
8 with options, and then now at this time it is a
9 month to month.

10 CHAIRMAN YOUMAN: Public comment,
11 Mr. Martinelli?

12 MR. MARTINELLI: No comment.

13 CHAIRMAN YOUMAN: May I ask for a motion to
14 purchase all three properties?

15 MS. BARRERA: I make a motion that we purchase
16 all three properties.

17 CHAIRMAN YOUMAN: Second?

18 MR. COX: Second.

19 CHAIRMAN YOUMAN: All in favor?

20 MR. COX: Aye.

21 MS. BARRERA: Aye.

22 CHAIRMAN YOUMAN: Aye. Mr. Ciriello?

23 MR. CIRIELLO: You didn't ask for nos yet.

24 CHAIRMAN YOUMAN: Oh, excuse me. I apologize.

25 MR. MERCER: Rather optimistic.

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1 CHAIRMAN YOUMAN: Opposed?

2 MR. CIRIELLO: No.

3 MR. MERCER: Nay.

4 CHAIRMAN YOUMAN: Carried by a three-to-two

5 vote.

6 EXECUTIVE DIRECTOR CONTRACT NOTIFICATION

7 CHAIRMAN YOUMAN: Now we're doing the

8 executive director's contract.

9 MR. BURNETT: I thought this one was approved

10 earlier on the consent agenda.

11 MR. COX: It was.

12 MR. WUELLNER: Nice try.

13 MR. COX: Last meeting.

14 MR. BURNETT: I couldn't resist. I apologize.

15 I think I gave you all where we left off.

16 MR. MERCER: I didn't get -- did you send an

17 e-mail around?

18 MR. BURNETT: Can I steal that for a minute?

19 MR. WUELLNER: Yeah.

20 MR. BURNETT: Sorry. The redline shows your

21 comments from last meeting. Just to highlight

22 those, the change -- the first change that was

23 discussed was it would be for a five-year term, and

24 then instead of having an automatic renewal for

25 five years, it would have additional one-year

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1 successive terms for each year after that for a
2 maximum of five years. And then it's got a notice
3 provision related to that in order to not continue
4 on.

5 Under residency, the change was made. That's
6 on Page 2. You'll see in red the residency where
7 the maximum that's going to be reinvested each year
8 in the residence is \$7500.

9 Compensation, at the bottom of Page 2 flipping
10 over to the top of Page 3 in red, you'll see that
11 it says the amount of compensation. I put in
12 \$141,000 approximately. The exact number is
13 \$140,183.94.

14 And other than talking about the -- the terms
15 in general as an overview, that is about where we
16 got in the last meeting.

17 CHAIRMAN YOUMAN: Mr. Burnett, I have a
18 question.

19 MR. BURNETT: Yes, sir.

20 CHAIRMAN YOUMAN: How long have you been with
21 this board?

22 MR. BURNETT: As -- as a part-time backup
23 general counsel, since 2001. So about 12 years.
24 As the full time, since about 2006.

25 CHAIRMAN YOUMAN: And in these proceedings,

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1 you represent the board, correct?

2 MR. BURNETT: Yes, sir.

3 CHAIRMAN YOUMAN: My question to you is, this

4 agreement and going all the way to the back here,

5 is it materially different than it has been for the

6 last 17 years that Mr. Wuellner's been employed?

7 MR. BURNETT: It is -- it has substantial and

8 material changes to it, sure, yes, sir. It's -- it

9 always had the same form for 17 years. It's got a

10 different form now from a general standpoint.

11 The main change for this one is the -- this

12 language about dealing with bonuses and

13 performance-based compensation above the base

14 salary. I have a strike-through underline version

15 of this one versus the original. There's some

16 wordsmithing on it. Wordsmithing, I don't

17 really -- you know, if you use "The Authority

18 desires to employ" versus "The Authority currently

19 employs," that wordsmithing change, I wouldn't

20 think is material or substantial.

21 There's -- there's some wordsmithing to the

22 document that's gone on. Tenses have been changed

23 from past to present to make sense of an actual

24 what you're draft -- what it is we're drafting.

25 There is some significant changes on this language

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1 about compensation on how you evaluate a bonus in
2 paying compensation above base salary.

3 There's -- there's wordsmithing -- and I'll --
4 and I'll call it wordsmithing because that's
5 exactly what it does, it doesn't really change
6 anything related to the paragraph from a legal
7 standpoint one way or the other on his vehicle, for
8 example.

9 I think some of the language -- I think this
10 document actually came from a different airport
11 originally, and airports that -- that have used
12 this document in the past have gone to a new
13 version. And so some of the terms from the newer
14 version have been worked into this especially as it
15 relates to that reimbursement above base salary.

16 CHAIRMAN YOUMAN: Is -- is the main
17 significance cost-wise in the bonus above the
18 salary?

19 MR. BURNETT: True. And the -- the issue of
20 senior management retirement, that's always been in
21 there, but I think it's been clarified. Did you
22 have accidental death and disability previously?

23 MR. WUELLNER: (Nods head.)

24 MR. BURNETT: That was in there previously, so

25 that's not a change.

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1 We didn't have smart phones and tablets
2 before, so obviously we've got -- there's a change
3 there. Termination, we do have this language where
4 now we've had to shorten it to comply with
5 Florida Statute. Give me one moment to answer the
6 rest of the question.

7 Some of the travel-related expenses have
8 changed and are -- provide a better compensation
9 package to the executive director related to
10 compensation for seminars or if he's a member of an
11 organization. I think that largely covers the
12 areas that have been revised that are more
13 beneficial to him now than -- under this draft than
14 the previous.

15 From a legal standpoint as a document, a legal
16 document, as the general counsel to the Airport
17 Authority, it -- it's a -- it's a good solid legal
18 document one way or the other. It's really getting
19 into business terms for you guys to make a decision
20 on and I can draft as you point me.

21 CHAIRMAN YOUMAN: So what I'm -- crosswise to
22 the airport then the sections that are really
23 pertinent are the bonus above salary and the
24 expense reimbursement areas?

25 MR. BURNETT: True.

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1 CHAIRMAN YOUMAN: Everything else is
2 essentially the same except for wording and
3 complying with Florida Statute on retirement?

4 MR. BURNETT: I think that's largely a -- a
5 good assessment of it.

6 CHAIRMAN YOUMAN: Thank you.

7 MR. BURNETT: I guess there's an argument to
8 be made that on one particular issue, it's maybe
9 not as good as -- as what he's actually seen.

10 For example, this past year, the percentage --
11 I mean, the year before, the percentage increase in
12 salary was better than what this agreement now
13 provides, but it does now in this agreement provide
14 a set amount. So -- but travel expenses are --
15 have been enhanced and that other section you
16 referenced, yes, sir, has been enhanced.

17 CHAIRMAN YOUMAN: See, what I'm -- I'm just
18 addressing the board. What I'm trying to avoid is
19 going through paragraph by paragraph.

20 MR. COX: I don't think we need to do that.

21 MR. CIRIELLO: I want to. I -- I've gone over
22 this and there's a couple --

23 MR. COX: We did it last time.

24 MR. CIRIELLO: I didn't have the document in

25 front of me. There's a few things I'd like to see

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1 come out of there and if they don't, I won't vote

2 for it. So I get a chance to speak my piece.

3 CHAIRMAN YOUMAN: Oh, no. You will.

4 MR. CIRIELLO: Hmm?

5 CHAIRMAN YOUMAN: You will. I'm just --

6 MR. CIRIELLO: Well, you're just saying you're
7 trying to stop the board from going --

8 CHAIRMAN YOUMAN: I'm just asking --

9 MR. CIRIELLO: -- paragraph by paragraph.

10 CHAIRMAN YOUMAN: I'm asking. I just --

11 MR. CIRIELLO: Well, I want to go through it.

12 MR. MERCER: Let me --

13 MR. CIRIELLO: I don't know about anybody
14 else.

15 MR. MERCER: Let me suggest that one of the
16 things that I did before our last meeting was I
17 asked my colleague Doug Burnett to provide me with
18 the original contract that he is -- the director's
19 been operating under for the last five years, and I
20 did a Compare Write or a redline if you will of
21 the -- of the changes. Everywhere you see color on
22 these pages that I'm flipping through reflect
23 changes, either additions or deletions.

24 This contract has got a lot of changes in it

25 versus the existing contract. So my suggestion to

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1 the board is that we should go through the contract
2 in provision by provision as we did last month and
3 if someone doesn't have an issue, we can move on.
4 But if someone wants to be heard, they should have
5 an opportunity to be heard.

6 CHAIRMAN YOUMAN: All right. Let's get to it.

7 MR. BURNETT: The -- and by the way, for those
8 of you who have that strike-through with you, the
9 blue is new language, the red is deleted language,
10 and the green is language that's been moved around
11 in the document from one area to the other.

12 MR. MERCER: Well, some of the red on what you
13 just handed me is actually new language. It's
14 underlined.

15 MR. BURNETT: The document I just handed you
16 is only showing red of new language from y'all's
17 language of the last meeting and what you --

18 MR. MERCER: Right.

19 MR. BURNETT: -- the Authority voted on.

20 MR. MERCER: Agreed.

21 MR. BURNETT: The other strike-through
22 document, though, compared the original to the one
23 that was for the last meeting. The blue is the new
24 the new -- is added language, the red is

25 strike-through, and the green has been moved around

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1 within the document. I don't know if that makes
2 sense.

3 MR. MERCER: One -- one of the concerns I had
4 with the clause that you just read, Doug, about the
5 automatic renewal, one of the things we talked
6 about last month was the idea -- and of course I
7 was on the record that my criticism of the contract
8 does not relate to Ed Wuellner at all, it's -- it's
9 related to the business provisions in the proposed
10 contract which I view as separate and distinct.

11 But we talked about the idea of the executive
12 director giving notice of nonrenewal to the
13 individual members, because the notice address for
14 the Authority is the same address as for the
15 executive director in the -- in the existing
16 contract.

17 So one of the ideas we talked about was that
18 on that 180-day notice, for example, he would
19 submit notice to whoever the board is at that time
20 to each individual member, reminding them that,
21 hey, 180 days out, we've got an automatic renewal
22 clause in the contract.

23 MR. BURNETT: So give -- and maybe I missed
24 that. That's a good point. Give notice to the

25 individual --

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1 MR. MERCER: Yeah, where your --

2 MR. BURNETT: -- Authority members?

3 MR. MERCER: Where your wording -- where you

4 working or whoever's wording says, quote, Executive

5 Director has given notice to the Authority 180

6 days," I think it should say "give notice to each

7 Authority member at their respective address."

8 Because we --

9 MR. COX: Yeah, I think we did discuss that.

10 MR. BURNETT: Yeah, I missed that change.

11 That's a good point.

12 MR. WUELLNER: Yeah, we agreed to that.

13 MS. BARRERA: Would -- would any of the other

14 board members like to take a break before we start

15 into this last agenda item?

16 MR. MERCER: I would.

17 CHAIRMAN YOUMAN: I agree. 10-minute break.

18 (Recess had.)

19 CHAIRMAN YOUMAN: Re -- the board -- the board

20 is reconvened at what time?

21 MR. CIRIELLO: Eight minutes to.

22 CHAIRMAN YOUMAN: At 5:50.

23 MR. COX: 5:50.

24 CHAIRMAN YOUMAN: Mr. Mercer, you have the

25 floor and you keep the floor till you go through

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1 your comments in the contract. And we'll go
2 through each individual and do that.

3 MR. MERCER: Well, let's see. Where did we
4 leave off? We were at 4.A., correct, from last
5 month?

6 MR. BURNETT: Yes. The -- the comment from
7 last month was that --

8 CHAIRMAN YOUMAN: The --

9 MR. MERCER: The salary.

10 MR. BURNETT: -- I didn't put the specific
11 dollar amount of the salary in the contract.

12 MR. MERCER: Just a second.

13 Okay. So my only other issue with that
14 Section 4.A., I do like the fact that we have now
15 added the base salary into the employment contract.
16 Whatever the base salary is, I think as a public
17 employee, the contract for employment should state
18 it.

19 Now, the next issue I have, Mr. Chair, is the
20 automatic escalator in 2 -- in 4.A. I think I had
21 made the point last month, although I don't know
22 that we had talked about it in terms of consensus
23 because I think we adjourned, I'm opposed to having
24 a set salary escalator clause. The new provision

25 is 2.25. I think the old provision I think was

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1 CPI.

2 The reason I'm opposed to that is, one, I
3 think that raises should be merit based. And in a
4 given year, if the executive director performs well
5 and the board wants to give him a 10 percent raise
6 or increase his base salary 5 percent or 7 percent,
7 I think that ought to be viewed by future boards on
8 a year-by-year basis based on performance.

9 2.25 percent is limiting in that regard,
10 because it may be less than what the director
11 deserves for a given year, and -- but it's also
12 sort of an arbitrary provision. I would be opposed
13 to that and recommend that we strike that.

14 CHAIRMAN YOUMAN: Board discussion?

15 MR. CIRIELLO: On what?

16 CHAIRMAN YOUMAN: Ms. Barrera on the 2.25
17 percent?

18 MS. BARRERA: Well, last time we had it with
19 CPI, and so I think 2.25 percent is going to be
20 pretty reflective of CPI on a regular basis. Your
21 value of your dollar isn't the same year to year,
22 and I think that's why there was -- that low amount
23 was put there, and it still provides for additional
24 compensation.

25 CHAIRMAN YOUMAN: Mr. Cox or Mr. Ciriello, any

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1 comments?

2 MR. CIRIELLO: When I get my chance, I'll

3 comment on that.

4 CHAIRMAN YOUMAN: Well --

5 MR. COX: He's asking for comment now, though.

6 CHAIRMAN YOUMAN: We're asking for comment now

7 so that --

8 MR. WUELLNER: On that section.

9 CHAIRMAN YOUMAN: -- on that -- on that 2.25.

10 So we can change it or leave it.

11 MR. CIRIELLO: But I have comments on that in

12 my -- my dissertation, and I can't comment on just

13 one little thing here. It --

14 CHAIRMAN YOUMAN: Oh.

15 MR. CIRIELLO: It ruins my chain of thought.

16 MR. COX: So we've got to go over the entire

17 contract with you again after we go over it with

18 everybody else.

19 MR. CIRIELLO: I've only got a couple of

20 points in there. Yes, page by page. It won't be

21 that long.

22 CHAIRMAN YOUMAN: Mr. Mercer, let me ask you a

23 question. Do you have a lot of exceptions?

24 MR. MERCER: Depends on what you mean by "a

1 CHAIRMAN YOUMAN: Do you have ten?

2 MR. MERCER: I don't -- I -- what I've got is

3 a colored redline here that a lot of it doesn't

4 matter much, but as we go through it page by page,

5 I'll be able to address what is of significance.

6 CHAIRMAN YOUMAN: Would you yield the floor to

7 Mr. Ciriello?

8 MR. MERCER: Certainly.

9 CHAIRMAN YOUMAN: Mr. Ciriello, it's yours.

10 MR. CIRIELLO: Okay. Now, I'm okay with

11 everything on Page 1, okay? Now, we get over to

12 Page 2, about two-thirds down the page, while it --

13 it's in the residency section.

14 Now as I stated last month, if I'd been on the

15 board the very first day he came on board, I

16 probably would have objected to giving him a home

17 free and everything, but after 17 years I'm not

18 objecting or pulling the plug on that.

19 But going down here, it says, "The Authority

20 shall be responsible for all major maintenance." I

21 can go with that. But there's a figure in there of

22 \$7500 and it makes the -- the word modernization.

23 Well, we're providing him with a home, and I don't

24 think cosmetics has anything to do with it.

25 In other words, if something goes wrong

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1 physically with the house, I don't care how much it
2 costs, we fix it. But if he comes up and says, you
3 know, I think I'm tired -- kind of tired of looking
4 at that stove, I'd like to have a newer stove
5 that's all stainless steel, I don't think we should
6 have to foot the bill for any cosmetic improvements
7 of the house, is what I'm getting at.

8 So I'd like to see that little couple of
9 sentences taken out because we're responsible for
10 the repair of the home and maintenance and it
11 doesn't matter how much money it is. 25 years old
12 isn't that bad. My house is that old or older. So
13 that little couple of sentences, I'd like to see
14 taken out.

15 Now, we're over here on the other page, like
16 you said -- this regular compensation, I had a
17 question. In Paragraph A you had mentioned 2.25
18 and then down in B, it's 3 percent. Now, from what
19 Kelly said, is that 2.25 the CPI really is what
20 that is? Is that what that is?

21 CHAIRMAN YOUMAN: No, that's not CPI.

22 MR. MERCER: It's a fixed --

23 CHAIRMAN YOUMAN: That's automatic 2.25
24 whether CPI is 1 or 20. Because CPI with what --

25 with what's happening right now, CPI could go up

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1 to --

2 MR. COX: 4.

3 CHAIRMAN YOUMAN: -- 4, 10, 15, 18 in the next
4 five years.

5 MR. CIRIELLO: Well, okay. Then let me make
6 this statement.

7 Basically in the contract, we're looking for a
8 five-year contract, if he signs a contract -- and
9 it all boils down to his agreement and this board.

10 Nobody else's opinion really counts. So if he says
11 okay, I'll accept that 141 for five years, then
12 that's what he gets.

13 Now, this 2.25 and that 3 percent is
14 automatic, I don't like that. Besides that yearly
15 evaluation, for 17 years he's been acing that and
16 the board other than a couple of years he turned it
17 down has been giving him up to 10 percent raise
18 because he does such a good job. Well, that's what
19 he was hired for. He was hired to do a good job.
20 In effect, it's a one-year contract. Year by year
21 he's getting a raise just because he's been here
22 for another year. So if he's going to sign a
23 five-year contract for that 141, basically that's
24 what it is.

1 that out of there. I'd like to see the CPA in
2 there -- or CPI, rather. If it's in a positive
3 mode every year, then at that salary, that 2.5 or 3
4 percent or whatever is pretty nice little chunk of
5 change. So I'd like to see the CPI in there, and
6 this -- these other couple of things out. I'd like
7 to see that yearly evaluation out and -- as far as
8 that part goes.

9 Now you go over to the next page, and I don't
10 like any of this BBCP. The director, the board,
11 people out here in the public, nobody has any real
12 say-so in how many people run through this airport
13 in a year, whether it's an airline, a flight school
14 or whoever. So to -- to -- to say the director
15 should get a bonus just because X number of people
16 run through the turnstiles is silly to me. So I'd
17 like to see that whole section taken out.

18 Now you turn to the next page, 5, get over
19 here on G. Of course I have no problem with the
20 executive director or any staff member or board
21 member being compensated for travel and housing and
22 food and everything. But we're not providing a
23 social club with this job, so I don't see why we
24 should have to pay to let his wife go along with

25 him on two trips a year to have company, and maybe

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1 four according to that other paragraph. That part
2 of letting his wife going along at our expense I
3 want to see out of there. If he wants to take his
4 wife along for social stuff, then he can pay for
5 it.

6 And all the rest of this contract I'm okay
7 with. That -- I said what I'd like to see taken
8 out of there and it -- it all depends on what you
9 people say in whether I vote yes or no.

10 CHAIRMAN YOUMAN: Mr. Mercer?

11 MR. CIRIELLO: I'm done.

12 MR. MERCER: Thank you, Mr. Chair.

13 I think one of the problems with the CPI is --
14 in my work with contracts in years past, one of the
15 problems is there's a lot of different CPI indexes.
16 There's not just one CPI. You have CPI indexes for
17 All Urban Consumers and other indexes.

18 So it's -- it can be very difficult to be
19 clear on not only which CPI index you're trying to
20 use, but from which time period to which time
21 period are you measuring the increase in CPI. So
22 if you're going to do CPI, it's got to be very
23 precise. But again, I get back to my point on 4.A.
24 and also 4.Bravo. And of course 4.B. deals with an

25 automatic escalator in the renewal term.

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1 Now I've expressed my -- last month my extreme
2 dismay in the notion of a five-year employment
3 contract term because it ties the hands of future
4 boards. It should be year to year. But you guys
5 took a consensus vote on that so we've moved
6 forward.

7 But on this new stuff that we haven't gone
8 over, my recommendation is that we strike the
9 escalator provisions under 4, those percent --
10 automatic auto pilot percentage increases, and let
11 the board decide each year what kind of a raise
12 they want to give him. Maybe they want to give him
13 a 10 percent raise or a 5 percent or a 4 percent.

14 Yes, I agree that costs of living do go up,
15 but they go up in the private sector as well and
16 you don't always get a raise every year, it just
17 depends. And a lot of it's performance and merit
18 based. That's my point on 4. I don't know if
19 there's any other comments.

20 CHAIRMAN YOUMAN: Mr. Wuellner, do you have
21 any comments on 4?

22 MR. WUELLNER: The intent -- the previous
23 contract provided CPI adjustment as an automatic.
24 The intent here was to stabilize that.

25 My belief when we put it together was that it

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1 stabilizes the rate. Instead of being subjected to
2 wild swings that can happen with CPI, it fixes
3 that. It applies risk to both sides of the
4 equation -- or I should say more appropriately
5 reduces the risk on both sides of the equation and
6 it provides a predictable salary stream in my case
7 and limits the risk of CPI, should it go -- you
8 know, go out of control.

9 I -- I absolutely agree if you're going to
10 do -- if you're going to go back to a CPI
11 methodology, Mr. Mercer's dead on it needs to be
12 very specific about not only the index, but the
13 period of time in which the index is being applied.
14 That's always a problem whether we apply it in
15 leases or any other -- any other document.

16 I personally -- you know, if you want -- if
17 you want the risk side of it back, I would be
18 agreeable to CPI defined, you know, some sort of
19 definition, that's fine. I think part of the --
20 part of the problem over the years is just the
21 stability of what -- what -- what's going to
22 happen. So that's -- that's my comment.

23 CHAIRMAN YOUMAN: Any other comments on the
24 CPI at this point?

25 MS. BARRERA: I like the flat -- the flat

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1 amount for the CPI. I think it less complicates
2 things.

3 CHAIRMAN YOUMAN: Flat amount as it is now,
4 2.25 percent?

5 MS. BARRERA: Uh-huh. And over a five-year
6 contract, that's really -- that's 11 percent total
7 over five years. That's not a lot.

8 CHAIRMAN YOUMAN: Mr. Cox?

9 MR. COX: I'm in agreement with Ms. Barrera.
10 I think it provides for a little more incentive
11 also. It solidifies and stabilizes the outlook
12 over a period of time.

13 And Mr. Mercer's correct, the board could come
14 back and say we want to give him a 10 percent raise
15 or, you know, 4 percent raise, whatever it is, but
16 they could do that anyway even over the two and a
17 quarter percent if they want to do that, future
18 boards. I think if we're moving it or taking CPI
19 out completely -- or putting in CPI makes it rather
20 unstable. So that's my position.

21 CHAIRMAN YOUMAN: I agree with Mrs --
22 Mrs. Barrera and Mr. Cox. So that's our consensus,
23 is to leave that in.

24 MR. COX: Doug, just a housekeeping. Oh, I'm

25 sorry, go ahead.

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1 CHAIRMAN YOUMAN: Go ahead.

2 MR. COX: In 4.B, it says "If this agreement
3 is renewed under subparagraph 1.B. above." It
4 should be -- is that 1.B. above or --

5 MR. BURNETT: It is. It's all the way up at
6 the top where you have --

7 MR. COX: Gotcha.

8 MR. BURNETT: -- the one-year extensions after
9 the initial five years.

10 MR. COX: Oh, the Paragraph 1.

11 MR. BURNETT: Yes.

12 MR. WUELLNER: Yes.

13 MR. COX: All right. Got it. All right.

14 CHAIRMAN YOUMAN: Ms. Barrera, what is your
15 comment on B?

16 MS. BARRERA: It's a difference of a .75 and,
17 you know, it's not that substantial of a change one
18 way or the other.

19 CHAIRMAN YOUMAN: Mr. Cox?

20 MR. COX: I have no problem with that
21 paragraph.

22 CHAIRMAN YOUMAN: Neither do I. Is there any
23 exceptions to B, C, or D on Page 3?

24 MR. MERCER: I have an exception with C. 4.C.

25 deals with a vehicle allowance on monthly basis to

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1 the executive director of \$950 a month. I guess I
2 have a question first. Now, does the executive
3 director have access to an airport-titled vehicle
4 for use driving around the airport and that type of
5 thing?

6 MR. WUELLNER: I -- I'm sure I can have
7 access, but I don't routinely. I use my own
8 vehicle.

9 MR. MERCER: Do we -- what type of vehicles
10 does the Airport Authority have?

11 MR. COX: A Ford Excursion or what's a -- your
12 SUV that you drive?

13 MR. WUELLNER: The vehicle I drive belongs to
14 me.

15 MR. COX: Right. I know. I mean --

16 MR. WUELLNER: The -- there's a -- I'd have to
17 get you a list of them. I don't remember. Do you
18 know, Kevin?

19 MR. HARVEY: Types of vehicles?

20 MR. WUELLNER: Yes. I mean, we --

21 MR. HARVEY: We have maintenance vehicles,
22 trucks. We've got the Xterra. We've got a 2009
23 Prius. That's about the extent of it. You've got
24 the old -- the old Tahoe what it is now a Customs

25 vehicle. And nothing that's --

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1 MR. WUELLNER: '89 or something like that.

2 MR. HARVEY: Nothing that's --

3 MR. COX: You're talking about what Ed drives
4 daily on a daily basis back and forth to the
5 airport here and for business?

6 MR. MERCER: Well, what I'm trying to get to
7 is, does the Airport Authority presently have a
8 vehicle, a truck or something that could be used by
9 the airport director to drive around and check
10 stuff out on the airport like an SUV or a Jeep or
11 something like that?

12 MR. WUELLNER: This is -- this is intended to
13 be broader than just to drive around on the
14 airport. It's in the conduct of Authority business
15 all over the state and all over the southeast on
16 occasion. I mean, anything that I do. I mean,
17 meetings, you name it, all over.

18 MR. MERCER: So we've got -- and I appreciate
19 that clarification. So I guess my issue then, now
20 that I have a better understanding of that, is I
21 guess I take issue with the amount. You know, I --
22 I'm pretty sure I could go up to Brumos Porsche in
23 Jacksonville and for \$950 a month probably roll off
24 the lot with a 911 Porsche. I personally drive a

25 truck from 2000, and I think that \$950 a month is

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1 excessive and wasteful.

2 MR. WUELLNER: I --

3 MR. MERCER: As a -- as a benefit for a
4 government employee, a manager of an airport, I
5 take issue with the amount. Not necessarily with
6 the idea of having a company car, an allowance of
7 say \$350 or \$375 a month or something like that.
8 But \$950 a month in my book is excessive.

9 MR. WUELLNER: I would point out that the
10 amount is -- also includes all gasoline, all
11 insurance, and any vehicle I purchase -- I mean,
12 all those, maintenance, all of those costs are mine
13 within that. There are no other outflows. I mean,
14 there's no other contribution by the Authority
15 related to that vehicle. So that's the all-in kind
16 of number per month.

17 CHAIRMAN YOUMAN: This is the same amount that
18 was in the previous contract?

19 MR. WUELLNER: Previous two.

20 MR. BURNETT: Yes, sir.

21 MR. WUELLNER: Previous two.

22 CHAIRMAN YOUMAN: Previous two. Nothing has
23 changed.

24 MR. COX: So I'm -- with all -- in actuality,

25 he could -- he could probably spend \$950 a month in

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1 gas driving to some of the meetings that he goes
2 to, I'm serious, because he goes a lot of places, a
3 lot of different states and he drives that truck to
4 the places. He goes down to, you know, Naples
5 and -- I mean, I'm not saying it would happen every
6 month, but I could conceivably see it because I
7 spend about \$600 a month on gas.

8 MR. MERCER: I don't know how many meetings
9 he's going to. And if we're talking about on the
10 one hand we absolutely have to have him here with a
11 house on the -- residence on the premises
12 because --

13 MR. COX: Yeah.

14 MR. MERCER: -- his presence here is vital and
15 essential, and yet he's also traveling first class
16 and his wife's traveling first class, there's a lot
17 of money being wasted at this airport, and
18 that's -- that's my concern.

19 CHAIRMAN YOUMAN: Ms. Barrera, did you have
20 any objections?

21 MS. BARRERA: When we looked at it before back
22 in -- when the contract was created, I think we
23 compared it against the other airport executive
24 directors, and that was in a -- that was considered

25 a reasonable amount. And it's not being increased,

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1 so I don't see any need to take that away, to
2 decrease the overall compensation.

3 CHAIRMAN YOUMAN: Mr. Ciriello, you didn't
4 object to it in your previous comments?

5 MR. CIRIELLO: (Shakes head.)

6 CHAIRMAN YOUMAN: Mr. Cox?

7 MR. COX: No, I have no exception to it.

8 CHAIRMAN YOUMAN: I have no exception to it.
9 So it seems okay. Next item, Mr. Mercer.

10 MR. MERCER: Looking down -- and I apologize
11 for the pause. I'm looking at three different
12 versions and I've got strike-throughs and
13 underlines and --

14 CHAIRMAN YOUMAN: No problem.

15 MR. MERCER: -- just want to --

16 CHAIRMAN YOUMAN: You're doing an excellent
17 job.

18 MR. MERCER: One of the new provisions -- and
19 maybe this is not new, but it's underlined, so I'm
20 assuming it to be new -- is the 30 days of
21 vacation.

22 MR. COX: What page, paragraph? Paragraph and
23 page.

24 MR. WUELLNER: E.

25 MR. MERCER: Looks like echo.

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1 MS. BARRERA: So you've left D completely?

2 MR. MERCER: Yes. I've moved on to E.

3 MR. WUELLNER: It's the same, the same as it's
4 been.

5 MR. MERCER: 30 days?

6 MR. WUELLNER: (Nods head.)

7 MR. MERCER: Okay. And I guess I join in my
8 colleague, Mr. Ciriello, on his concerns about
9 this -- I guess I'd have to call it a bonus plan
10 under Section Foxtrot, BBCP based on passenger
11 traffic and increase over threshold and all of this
12 stuff which I think for the people who I talked to
13 during the campaign who were in favor of keeping
14 the airport at its current size rather than going
15 to regular scheduled commercial carrier like
16 Southwest or some other large airline, I'm
17 concerned and opposed to a carrot and an incentive
18 that -- that drives that policy or drives that
19 behavior. So I would be opposed to Foxtrot 1.

20 I similarly am opposed to, if I understand
21 Foxtrot 2 on that same page, giving a bonus to the
22 airport director based on net cash from operating
23 activities of the airport. I'm not sure, first of
24 all, that's a defined term. Correct me if I'm

25 wrong, Doug. Is that defined anywhere in the

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1 contract or --

2 MR. BURNETT: The -- which part? The --

3 MR. MERCER: Where it says under F.2., BBCP

4 based on net cash from operating activities. Net

5 cash from operating activities, is that a defined

6 term?

7 MR. BURNETT: No. I --

8 MR. WUELLNER: It's a defined item within the

9 audit, which is what it references.

10 MR. MERCER: It doesn't identify any

11 particular audit or any particular -- does it?

12 MR. WUELLNER: Yes. Previous three years each

13 time.

14 MR. MERCER: Where does -- where does it

15 reference that in the language?

16 MR. WUELLNER: Right after the net cash

17 provided by operating activities over the previous

18 three years as identified in the independent audit.

19 MR. MERCER: My concern is trying to drive a

20 bonus for an air -- for an airport manager. And in

21 this case it appears to be a bonus of 1 percent

22 of -- using this formula, of the net cash provided

23 by operating activities.

24 I understand there's an average and it's over

25 a period of the previous three years and this,

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1 that, and the other. First of all, this appears to
2 be a new provision. Am I correct in that?

3 MR. WUELLNER: That's correct.

4 MR. BURNETT: It is. This one and the one
5 immediately before it.

6 MR. MERCER: So I'm opposed to that. I don't
7 think that we should be driving bonuses based on
8 percentages of the net operating activities of the
9 airport.

10 This is a really really robust contract,
11 filled with lots of salary and lots of benefits.
12 Again, part of my mission, as you-all will get to
13 know me, you -- you'll realize that I'm committed
14 to trying to keep waste down, and I think this is
15 excessive. That's my comment on Foxtrot 1 and 2.

16 CHAIRMAN YOUMAN: Ms. Barrera?

17 MS. BARRERA: I'd be interested -- since this
18 is a new provision being brought to the board, I'd
19 be interested in Ed's feedback on it, his thoughts.

20 MR. WUELLNER: Well, provision Number 1,
21 consistent with direction we -- you guys have given
22 me over the years relative to commercial service,
23 is -- essentially the way it's written front ends
24 the first 50,000 enplanements and then only after

1 So the provision -- there's no monetary
2 benefit until and unless enplanements exceed
3 50,000, whenever that happens. The -- then
4 following that, it's based on the actual increase
5 over 50,000 or the next -- or the previous year
6 when it exceeds 50. And it's a percent of salary
7 based on a range as it's -- as it's identified in
8 the table.

9 The idea here is that, you know, if there's --
10 there's really no incentive-based compensation
11 until and unless you get past 50,000. Then it's at
12 least a year in arrears after that before any net
13 change could be realized. So it -- it wouldn't
14 even kick in -- at this point probably about two
15 years out would be the earliest assuming commercial
16 service came in and exceeded 50,000 enplanements.

17 As far as the second one, a part of the
18 previous rationales or difficulty that this board
19 has had in defining any type of incentive has been
20 how to -- how to create a baseline number from
21 which to calculate it. And some language that was
22 in the a -- another airport's compensation or
23 contract, I read this and went, wow, that's --
24 that's actually kind of what we were struggling

25 with the last five-year agreement that was

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1 executed. And it never did get defined as a part
2 of the contract and as a result never did move
3 forward.

4 But with being off the tax rolls finally and
5 the like, that this takes the three-year average
6 and then looks -- actually looks at the lowest two
7 years of a three-year period each time and then
8 applies a percentage to that -- to that difference.
9 Keep in mind it's 1 percent of the number. So the
10 reality is, unless we're generating, you know,
11 millions of dollars, it's a pretty low risk kind of
12 number.

13 I think if you looked at the last three years,
14 you'd see that it's probably in the order of about
15 \$2000, is the -- what would be the calculated bonus
16 over the three years -- the three-year period of
17 the previous years. So it's not designed to create
18 this large, you know, unwieldy cash monster back to
19 the Authority.

20 It uses a documented kind of number, meaning
21 it's done by an independent analysis. It's not our
22 internal resources. It's an external independent
23 CPA doing the annual audit to rely on the data. So
24 it's -- again, it's paid once a year assuming it's

25 positive. So, so far it has been and I think the

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1 overall goals of the board have been to make sure
2 it's positive.

3 CHAIRMAN YOUMAN: Mr. Cox?

4 MR. COX: Thank you.

5 CHAIRMAN YOUMAN: You're quite welcome, sir.

6 MR. COX: I don't let him talk before me. No,
7 I'm kidding. Several things here.

8 First off, I think everybody needs to be
9 reminded on the board who it is we represent. We
10 represent the roughly 200,000 citizens in the
11 county, not the minority of some of the group on
12 the field here that want to see this airport stay
13 the grass field that it used to be. And I -- trust
14 me, I love it being a grass field. I wish we still
15 had one.

16 We gave Ed marching orders back in 2003 to get
17 this airport off the tax rolls. Ed has done
18 exactly that. It wasn't anybody on the board. We
19 gave him marching orders to do that. That air --
20 the airport now is off the tax rolls.

21 He had some incentive to do that, and the
22 continuing incentive to keep us off the tax rolls
23 and to keep this airport profitable and moving
24 forward comes in play in -- in these additional --

25 in the additional language here in his contract.

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1 Secondarily, to help keep the county moving
2 forward with the airport, take into account that if
3 in fact these numbers come to fruition, 50,000
4 people or 50,000 passengers, 7 percent over that is
5 roughly 54,000 passengers.

6 If you arguably say that anybody brought in
7 \$50 in money that they spent -- they spend coming
8 into this airport, that passenger traffic, we're
9 looking in the millions of dollars range. Two and
10 a half to five million, depending on how you want
11 to count that of the money that they spend here.
12 You're talking rental cars. We're talking parking
13 fees. We're talking concessions, hotel rooms,
14 et cetera, et cetera.

15 I would suggest that that -- that money -- and
16 I formulated that at \$100, probably a lot more than
17 that. Not to mention the fuel flow fees that we
18 get from the thousands and thousands of pounds of
19 fuel that we pump into the aircraft and the
20 concession fees we get over at the airport.

21 So, you know, you're bringing that tax money
22 into -- into the county here which providing a huge
23 service to the citizens of the county and bringing
24 us a lot of -- a lot of revenue into the county.

25 So I rest my case. Thank you. And I'm in favor of

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1 A and B, then.

2 MR. MERCER: I would just be curious,
3 Mr. Chairman, if anybody on the board knows what
4 our net cash from operating activities has been the
5 last year or the year before. Has -- has anyone
6 modeled this to see whether this is a --

7 CHAIRMAN YOUMAN: There's a --

8 MR. MERCER: -- a reasonable bonus plan?

9 CHAIRMAN YOUMAN: -- operating revenue and
10 expense statement profitable all the way for the
11 last three years. Sorry. Just got into my low
12 mode. Mr. Ciriello?

13 MR. CIRIELLO: Yeah. Could Mr. Cox be
14 specific in pointing out exactly how Mr. Ed the
15 director personally gathers all these passengers
16 and brings them in here and it makes us a ton of
17 money?

18 MR. COX: I saw Ed out in my neighborhood the
19 other day going and asking people to take airplane
20 flights.

21 MR. CIRIELLO: No wonder you're not an airline
22 pilot anymore.

23 MR. COX: The incentive is -- oh, now we're
24 going to get dirty.

25 MR. CIRIELLO: Yeah, we are.

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1 MR. COX: We want to play that game.

2 MR. CIRIELLO: You've been playing it for
3 years. Why can't I?

4 MR. MERCER: Come on, guys.

5 MR. COX: You don't do very well at it anyway.

6 MR. MERCER: Come on, guys.

7 MR. CIRIELLO: Let's go outside and do it.

8 CHAIRMAN YOUMAN: Gentlemen.

9 MR. COX: You know what? I'm going to excuse
10 myself because I will meet Mr. Ciriello outside.
11 With that kind of language, Joe, you better just
12 stop it.

13 (Mr. Cox leaves the room.)

14 MS. BARRERA: Do we have public comment?

15 CHAIRMAN YOUMAN: Yes, we have a public
16 comment from Mr. Buzz George, please.

17 MR. GEORGE: Thank you, Mr. Chairman. Buzz
18 George, 223 South Matanzas Boulevard,
19 St. Augustine, Florida. Since I was involved a lot
20 of -- in a lot of the existing contract, I thought
21 you might want some of the methodology that was
22 used at that time.

23 In reviewing Mr. Wuellner's contract, or the
24 executive director's contract, it's not our purpose

25 to say what we paid somebody for a car allowance 20

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1 years ago or to what happens at Buffalo, New York

2 airport, you know, that's there from 20 years ago.

3 The point is, he's a public servant, we're

4 paying him to do a job, and what are other public

5 servants paid? I think your time really needs to

6 be spent in comparing to the county administrator,

7 his executive assistants that he has, and other

8 airports to say where you want things to go.

9 The idea of the bonus was taken not from what

10 we all had a -- a contract when we first got

11 started right out of high school. It's a contract

12 of what corporations are doing and what they have

13 found successful in dealing with executives.

14 And what they have found or what I have found

15 and read is that most of your human resources

16 personnel people feel that if there is a carrot

17 hanging out there, that this board can tie to that

18 carrot what they want to get accomplished. That

19 crystallizes his attention and you've got a better

20 chance of you making that objective goal.

21 When we set this, we were trying to get off

22 the tax rolls. Mr. Wuellner built a plan that was

23 going to take seven years to implement. And in

24 seven years, he implemented it. It wasn't because

25 the board didn't constantly say, "How does this

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1 decision affect the plan?" But it was his own
2 desire to do the same thing that the board wanted.

3 So I urge you to look at the bonus as a tool
4 for you to set the long-term goals and objectives
5 of what you want for this airport and then tie that
6 to his compensation.

7 (Mr. Cox reenters the room.)

8 MR. GEORGE: I'll be glad to answer any
9 questions about what happened way back when if
10 anybody's interested. Thank you, Mr. Chairman.

11 CHAIRMAN YOUMAN: I'd like to enter a
12 statement regarding the contract of the airport
13 manager submitted by Mr. Werter, a former board
14 member.

15 It has come to my attention that there is some
16 minor disagreement regarding the length and salary
17 raise for Mr. Ed Wuellner, our North Florida
18 Regional Airport manager for the past 17 years.
19 Some misguided or uninformed opinions that his
20 raise is excessive and the length of contract
21 proposed is inordinate.

22 Mr. Wuellner has been a highly successful and
23 loyal contract employee of this firm during the
24 worst and best economic times. One only needs to

25 look back to where this airport was back then and

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1 where it is now. From a small town, albeit county
2 airport to one of the singlemost employers of
3 St. Johns County and the surrounding area.

4 Though board members may take credit for the
5 direction that this airport, the true credit goes
6 to Ed. But for his expertise, judgment, knowledge
7 and foresight, this airport would be a drain on the
8 taxpayers of St. Johns County. Not only has this
9 airport become self-sustaining, but brings over
10 \$500 million in commerce to this county in
11 employment, revenue and various taxes. Without
12 this airport as it is, the tax burden to be imposed
13 by the county commissioners would even be greater.

14 Ed's position is one of a higher level
15 executive nature. It cannot be compared to a
16 Pennsylvania steel worker. The airport manager in
17 effect is a CEO and CFO combined. Regarding --
18 regarding Ed's raise, this professional waived
19 raises for three years. He most probably could
20 have run off to a larger airport with greater
21 career prospective at any time. He did not. He
22 has shown his worth and loyalty throughout the
23 years. To ignore this would show ignorance and
24 poor judgment by anybody other than those who have

25 had any true and real commercial aviation or

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1 managerial experience.

2 Barring false representations from anybody,
3 this airport cannot be compared -- returned to a
4 fiefdom for a few small minority. This airport is
5 for the 195,000 plus people of all of
6 St. Johns County, not to mention again the
7 surrounding areas.

8 We are coming up on harder times and require
9 the best. Ed has shown that he most certainly is,
10 as he has enabled this airport to continue to grow
11 even in the bad economic times of the past. The
12 tower may face closure which may please a small
13 number of self-interested small minded people.
14 However, this must not hinder us in the pursuit of
15 the much desired airline service the majority
16 public desires. We need Ed to continue to acquire
17 the appropriate commuter service for the people of
18 St. Johns County. We need his skill and judgment
19 to overcome the next economic downturn as he has
20 done in the past.

21 It is common practice to give such an
22 executive a multiyear contract. It is required to
23 maintain continuity and to allow such a person to
24 complete the tasks of a successful company, which

25 this airport actually is. A three- to five-year

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1 contract is by all good management proper.
2 Additionally, not is only proper from a managerial
3 standpoint, but it demonstrates our loyalty to a
4 highly competent man who has demonstrated his
5 loyalty to us. A one-year contract is managerially
6 and morally inappropriate and insulting in this
7 situation. Do the proper thing for this airport
8 and by -- by Ed Wuellner.

9 I apologize for not being able to appear in
10 position (sic) as my new position prohibits so.
11 However, my heart will always be with this airport
12 and the staff who has done so well by us, the
13 people of all of St. Johns County. Respectfully
14 submitted Jim Werter, former board member.

15 All right. We are -- I see that Mr --
16 Mr. Ciriello and Mr. Werter --

17 MR. WUELLNER: No. Mr. Mercer.

18 CHAIRMAN YOUMAN: -- consensus --

19 MR. WUELLNER: Mercer.

20 CHAIRMAN YOUMAN: Pardon me?

21 MR. WUELLNER: Mr. Mercer.

22 CHAIRMAN YOUMAN: What did I say?

23 MR. WUELLNER: Werter.

24 CHAIRMAN YOUMAN: Oh, I'm sorry. I apologize.

25 MR. MERCER: Apology accepted.

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1 CHAIRMAN YOUMAN: Thank you, Mr. Mercer.

2 MR. MERCER: Just kidding.

3 CHAIRMAN YOUMAN: I do --

4 MR. MERCER: Let the record reflect levity.

5 CHAIRMAN YOUMAN: I do that occasionally. I

6 wander off with a name and it just pops out and

7 everybody corrects me and I thank you all.

8 Consensus-wise, those in favor of item F.1. and 2.?

9 MR. MERCER: In favor of striking or keeping?

10 CHAIRMAN YOUMAN: Keeping.

11 MR. COX: Keeping. Aye.

12 MR. MERCER: Nay.

13 CHAIRMAN YOUMAN: All in favor right now.

14 MS. BARRERA: Aye.

15 MR. COX: Aye.

16 CHAIRMAN YOUMAN: Aye. Not in favor?

17 MR. MERCER: Nay.

18 MR. CIRIELLO: No.

19 CHAIRMAN YOUMAN: It shall be left in there,

20 the bonus, three-to-two vote. Okay. Where are we

21 now? Item G?

22 MR. MERCER: Yes, I think so. I think

23 Mr. Ciriello had raised some concern about this.

24 And I guess I share his concern.

25 My concern here is this provision appears to

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1 provide for the spouse of the executive director to
2 fly for free. I assume the spouse of the executive
3 director is not an airport employee. My reference
4 here -- I have two preferences I guess with respect
5 to travel.

6 One is I think travel ought to be coach class.
7 If it's good enough for Ted Turner when he owned
8 Turner Broadcasting to fly coach, I think our
9 airport manager should be flying coach class. I
10 saw at least two references in the agreement to
11 business class. I used to work at Delta Airlines.
12 On domestic flights, we called that coach or first.
13 I'm not sure if business may be a new class, but --
14 so I take issue with the spouse. I mean, I love
15 the idea of a spouse. When I take a business trip,
16 I love my spouse to accompany me. It's just that I
17 pay for it.

18 And we are paying a tremendous benefit
19 package. The board is paying a tremendous salary.
20 And I'd like to see again some of the costs of this
21 airport come down and see the prices of fuel come
22 down. I want to see hangar rental rates come down.
23 I want to see costs come down. And I want to look
24 at this contract from a business perspective. And

25 I think we ought to cut the spousal travel benefit

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1 and the first class or business class travel

2 benefit, make it coach for the employee only.

3 CHAIRMAN YOUMAN: Where is the coach and
4 business?

5 MR. COX: The last section.

6 MR. MERCER: Notice the reference to business
7 class is the last two words in Paragraph G.

8 CHAIRMAN YOUMAN: Oh, there it is.

9 MR. MERCER: But there is at least one more
10 reference to business class somewhere.

11 MR. WUELLNER: It's under travel.

12 MR. BURNETT: Mr. Wuellner, you did intend for
13 the business class to be that -- each of the level
14 between first class and coach?

15 MR. WUELLNER: Uh-huh.

16 MR. BURNETT: That's a yes?

17 MR. WUELLNER: Yes. It also specifies in
18 the -- in my case, it's a -- with flight duration
19 or duration of flight in excess of two hours.
20 Otherwise it's coach -- I forgot where it was.

21 MS. BARRERA: It's in D.1.

22 MR. WUELLNER: D.1. was it?

23 MS. BARRERA: Uh-huh.

24 MR. WUELLNER: Yes, it is. Thank you.

25 CHAIRMAN YOUMAN: Which one?

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1 MR. WUELLNER: D.1, it's the last sentence.

2 It's 4 -- is it 4? 4.D.1. Yes, 4 -- it's back a

3 few pages under reimbursements.

4 CHAIRMAN YOUMAN: Ms. Barrera, any comments?

5 MS. BARRERA: I -- I could support Section G

6 being removed from the contract.

7 CHAIRMAN YOUMAN: Remain as is?

8 MS. BARRERA: No. Section G for spouse

9 travel, I could support that part being removed.

10 CHAIRMAN YOUMAN: Mr. Ciriello? I think you

11 objected to that already. Mr. Cox?

12 MR. COX: What specific one are you talking?

13 G?

14 CHAIRMAN YOUMAN: G, about the executive

15 spouse.

16 MR. COX: I'm all right with it the way it is.

17 CHAIRMAN YOUMAN: I -- I agree with Mr. Mercer

18 and Mr. Ciriello and Mrs. Barrera.

19 MR. BURNETT: D will be eliminated then.

20 MR. WUELLNER: G.

21 MR. BURNETT: G.

22 MR. MERCER: G as in golf.

23 MR. BURNETT: I was looking at G and saying D.

24 I'm not sure why. H is not a change.

1 down to J, the last sentence appears to be an
2 add-on, and this talks about the eligibility for
3 reimbursement, looks like a -- what I call a
4 tuition reimbursement provision for Master's or
5 Doctoral level studies.

6 I guess my objection to that is, number one,
7 is that a need of the airport to have somebody with
8 a Ph.D managing the airport? In my judgment, no.
9 Tuition is very expensive. And if we're talking
10 about needing the manager of the airport to be
11 focused on being close to the airport and
12 addressing the challenges of the airport, I would
13 say that advanced degree studies, matriculation,
14 and pursuit of a Doctoral degree just doesn't fit
15 within the ambit of what I think should be within
16 the manager's benefit package.

17 CHAIRMAN YOUMAN: Ms. Barrera, what is your
18 thoughts?

19 MS. BARRERA: I'm trying to remember what we
20 had for the regular -- for our regular employee
21 benefits. If we are reimbursing that for our
22 regular employee benefits, then we should be doing
23 the same thing for our executive director.

24 CHAIRMAN YOUMAN: Mr. Wuellner, what is the

25 policy for employees?

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1 MR. WUELLNER: We -- we do provide
2 reimbursement, tuition reimbursement. I'm
3 hard-pressed to tell you the exact language. I
4 don't think -- I don't think it specifies to any
5 particular degree number.

6 MR. BURNETT: It -- here you go, Mr. Wuellner.

7 MR. WUELLNER: You have it? Great.

8 CHAIRMAN YOUMAN: Mr. Ciriello?

9 MR. BURNETT: There is a tuition
10 reimbursement. It's spelled out pretty detailed.

11 MR. WUELLNER: The previous contract just
12 referenced the language in the policy, as I recall.

13 MR. BURNETT: Yeah, it's got -- it's got
14 minimum grade requirements for reimbursement. It's
15 got requirements that the -- that the institution
16 be an accredited educational institution. And it's
17 got some language in there that if you have
18 assistance from other source, you use that source
19 rather than the Airport Authority.

20 For example, you couldn't get a scholarship
21 and then turn around and get reimbursed as well
22 from the airport. The airport language in the
23 policy is protecting against that.

24 CHAIRMAN YOUMAN: While you're looking at

25 that, Mr. Ciriello?

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1 MR. CIRIELLO: Yeah. As I really look at this
2 item J, the thought comes in my mind that
3 deservedly so, we're all giving allocades (sic) to
4 how great a job Ed is doing. But now we're saying
5 that he can go out and get jobs -- odd jobs or
6 positions with five other organizations at the same
7 time he's working for us and if he has to go and
8 put any time in with these other organizations with
9 his expertise, we're going to be missing him all
10 those times.

11 So we're telling him how great of a job he's
12 doing here, but telling him to go out and work for
13 somebody else, too. To me, that doesn't make
14 sense, in theory, you know. And I can understand
15 if he wants to improve his education relating to
16 his job that he should be reimbursed. All places
17 do that. All companies do that for their
18 employees, even employees who aren't management,
19 you know. If you get better education and benefit
20 your job to help the company, they reimburse you.
21 I don't have any problems with that part.

22 The part I have is up there with going out and
23 working for five other companies besides ours. So
24 how could he give us his 100 percent attention to

25 this job if he's out working with somebody else?

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1 MR. WUELLNER: Just to clarify.

2 MR. CIRIELLO: Do you get what I'm saying?

3 MR. WUELLNER: Just to clarify, these are

4 organ -- these are memberships to like Florida

5 Airport's Council, AAAE, that kind of thing. This

6 isn't -- they're not jobs. They're just simply

7 organizational memberships.

8 MR. CIRIELLO: But they do demand some of your

9 personal time and effort.

10 MR. WUELLNER: If I choose to attend meetings

11 with them, yes. But they're not --

12 MR. MERCER: It's probably like a monthly

13 meeting type of thing.

14 MR. WUELLNER: Not even that. Once a year,

15 twice a year.

16 CHAIRMAN YOUMAN: I think the only issue --

17 the only other issue is the last sentence in that

18 paragraph relating to Master's and Doctorate. Is

19 that correct?

20 MR. MERCER: That was my issue, was I don't

21 think we need a Ph.D running -- managing a Class

22 Delta airport. That's not a degree that I think

23 lends itself -- now if he was pursuing a Bachelor's

24 in airport management or that type of a thing,

25 that -- that I think would be a little bit more

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1 relevant, but he's already got a Bachelor's Degree
2 conferred. So the idea of a Ph.D to me is not
3 really relevant or necessary or something that the
4 board -- excuse me, something that the airport
5 should be paying for.

6 CHAIRMAN YOUMAN: Mr. Cox?

7 MR. COX: Our current policy provides for
8 remuneration for tuition, right?

9 MR. BURNETT: It -- it does.

10 MR. COX: But does it discriminate against
11 what level?

12 MR. BURNETT: No, it does not.

13 MR. COX: So we have a -- why would this
14 language even need to be in here?

15 MR. BURNETT: Because with the executive
16 director, we compensate him based on his contract.

17 CHAIRMAN YOUMAN: Couldn't we just take that
18 clause and put it in this contract --

19 MR. BURNETT: It's -- it's saying that it's --

20 MR. WUELLNER: It's more like a section --

21 MR. BURNETT: Yeah, it says consistent with
22 the eligibility and reimbursement policy of the
23 Authority. So the policy's in place. This is
24 saying that he can participate in it.

25 CHAIRMAN YOUMAN: Because the way -- the way

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1 it sounds like it's worded for all the employees is
2 general that if they want to pursue a Master's or
3 Doctorate, they could.

4 MR. BURNETT: I believe that would be
5 accurate.

6 MR. MERCER: I mean, typically when I've been
7 involved with corporations where they have an
8 employee benefit -- excuse me, a tuition benefit,
9 to be more specific, there's typically that the
10 line of study is going to be germane or somehow
11 facilitated to be relevant to that position.

12 CHAIRMAN YOUMAN: Correct. I agree with that.
13 Everybody agrees with that.

14 MR. WUELLNER: Which is the last phrase of the
15 sentence.

16 MS. BARRERA: Mr. Chairman?

17 CHAIRMAN YOUMAN: Ms. Barrera.

18 MS. BARRERA: May I ask Mr. Mercer, would it
19 be -- would you be more comfortable if it just had
20 Master's and at this point did not have Doctorate?

21 MR. MERCER: I would. I could compromise on
22 that. I -- I think my major objection is the Ph.D
23 level. I can see some good management benefit
24 coming from a Master's level program of study.

25 MS. BARRERA: Uh-huh.

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1 CHAIRMAN YOUMAN: I would agree to that.

2 Mr. Cox?

3 MR. COX: Agreed.

4 CHAIRMAN YOUMAN: Mr. Ciriello?

5 MR. CIRIELLO: Yeah.

6 CHAIRMAN YOUMAN: Five and then delete
7 Doctorate.

8 MR. BURNETT: We're on 2.K.

9 CHAIRMAN YOUMAN: Mr. Mercer, you still have
10 the floor.

11 MR. MERCER: Okay. Let's take a look at Kilo.
12 I don't think I had any issue with that. Moving
13 down -- and I don't have any issue that we replaced
14 reference to 8-track player with a smart phone and
15 tablet. I think that's appropriate.

16 Now I'm under Section 5, termination of
17 employment. It looks to me as if there were three
18 bases for termination of the airport director in
19 the old contract. One was T for -- termination for
20 convenience, T for C, which was Paragraph Charlie,
21 if I'm reading the strikeouts from Doug correctly.

22 And we had Bravo, which dealt with medical issues.

23 And then we had cause under Section A.

24 Looking at termination for cause under 5.A., I

25 guess I don't really have much to say on A. or B.

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1 I guess my main focus is under Paragraph C, which
2 is termination for convenience. It looks to me
3 like -- and Doug correct me if I'm wrong. But just
4 a quick comparison, it looks like C provided
5 previously that the director could be terminated
6 without cause, in other words what we refer to as
7 termination for convenience upon six months'
8 notice. Is that correct? The old Paragraph C?

9 CHAIRMAN YOUMAN: C? You mean B?

10 MR. COX: The old.

11 MR. BURNETT: Now it's under Section H.

12 MR. MERCER: Yeah.

13 MR. BURNETT: Page 7, Section H. The
14 Authority reserves the right to terminate the
15 executive at any time during the initial period or
16 if this is agreement -- subparagraph 1.D. above
17 during the action without cause.

18 MR. MERCER: Exactly. So that's the new
19 version of termination for convenience without
20 cause.

21 Now it looks to me like the Delta there is
22 that under H, the new provision, it requires a
23 bizarrely high standard of 80 percent people
24 vote -- of the board voting in favor of that.

25 That's been added. Whereas in the previous

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1 contract, under old section C as in Charlie, it was
2 a simple majority vote of the board. Would you
3 agree with that difference?

4 MR. BURNETT: Yes, sir.

5 MR. MERCER: Okay. All right. So -- and then
6 we have -- there's a termination for convenience, a
7 severance position. It looks like it's been added
8 26 weeks, blah, blah, blah, sick -- sick time,
9 vacation, et cetera.

10 My only objection to the new Paragraph H is
11 the reference to -- of at least four members of the
12 Authority's governing body. That has been added.
13 That raises the pole vault bar. And really and
14 truly, typically very unusual to have an 80 percent
15 standard in a contract for -- very tough to get
16 that kind of consensus.

17 So my very strong position on Subparagraph H,
18 I don't have any issue with it except for the
19 language of at least four members of the board. It
20 ought to be three. It ought to be a majority,
21 which is how this board rules on all other aspects
22 of matters which are called before it. And I'll
23 yield to you, Mr. Chair.

24 CHAIRMAN YOUMAN: Mrs. Barrera?

25 MS. BARRERA: Why was the four -- was there --

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1 was there a specific reason that it was changed to
2 four instead of just the majority?

3 MR. BURNETT: It's a requested change by
4 Mr. Wuellner, and it -- it makes it harder to
5 terminate him without cause.

6 MR. WUELLNER: Without cause.

7 MS. BARRERA: I think without just cause, I'm
8 comfortable with four. You have to have cause. It
9 would be like any other -- you couldn't do it on a
10 whim with a five-year contract.

11 MR. MERCER: Well, I take issue with the
12 five-year contract, and I also come from a
13 background where we are -- in 98 percent of the
14 working force of America, whether you're a lawyer
15 or work for a business, 98 percent of us are
16 at-will employees. We do a good job, we remain
17 employed.

18 And I think to tie the hands of future boards,
19 first of all with a five-year term contract, is
20 absolutely egregious. I think to require four
21 members out of five is equally egregious.

22 CHAIRMAN YOUMAN: Mr. Ciriello?

23 MR. CIRIELLO: I'm looking at two words,
24 without cause. I don't understand. If anybody's

25 going to be terminated, it's because he's done

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1 something, you know, something wrong or whatever.

2 So to say you're going to get rid of somebody

3 without cause just doesn't make any sense. I don't

4 like those two words in there.

5 And then of course I think like Mr. Mercer

6 said that a majority vote of three to two should be

7 sufficient instead of four out of five. But I'd

8 like to see that three members which would make a

9 majority, that two words without cause taken out of

10 there.

11 MR. MERCER: Yeah, but Joe --

12 MR. CIRIELLO: If you don't have any cause,

13 why get rid of somebody?

14 MR. MERCER: Joe, you deal with -- you deal

15 with for cause termination in the first paragraph.

16 That's for cause. That has a whole separate set of

17 rules.

18 The provision H is specifically designed for a

19 termination where it is a termination without

20 cause. That's called termination for convenience.

21 So that you have to leave those two words in there,

22 otherwise it makes no sense. It would be redundant

23 because you already deal with for cause. So you

24 have to leave without cause in Section H and lower

25 the number from four members to three members.

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1 CHAIRMAN YOUMAN: Mr. Cox?

2 MR. COX: Because of the dynamics and the way
3 this board changes flavor every two or three years
4 depending on how -- every two years and because of
5 the dynamics of what we witness here every month
6 and the way the board operates, I am very
7 comfortable with four being the number of votes
8 that needs to remove move the executive director
9 without cause.

10 CHAIRMAN YOUMAN: I agree. Ms. Barrera, do
11 you agree?

12 MS. BARRERA: Yeah, I'm comfortable with four.
13 I think that it -- it gives way to -- to whim. And
14 while you make a good point, Mr. Mercer, about most
15 of what we vote on requires a majority, I think in
16 this case that four is reasonable.

17 CHAIRMAN YOUMAN: All right. Next item.

18 MR. MERCER: Let's see. Did I see that the --
19 if I'm reading amended L correctly, and again this
20 redline is kind of choppy, did I see that the
21 director only has to give two weeks -- or excuse
22 me, two months' notice of intention to terminate
23 the agreement? In Lima?

24 MR. BURNETT: Yes.

25 CHAIRMAN YOUMAN: Which page is this?

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1 MR. WUELLNER: 11.

2 MR. BURNETT: This is --

3 MR. WUELLNER: Top of 11.

4 MR. BURNETT: Right above Number 6,

5 assignment, is Number 11.

6 MR. WUELLNER: I don't remember changing it,

7 but I'm fine with the six-month notification that

8 it was.

9 MR. MERCER: My only comment on that was if

10 the executive director elected to leave or

11 terminate, two months' notice might not be a whole

12 lot of time --

13 MR. COX: I agree.

14 MR. MERCER: -- for the airport, and that's

15 who my client is in this case. You know, my

16 suggestion there might be three months' notice or

17 something a little longer.

18 MR. COX: What was the previous language?

19 MS. BARRERA: Six months.

20 MR. WUELLNER: Six. I'd be fine with the

21 original language.

22 CHAIRMAN YOUMAN: Six months?

23 MR. WUELLNER: The six months. But we can --

24 if you guys think you can replace sooner, then I

25 can get out sooner.

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1 MR. MERCER: My -- my only concern for Ed on
2 six months, I'll come around to Ed's side of the
3 table here, is --

4 MR. WUELLNER: It's not costing me, is it?
5 I'm just kidding. I am kidding.

6 MR. MERCER: My only concern for my colleague
7 Ed here is if the director has an opportunity to
8 transition to Washington National or some other
9 airport, hypothetical, but six months is a lot of
10 lead time for the director to give -- you know, to
11 accept that position and yet still be tied here.

12 So, I almost thought in fairness to Ed
13 Wuellner that three months or four months might
14 be -- give him a little bit more flexibility but
15 still reasonably meet the needs of the airport to
16 make a replacement if that hypothetical should ever
17 come --

18 MR. COX: Would four months give you
19 flexibility?

20 MR. WUELLNER: Yeah. Yeah, I'm --

21 MS. BARRERA: I'm fine leaving it with six
22 months because I -- we're going to give him six
23 months, 180 days, and I think fair is fair.

24 MR. WUELLNER: I think as long as the

25 provision remains in there about you can waive

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1 it --

2 MR. COX: Waive it.

3 MR. WUELLNER: -- if you succeed in replacing
4 sooner than that, then I mean, that's fair.

5 MR. MERCER: Seems fair.

6 CHAIRMAN YOUMAN: Okay. We're -- what is it?

7 MR. COX: Six.

8 CHAIRMAN YOUMAN: It's back to six.

9 MR. WUELLNER: Yes.

10 MR. MERCER: Yes.

11 CHAIRMAN YOUMAN: And you agree, Mr. Mercer?

12 MR. MERCER: I find myself in the very
13 pleasurable position of agreeing with Mr. Cox and
14 Ms. Barrera.

15 CHAIRMAN YOUMAN: Mr. Ciriello, do you agree?

16 MR. CIRIELLO: Yeah.

17 CHAIRMAN YOUMAN: We have a unanimous
18 agreement. Tah-tah.

19 MR. MERCER: Mark the record.

20 MR. WUELLNER: It's interesting the only
21 agreement is in my termination.

22 MR. COX: No. It's actually keeping you four
23 more months.

24 MR. WUELLNER: Four more extra months.

25 MR. MERCER: Let's see here. I'm kind of

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1 moving down.

2 My only suggestion on the notice clause, and
3 I'm big on notice provisions, only through my -- my
4 work as a -- outside of this board, but I wonder if
5 maybe we don't want to have a different address.
6 Usually in the notice clause in a contract, this is
7 the provision where if one side's going to give
8 that official formal notice, it goes to that person
9 at that address in that manner. Here we've got the
10 exact same address.

11 So my only suggestion there to the folks is
12 maybe for the chairman putting his personal address
13 or a different address so that we have a shot at
14 that notice making it to -- because you don't --
15 Mr. Chairman, you don't reside or work out of 4796
16 Highway 1 North.

17 CHAIRMAN YOUMAN: No, I do not.

18 MR. COX: Yeah. We actually discussed this
19 last meeting, I think, too, and I thought it was a
20 good point.

21 MR. MERCER: Okay.

22 MR. COX: Because you're sending your
23 notification to your own office or we're sending it
24 to --

25 MR. MERCER: He would be notifying Carl at

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1 his -- at his -- his being the chair -- the

2 director's office, so...

3 CHAIRMAN YOUMAN: And then as the chair

4 changes, change the address.

5 MS. BARRERA: I think that you could --

6 MR. WUELLNER: Just change it to their

7 residence or something.

8 MS. BARRERA: Put -- I think it should go to

9 both places, both to somebody's personal residence

10 listed and then also to the official residence.

11 MR. WUELLNER: Make it vague enough to just

12 say resi -- at their residence or some --

13 MR. MERCER: And you could even use it as a

14 formula. So instead of identifying Carl, you could

15 just say to the chair at his then current --

16 CHAIRMAN YOUMAN: Current chair.

17 MR. MERCER: To the current chair at his then

18 current address at the time of the notice.

19 MR. WUELLNER: Save doing an amended document.

20 MR. BURNETT: If I might comment. I'm leaving

21 in chair at the official address being here at the

22 Authority and then with copy to chairman at current

23 personal address.

24 MR. MERCER: Even better.

25 MR. BURNETT: Yeah, we'll do both and then

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1 we'll cover it completely.

2 CHAIRMAN YOUMAN: Do all board members agree
3 with that?

4 MR. COX: Uh-huh.

5 MS. BARRERA: Yes.

6 MR. MERCER: Yes.

7 CHAIRMAN YOUMAN: Five-zip.

8 MR. WUELLNER: Anyone have an issue with
9 extending the same courtesy to myself?

10 MR. MERCER: Oh, no. I think that's a good
11 idea. Let's do a cc to Ed at his residence or to
12 the director at his then current residence at the
13 time the notice is to be given.

14 CHAIRMAN YOUMAN: Everybody agree with that?

15 MR. COX: Yes.

16 MR. MERCER: Yes.

17 CHAIRMAN YOUMAN: Mr. Ciriello?

18 MR. CIRIELLO: (Nods head.)

19 CHAIRMAN YOUMAN: Unanimous again.

20 MR. MERCER: Governing laws, the next section,
21 should probably be Texas. Just kidding. I have no
22 issue with Florida law. No issue with
23 severability.

24 I didn't have any other issues with the

25 exception of those that we discussed on the record

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1 at the meeting last month, which I incorporate
2 herein by reference. But other than that, I don't
3 have any other issues.

4 CHAIRMAN YOUMAN: All right. Doug, what is
5 the next step, you have it typed up into the
6 modified form and send it out to each of the board
7 to take a review again and make sure that the
8 intent is there?

9 MR. BURNETT: Yes, sir. I've actually made
10 the changes while we've been going through it.

11 CHAIRMAN YOUMAN: I --

12 MR. BURNETT: So I -- I've got it here. I'll
13 save it to a .pdf to make sure everyone can open it
14 and I'll e-mail it out. I've even done the change
15 to include the personal residence for the notice.

16 CHAIRMAN YOUMAN: And then I gather the final
17 version will be voted on in the next meeting after
18 each member has a chance to verify the consensus
19 changes were made, whether they agree or not.

20 MR. MERCER: And I guess if we see what we
21 think may be a typo or scrivener's error by Doug,
22 we'll just reply to Doug --

23 CHAIRMAN YOUMAN: Direct.

24 MR. MERCER: -- direct.

25 MR. BURNETT: I would appreciate that. That'd

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1 be nice. And then we'll have it put together for
2 the next meeting. We do have a meeting in May.

3 MR. WUELLNER: May 20th.

4 MS. BARRERA: 20th.

5 CHAIRMAN YOUMAN: May 20th.

6 PUBLIC COMMENT GENERAL

7 CHAIRMAN YOUMAN: All right. Open for public
8 comment, but there's no comment sheets from anyone
9 else. Since there's so few here, does anybody --
10 I'll relax the rule and does anybody want to say
11 anything?

12 MR. HICKOX: Job well done.

13 AUTHORITY MEMBER COMMENTS AND REPORTS

14 CHAIRMAN YOUMAN: Open board reports and
15 comments. Mr. Ciriello, intergovernmental meeting
16 and whatever else.

17 MR. CIRIELLO: Well, first of all, before I
18 get to the governmental meeting, I kind of lost my
19 cool a little bit here and made a few statements
20 concerning Mr. Cox that was totally out of line and
21 I was wrong in doing so and I want to be man enough
22 to apologize to him for that.

23 MR. COX: Thank you, sir. I apologize, too.

24 MR. CIRIELLO: You don't need to because you

25 didn't do anything. It was my dumb mistake.

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1 Okay. At the last meeting, I gave -- you got
2 a couple of reports from the meeting we had, the
3 mosquito control and the elections office. But
4 also at that meeting Mrs. Oakes was elected
5 chairman of the committee and I accepted the vice
6 chair again. So that change has been made.

7 And river water management, there was some
8 individual went to the supreme court on some
9 property concerns and they were denied and the
10 water management came out okay. The sheriff said
11 the crime rate in the county is down slightly.
12 City commission says they need to get up to speed
13 on their 450th anniversary for the city. And
14 that's all I have on that.

15 CHAIRMAN YOUMAN: Mr. Cox, EDC?

16 MR. COX: The chairman and I both attended a
17 seminar -- two weeks ago?

18 CHAIRMAN YOUMAN: Uh-huh.

19 MR. COX: For economic development at which we
20 were very well represented by a common -- combined
21 group. And, Ed, what's the acronym, the
22 economics -- what's the acronym that they use with
23 the city, the airport, the E --

24 MR. WUELLNER: IDA.

1 Authority.

2 MR. COX: Industrial Development Authority,
3 there you go. And that seminar held about probably
4 200, 200 to 300 people. Very -- very
5 well-received.

6 And the airport had our table out there, which
7 was, you know, served by folks at St. Augustine,
8 was very well-received and we had probably a lot --
9 most of the people at the conference stopped by our
10 table and were talking about the airport. Also
11 they talked about how the airport was of course the
12 economic generator for the county and how much we
13 do for the county.

14 CHAIRMAN YOUMAN: Any other comments?

15 MR. COX: Not from me.

16 CHAIRMAN YOUMAN: Ms. Barrera?

17 MS. BARRERA: The only comment I would make is
18 that the airport hosted the youth leadership
19 St. Johns kids and the feedback from it was
20 overwhelmingly positive.

21 They enjoyed the opportunity to hear both our
22 chairman and executive director speak and exposed
23 them to different aspects at the airport that they
24 were not aware of prior. And I think that's a

1 CHAIRMAN YOUMAN: Mr. Mercer, Aerospace
2 Academy?

3 MR. MERCER: Yes. February 27th, Ed Wuellner
4 and I attended the Aerospace Academy meeting. It
5 was my first meeting and I have to tell you it was
6 really really impressive. The enthusiasm from
7 those folks was just infectious. I mean, it was
8 really cool.

9 And the -- y'all probably saw on the front
10 page of the paper where a group of those students
11 got to go out here to the airport -- or come out
12 here to the airport, I should say. This is the
13 March 6th edition of The St. Augustine Record. And
14 they brought a number of female students to come
15 out and meet with Patty Wagstaff, who as you all
16 know is probably the best aerobatic -- one of the
17 best aerobatic pilots in the world, three-time
18 world champion. And so that was really cool.

19 They have -- family day is scheduled I think
20 for April 27th, which is coming up out here, and
21 that's an opportunity of course for folks who have
22 never flown in light GA before to get a ride. For
23 many of them it will be their first exposure in
24 flight. So that's going to be a pretty exciting.

25 And a number of the pilots in SAAPA volunteer for

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1 those flights, and I think Ed donates -- or not Ed,
2 but on behalf of the airport, Ed Wuellner, I think
3 the airport contributes the fuel for that
4 endeavor --

5 MR. WUELLNER: Yeah.

6 MR. MERCER: -- which is really great. I'm a
7 firm believer in the importance of exposing folks,
8 students to opportunities with aviation and careers
9 in aviation.

10 What I didn't realize until that meeting was
11 how in depth -- I mean, that program -- they have a
12 really high retention rate of students advancing
13 from their junior year into their senior year.
14 They have a hundred percent that advance. They've
15 got a cyber -- see if I get the word right. They
16 have a whole cyber attack, cyber defend --

17 MR. WUELLNER: Cyber patriot. It's a game --

18 MR. MERCER: Yeah.

19 MR. WUELLNER: -- like -- by the Air Force.

20 MR. MERCER: Where they learn about cyber
21 threats and this, that, and the other. So anyway,
22 it was my first meeting at the Aerospace Academy,
23 so I was just trying to soak it in like a sponge,
24 but looking forward to more of those.

1 you're -- build upon what you're saying about the
2 Aerospace Academy. I've been involved with them on
3 and off over the years, and those young people --
4 I'm not going to call them kids. Those young
5 people utterly amaze me with their smarts and
6 intelligence. They are achievers.

7 And thank God we've got St. Johns County
8 school system that set up these programs for people
9 who want to achieve and better themselves in life.
10 That's what makes St. Johns County's school system
11 one of the greatest in the country.

12 MR. WUELLNER: And we're working on right
13 now -- just as add-on, we're working to get 11
14 interns placed on the airport over the summer for
15 the academy, also.

16 CHAIRMAN YOUMAN: TPO meeting, I think there's
17 been two or three since the meetings fell in place
18 or we just continued meetings and stuff like that.
19 They're still doing their things allocating funds
20 here and there where they can.

21 There's no big major new initiatives except
22 there's a new initiative in FDOT embracing the
23 North Florida -- or not North Florida, freight
24 logistics and intermodal -- intermodal freight

25 ports -- transportation and logistics are Scott's

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1 number one priority. That's FDOT's number one
2 priority. And we have the opportunity to be part
3 of that priority with our charter as we multimodal.
4 It's something to look at as we go into the future.

5 The St. Augustine Mobility Institute is
6 currently still in process where they're making a
7 major study for parking and traffic, how -- how to
8 handle the traffic in St. Augustine, which is as
9 everybody knows is a major problem. And we are
10 also involved in a study for multimodal in the
11 passenger aspect as to whether or not we should be
12 a multimodal facility versus someplace else along
13 the FEC corridor in relationship particularly to
14 AMTRAK and/or commuter service, which is primarily
15 AMTRAK.

16 That's an ongoing study right now that
17 Mr. Wuellner and I attend meetings at. And I can't
18 tell you where they're at because they keep coming
19 up with all these different ways of looking at it
20 and they won't tell us, which is something that
21 keeps it, how do I say, even for everybody.

22 I attended the youth leadership for the
23 Chamber. I was tapped to be a speaker about three
24 days ahead of time and Cindy was great enough to

25 put together some talking points. And I gave them

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1 some points of inspiration, and I'll be darned if I
2 didn't get thank you notes from some of the
3 participant people writing thank you notes. It's
4 almost unheard of these days. And it really made
5 me feel good. This is another group of young
6 people who are seeking to achieve and grow, which
7 is fantastic.

8 I attended a JAXPORT logistics intermodal
9 conference, and it -- that mostly was -- it wasn't
10 what I thought it would be, but it gave a
11 perspective on JAXPORT and how they're evolving in
12 the intermodal trade in particular and how they're
13 going to generate jobs and things like that.

14 I attended the Port Everglades Intermodal
15 Service Center. This is put on by FDOT. Now that
16 was a conference that was fantastic as a learning
17 conference. I think I put out on the table for
18 each of you what the Florida Department of
19 Transportation calls the Office of Freight
20 Logistics and Passenger Operations.

21 This department is -- is numero uno on Scott's
22 agenda to create jobs in Florida utilizing ports,
23 transportation, logistics, and the new Panama
24 Canal.

1 understanding what intermodal services -- service
2 centers are all about, which we could have the
3 possibility of being maybe in the future if the
4 board agrees and if there's a possibility under
5 Florida to grow it and competitively be involved,
6 this is how you set one of those things up. It's
7 an unbelievable educational tool for intermodal
8 logistic centers. The -- I'm also going to be
9 giving a talk for woman's transportation -- woman's
10 transportation --

11 MS. HOLLINGSWORTH: Seminar.

12 CHAIRMAN YOUMAN: -- seminar. It's going to
13 be held here and Kevin's going to be a participant
14 again in taking the group around the airport for
15 the tour with the trolley bus. And I have to give
16 a few words for that one, too. I'm getting to be a
17 speaker again.

18 And with the Aerospace Academy coming -- while
19 we were in Mr -- or Senator Nelson's office, the TV
20 folks were there and I asked him, I said, "What
21 about stuff at the airport; are you guys ever
22 interested in that?" And he said "Just call us
23 up." So if we contact Channel 4, Channel 12, or
24 whatever it is and just tip them off to some of

25 these things we're doing out here to promote the

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1 airport, they probably will come out if they have
2 enough human interest for it.

3 Items of interest, Civil Air Patrol camping
4 event April 19th through 21st. What is that, Ed?

5 MR. WUELLNER: They are doing an initiation of
6 civil patrol members, cadets. They do a two-day,
7 day and a half kind of event where they camp
8 overnight, have a captive audience.

9 CHAIRMAN YOUMAN: Here at the airport.

10 MR. WUELLNER: Yeah.

11 CHAIRMAN YOUMAN: Where?

12 MR. WUELLNER: In the park.

13 CHAIRMAN YOUMAN: How neat that is. Then
14 there's the Aerospace Academy Family Fun Day April
15 the 27th. And if you want to see like Mr. Mercer
16 was saying a bunch of enthusiastic people out here
17 flying airplanes and things and pilots just working
18 with them, it's amazing.

19 Next regular meeting is May the 20th at 4 p.m.

20 FAC, what does that stand for again?

21 MR. WUELLNER: Florida Airports Council.

22 CHAIRMAN YOUMAN: That's at Lake Buena Vista.

23 Registration ends June 30th for those who wish to

24 attend. AAAE --

25 MR. WUELLNER: Would be a late registration

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1 now.

2 CHAIRMAN YOUMAN: And that stands for?

3 MR. WUELLNER: American Association of Airport
4 Executives.

5 CHAIRMAN YOUMAN: Is anyone going?

6 MR. WUELLNER: No.

7 CHAIRMAN YOUMAN: ACI?

8 MR. WUELLNER: Airports Council International.

9 CHAIRMAN YOUMAN: San Jose, California. Is
10 anybody signed up for that?

11 MR. WUELLNER: Not yet. It's not until
12 September.

13 CHAIRMAN YOUMAN: Okay. Trying to think.
14 Have I covered everything?

15 MR. WUELLNER: Enough for me.

16 CHAIRMAN YOUMAN: The board, any other
17 comments or do you want to get out of here?

18 MS. BARRERA: I will just say that that
19 legislation before the state does cover multimodal
20 in its proposal for the regional transportation.

21 CHAIRMAN YOUMAN: Yes, it does. Right. Okay.
22 End of the board meeting is concluded at what time?

23 MR. CIRIELLO: 7:15.

24 MR. WUELLNER: 7:15.

25 CHAIRMAN YOUMAN: 7:15. Thank you all.

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1 (Meeting concluded at 7:15 p.m.)

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1 REPORTER'S CERTIFICATE

2

3 STATE OF FLORIDA)

4 COUNTY OF ST. JOHNS)

5

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

7 I was authorized to and did stenographically report the

8 foregoing proceedings and that the transcript is a true

9 record of my stenographic notes.

10 Dated this 7th day of May, 2013.

11

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

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