

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, January 14, 2013

6 from 4:00 p.m. to 5:55 p.m.

7 \* \* \* \* \*

8 BOARD MEMBERS PRESENT:

9 CARL YOUNMAN, Chairman

10 ROBERT COX, Secretary-Treasurer

KELLY BARRERA

JOSEPH CIRIELLO

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.

17 \* \* \* \* \*

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19

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

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1	I N D E X	
2		PAGE
3	PLEDGE OF ALLEGIANCE	3
4	OATH OF OFFICE	3
5	CONSENT AGENDA	4
6	MEETING MINUTES & FINANCIAL REPORT	5
7	AGENDA APPROVAL	0
8	EXECUTIVE DIRECTOR'S REPORT	9
9	BUSINESS PARTNERS UPDATE	37
10	BUSINESS ITEMS	
11	A. Economic Development Plan Study	50
12	B. Property Acquisition	53
13	C. Aviation Ground Lease - Nimbus Aviation	77
14	D. Executive Director Contract Notification	86
15	PUBLIC COMMENT - GENERAL	88
16	AUTHORITY MEMBER COMMENTS AND REPORTS	88
17	ADJOURNMENT	101
18	REPORTER'S CERTIFICATE	102
19		
20		
21		
22		
23		
24		
25		

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

2                   CHAIRMAN YOUNMAN: This is to call to order the  
3                   Northeast Florida Regional Airport,  
4                   St. Augustine-St. Johns Airport Authority meeting  
5                   for 4 p.m. January the 14th. Let us begin the  
6                   meeting with the Pledge of Allegiance and  
7                   immediately after the Pledge of Allegiance will be  
8                   the oath of office.

9 (Pledge of Allegiance.)

OATH OF OFFICE

11 CHAIRMAN YOUNMAN: The next item will be for  
12 Matt and I -- Matt Mercer and I to take the oath of  
13 office. And first of all, I would like to welcome  
14 Matt to the board. Congratulations on your win and  
15 I'm sure we're going to be happy working with you.

16 MR. MERCER: Thank you, Mr. Chairman.

17                           MR. BURNETT: Do you want to do them  
18                           individually or together?

19 CHAIRMAN YOUNMAN: Together would be unless --  
20 would you rather be individual? It's up to you.  
21 You call it.

22 MR. MERCER: Together's fine. Whatever you  
23 prefer.

24                           MR. BURNETT: Gentlemen, if you would come  
25 over here. I want to pick it up on the microphone

1 so that it gets in the recording. If you would,  
2 raise your right hand and repeat after me.

3 (Oath administered.)

4 MR. BURNETT: Congratulations.

5 CHAIRMAN YOUNMAN: Thank you.

6 MR. MERCER: Thank you.

7 CHAIRMAN YOUNMAN: Matt had to work harder than  
8 I did to be up there had on the second election.

9 The next item on the agenda will be for Mr. Werter,  
10 if he will please come up to the microphone.

11 MR. WERTER: This is my official kicking out.

12 CHAIRMAN YOUNMAN: Your official kicking out,  
13 yes, sir.

14 Mr. Werter, I'd like to present to you this  
15 plaque from the Airport in appreciation for your  
16 service to the St. Johns County citizens these past  
17 four years. You have performed your duty admirably  
18 and well in their behalf and it's been a pleasure,  
19 a real pleasure getting to know you and to work  
20 with you. Congratulations and I hope to work with  
21 you in the future.

22 MR. WERTER: Thank you, sir. Very good.

23 CONSENT AGENDA

24 CHAIRMAN YOUNMAN: The consent agenda is the  
25 next up, correct?

1                   MR. WUELLNER: That's correct.

2                   CHAIRMAN YOUNMAN: I'd like to have a vote of  
3                    ayes for accepting the consent agenda from the  
4                    board.

5                   MR. COX: Aye.

6                   MS. BARRERA: Aye.

7                   CHAIRMAN YOUNMAN: Aye. Mr. Mercer?

8                   MR. MERCER: Is this on the Taxiway B --

9                   MR. WUELLNER: Yes.

10                  MR. MERCER: -- payout?

11                  CHAIRMAN YOUNMAN: Yes.

12                  MR. MERCER: Aye.

13                  MR. CIRIELLO: Did somebody make the motion?

14                  I didn't hear the motion, but aye.

15                  CHAIRMAN YOUNMAN: Thank you. You didn't.

16                  That's right. I appreciate that. Would you like  
17                  to make it to make it to make it official?

18                  MR. CIRIELLO: No, that's fine.

19                  CHAIRMAN YOUNMAN: Okay. The next item is --

20                  MS. BARRERA: Mr. Chairman?

21                  MR. BURNETT: Yeah.

22                  MS. BARRERA: I'll just go ahead and make the  
23                  motion that we approve the agenda as presented on  
24                  Taxiway B and the safety area.

25                  CHAIRMAN YOUNMAN: May I have a second, please?

1                   MR. CIRIELLO: Second.

2                   MR. COX: Second.

3                   CHAIRMAN YOUNMAN: Is there something wrong?

4                   MR. WUELLNER: No, I just wanted to move the  
5                   slide ahead because I wanted you to -- I had  
6                   inserted at the last minute a picture of Taxiway B  
7                   from the air. So those of you that haven't had a  
8                   chance to see that -- we just got these this  
9                   afternoon, so they're literally hot off the press  
10                  so to speak. But that's an aerial view of the  
11                  completed Taxiway Bravo.

12                  Been a long time coming. I know there's at  
13                  least ten years' worth of effort in getting that  
14                  piece of pavement to -- to final stage. So all  
15                  we're waiting on now is some grass to grow in and  
16                  make it as green as the rest of the airport. And  
17                  if it keeps cooperating way it is, the weather that  
18                  is, it shouldn't be long.

19                  MR. COX: Pretty shot.

20                  MR. WUELLNER: Thank you.

21                  CHAIRMAN YOUNMAN: Beautiful shot. May I  
22                  ask -- are you going to be discussing this further?

23                  MR. WUELLNER: No.

24                  CHAIRMAN YOUNMAN: May I ask this question?

25                  How are the pilots in the tower taking to it

1 operationally?

2 MR. WUELLNER: I haven't heard anything  
3 negative yet, so --

4 CHAIRMAN YOUNMAN: I mean, they're using it  
5 right off the bat --

6 MR. WUELLNER: Oh, yeah.

7 CHAIRMAN YOUNMAN: -- all the way to the end?

8 MR. WUELLNER: I'm trying to remember the  
9 exact date, but one of the first weeks in, first  
10 full weeks in what was it, like the 21st --

11 MR. HARVEY: Christmas.

12 MR. WUELLNER: 21st of December I believe was  
13 the Friday and that's -- about 5 o'clock in the  
14 evening it opened up for business and has been open  
15 since.

16 CHAIRMAN YOUNMAN: Has there been any comments  
17 positive or negative from the pilots on it?

18 MR. WUELLNER: I have not. Have you heard  
19 anything yea or nay?

20 MR. HARVEY: All positive.

21 MR. WUELLNER: Everything's positive?

22 MR. HARVEY: The tower loves it. It's making  
23 their job easier and it's accommodating the larger  
24 aircraft much more handled --

25 CHAIRMAN YOUNMAN: Excellent.

1                   MR. WUELLNER: And it's killed all the  
2 problems with Delta 1 as it no longer exists.

3                   CHAIRMAN YOUNMAN: Excellent. I love taking  
4 care of problems like that.

5                   MS. BARRERA: And we need to vote.

6                   MR. BURNETT: Yes, there's a motion and a  
7 second. You need a vote.

8                   MR. WUELLNER: My apologies.

9                   CHAIRMAN YOUNMAN: May I have a vote on the  
10 motion and second, please, the ayes?

11                  MR. CIRIELLO: Aye.

12                  MR. COX: Aye.

13                  MS. BARRERA: Aye.

14                  MR. MERCER: Aye.

15                  CHAIRMAN YOUNMAN: Aye. No nays? Accepted  
16 unanimously.

17                  MR. WUELLNER: I was simply trying to get the  
18 picture ahead. I didn't mean to jump into the  
19 motion there.

20                  CHAIRMAN YOUNMAN: I don't know if this is  
21 protocol, but Mr. Martinelli, would you still like  
22 to make a comment?

23                  MR. MARTINELLI: Just a very -- very brief  
24 comment on it.

25                  CHAIRMAN YOUNMAN: Please, please. The

1 protocol.

2 MR. WUELLNER: You know the drill.

3 MR. MARTINELLI: Thank you for recognizing me.

4 Just one comment on Taxiway Bravo. I haven't used  
5 it. I think it would be helpful if the tower could  
6 instruct any of us who have to do a runup there  
7 where to do the runup as we're coming down Taxiway  
8 Bravo, because there is no place right at the  
9 approach end of 31 for runup. Just a suggestion.

10 CHAIRMAN YOUNG: Who will do that? Kevin?

11 MR. HARVEY: I will.

12 CHAIRMAN YOUNG: Okay. Just wanted to make  
13 sure somebody's assigned what's going to happen.  
14 All right. Now I guess we're up to the Executive  
15 Director's report.

16 EXECUTIVE DIRECTOR'S REPORT

17 MR. WUELLNER: Yes, sir. Just grant project  
18 updates. We're currently in design relative to  
19 Taxiway Delta and specifically Delta 3 -- Delta 3  
20 intersection, which is for those of you familiar  
21 with the airport, that's also the continuation of  
22 Taxiway Bravo 2 as it crosses Runway 6/24 and  
23 Runway 2/20. That intersection is way under  
24 standards in terms of dimensions and load bearing.  
25 And to enhance its utility value on the airport, we

1 have a project that's in design as you well are  
2 aware of.

3 This is being funded -- it's an FAA funded job  
4 at this point and it will be quite a few more  
5 months until the design's finished. We are not  
6 anticipating construction on this job until at  
7 least fall of this year. And for those of you  
8 following the bouncing funding ball, this is money  
9 that surprised all of us, but was a continuation of  
10 commercial air service entitlements from 2007 and  
11 2008.

12 During the last FAA reauthorization, someone  
13 inserted an additional couple of years of  
14 entitlement funding if you had air service in those  
15 two years. As a result, we are the recipients of  
16 an extra \$1 million in federal money for this past  
17 year and this year. We've forwarded the majority  
18 of our money from the current year into next year,  
19 used a portion of it for design, and hopefully that  
20 will facilitate funding construction as we get into  
21 next -- or later this year into fall.

22 In addition to that, we are -- we are looking  
23 at what it will take to do -- cover the drainage,  
24 cover the open ditch drainage located on the  
25 southern end -- southern edge of Taxiway Delta.

1           That's all open ditch currently. Has some issues  
2           long term there. It is -- it is being looked at  
3           from a design-only context right now.

4           We believe the cost to enclose that, that is  
5           put in pipe and do all of those things, is going to  
6           be fairly expensive to say the least because of the  
7           amount of water that runs down that particular  
8           stream. Keep in mind that ditch also drains a  
9           great deal of the U.S. 1 frontage along the airport  
10          from say the terminal southward toward the airport  
11          administration office. So there's a -- a fairly  
12          high volume of water that runs there. So we're --  
13          they're looking at that to see what's involved to  
14          get that enclosed.

15           Additionally, they're doing some preliminary  
16          work on Taxiway Alpha, which is on the other side  
17          of the airfield, just looking at the design and  
18          overlay potential for that particular piece of  
19          pavement out there, too. It's now getting well  
20          north of ten years on that pavement. It's time to  
21          do a bit of a mill and overlay in the future. It  
22          doesn't have to be done immediately, but to open it  
23          up eventually, we need to get it prioritized and  
24          get it in the funding trek.

25           And lastly I was kind of asked to revive

1                   something I did -- used to do with more regularity,  
2                   but we kind of got away with it -- got away from it  
3                   for a few years, but just kind of do a quick  
4                   overview of what the last couple of years have  
5                   looked like and --

6                   MS. BARRERA: Ed --

7                   MR. WUELLNER: -- take a look at some of the  
8                   things that we see on the horizon for the next --

9                   MS. BARRERA: Can I interrupt you for just a  
10                  second --

11                  MR. WUELLNER: Sure.

12                  MS. BARRERA: -- while you're still on the  
13                  Taxiway Delta? Are we -- is there any plans to do  
14                  any type of press release or ribbon cutting or  
15                  anything like that for that project --

16                  MR. WUELLNER: For Bravo?

17                  MS. BARRERA: -- since it was ten years -- I'm  
18                  sorry, yes. Since it was ten years in the making?  
19                  Do we have anything on --

20                  MR. WUELLNER: We do not have anything  
21                  currently. Is that something you-all would like to  
22                  formally open, even though it's open?

23                  MS. BARRERA: Well, I think that considering  
24                  the magnitude of the amount of time that you've put  
25                  into that, it seems like it would be a great

1 opportunity to talk about some of the  
2 infrastructure efforts that have been made in  
3 relation to safety and to fulfillment of commitment  
4 and also being able to throw in that whole  
5 entitlement fund -- I mean the air service.

6 CHAIRMAN YOUNMAN: Thank you for bringing that  
7 up, Kelly. That's correct. That would be part of  
8 our PR.

9 MR. WUELLNER: It can be. To whatever level  
10 you-all want to --

11 CHAIRMAN YOUNMAN: I think it should be heavy,  
12 my opinion. I'd refer to the rest of the board on  
13 that, also. Do you agree that we should publicize  
14 this --

15 MR. COX: I have no issues with not --

16 CHAIRMAN YOUNMAN: -- new section of Taxiway --

17 MR. WUELLNER: Do you want to simply as a  
18 media release with the details? Is that what  
19 you're looking to do, or is there something more  
20 you're trying to do?

21 CHAIRMAN YOUNMAN: I think we should have a  
22 grand opening personally.

23 MR. WUELLNER: Okay.

24 CHAIRMAN YOUNMAN: I don't know if the board  
25 agrees or not. But anything that's good for the

1                   airport, anything that improves the airport that  
2                   the citizens can see progress here for safety,  
3                   et cetera, et cetera, I think we owe it to the  
4                   citizens of St. Johns County.

5                   MR. WUELLNER: Okay. We'll put our heads  
6                   together and come up with something for you.

7                   CHAIRMAN YOUNMAN: Do you agree, Elizabeth?

8                   MS. CECCONI: I agree.

9                   CHAIRMAN YOUNMAN: Thank you. Thank you,  
10                  Kelly.

11                  MS. BARRERA: I'm sorry for the interruption,  
12                  but I just didn't want us to move off of that  
13                  without sharing that idea.

14                  CHAIRMAN YOUNMAN: I appreciate the help.

15                  MR. WUELLNER: Totally cool. All right. I  
16                  just want to review real quick -- and I'm not going  
17                  to spend any time on any one item unless you take  
18                  me back and want to talk about it. But over the  
19                  last 36 months, I want to point out that the  
20                  airport has achieved self-sufficiency, and we're  
21                  beginning our third full year of being off the ad  
22                  valorem tax rolls, that is, the local tax rolls.

23                  We have since hired an individual to -- who is  
24                  our financial manager in-house, someone who is  
25                  extremely capable, and we have done a complete

1 review with some outside folks as well as some  
2 inside folks on our overall accounting system, how  
3 we handle things. Looked at our asset tracking.  
4 We've looked at our financial controls internally.  
5 We insourced most of our things. As many of you  
6 know, we for many years used an outside CPA to do  
7 monthly compilations. We are now capable and --  
8 and very comfortable doing that work in-house.

9 We did outsource the function of payroll from  
10 an in -- well, it's a combination. Prior to that,  
11 part of it was done in-house and part of it was  
12 done by the external CPA. We have found a payroll  
13 service to basically handle that function, to keep  
14 us current with all -- what is right now an  
15 ever-changing kind of environment related to  
16 getting taxes -- tax -- payroll tax-related things  
17 correct. That's just changing constantly right  
18 now.

19 That's evidenced by probably a ten-year  
20 history at this point or more of outstanding  
21 audits, financial audits done by an independent  
22 audit firm and then that ratified of course at the  
23 state level as those are forwarded -- forwarded on.  
24 So I believe you've made huge steps forward in the  
25 last 36 months as it relates to just beefing up our

1           capabilities for -- relative to our financial  
2           system and how we do things and doing that better  
3           and in a more public and more verifiable way.

4           Historic, the last three years have brought  
5           about what I would consider a pretty unprecedented  
6           capital development time on the airport. We have  
7           literally been on about a \$30 million capital  
8           program over the last 36 months. I don't think at  
9           any time on airport history that you're going to  
10          find \$30 million worth of capital improvements  
11          accomplished in that short a period of time.

12          And those projects include things like  
13          complete rehabs of our primary runway, 13/31. A  
14          rehabilitation of Runway 6/24. That was overlaid  
15          as a part of that job -- of the runway job. We  
16          completed the Taxiway Bravo system, the last  
17          segment you just saw an aerial photo of.

18          But don't forget less than a couple of years  
19          ago, we took care of the north section of that  
20          taxiway, widened that out to 75 feet, added paved  
21          shoulders, completely replaced all of the lighting  
22          related to both the runways and taxiways out there,  
23          created a runup area on the north end of --  
24          associated with Runway 13/31.

25          In order to do that, those big projects, we

1 had to do some -- some significant environmental --  
2 environmental mitigation. That involved removing a  
3 17-acre spoil island out there and restoring that  
4 to natural marsh habitat. And I don't need to  
5 remind the board proper, but that project alone  
6 netted the Airport Authority several environmental  
7 awards, one being an international environmental  
8 award for how that project was accomplished.

9           It continues to show just extremely  
10 encouraging reports from the environmental agencies  
11 who come out on a quarterly I believe it is basis  
12 and look over the results of that project, and  
13 everything is going exactly the way it should. But  
14 a huge project.

15           In addition to that, we completed an ARFF  
16 station, fire rescue station. We opened a -- this  
17 building here, this conference center and  
18 maintenance facility. We've also completely  
19 replaced the on-airport fuel farm facility, another  
20 big project that was long overdue and brings us  
21 into what is considered state of the art kind of  
22 area with -- with fuel, which allows us to stay  
23 completely compliant with all the environmental  
24 regulatory agencies and have a long potential  
25 capital or compliance ahead of us with -- with

1 having such a good system in place now.

2 We've seen operational improvements over 2009,  
3 2010, when numbers, operation numbers dipped  
4 largely because of the economy in general. At one  
5 point, the total takeoffs and landings on the  
6 property had fallen below the hundred thousand  
7 threshold.

8 We were -- I think the low point of the last  
9 five or six years was about 98,000 and change. We  
10 watched that recover dramatically about a year ago  
11 to almost 130,000 takeoffs and landings. This past  
12 calendar year, that relaxed a little bit to just  
13 slightly -- slightly under 120,000 operations,  
14 takeoffs and landings.

15 We've watched our hundred and -- hundred low  
16 lead pumping stay pretty much flatlined. It's  
17 pretty consistent, which points to a struggling  
18 economy and not as much discretionary income out  
19 there in the light general aviation, because that's  
20 the primary user of a hundred low lead.

21 We are seeing signs of jet fuel recovery,  
22 meaning we're starting to see the volumes of that  
23 begin to ramp up as general economic malaise seems  
24 to be getting shaked off a little bit from -- from  
25 corporate America. All things point to a pretty

1 good place to be.

2 You've seen the airport really take giant  
3 steps toward our outreach in the community. That's  
4 not always in the form of public relations or  
5 public -- or press releases and things of that  
6 nature. But keep in mind the air -- we were  
7 involved in the air show that was done a couple of  
8 years back. We continue to annually sponsor the  
9 MS 150 bike ride out of here.

10 We are the starting and end point for that  
11 race. We are considered a major sponsor in that.  
12 It just -- it goes like clockwork thanks to our  
13 maintenance staff. But it's a -- a well-received  
14 event in the community, draws a lot of people,  
15 almost 2,000 bike riders alone, to the airport to  
16 come and go as a part of that race.

17 We've enhanced our relationship and continue  
18 to build just strong ties to the St. Johns County  
19 Aerospace Academy which is located over at -- over  
20 at St. Augustine High School. We are a business  
21 partner in that. Several of us sit on the board,  
22 advisory board there.

23 We were named the business partner of the year  
24 back in 2011 related to that. It's really been  
25 a -- I have to call it a blessing in disguise.

1           It's been amazing to see that program jump off, see  
2           the relationships that are not just Airport  
3           Authority based.

4           For instance, SAAPA has jumped in and built  
5           great relations with that -- with the Aerospace  
6           Academy, mentoring students. The tenants on the  
7           airport have outreached and worked with -- accept  
8           interns from the school, and I think they've all  
9           found that experience to be rewarding. And what a  
10          great place for us to plug in, and it's -- it's  
11          certainly an item that's consistent with the  
12          Airport Authority's charter that allows us to be  
13          involved in aviation education. So it's -- it's a  
14          great place for us to do.

15          In addition with opening this building, we've  
16          also been able to provide additional meeting space  
17          to many many public agencies who are looking for  
18          homes for things to do.

19          We've had great relationships with the Civil  
20          Air Patrol, Coast Guard Sea Cadets, community round  
21          table, school system events all the time. The  
22          Sheriff's Office and fire department do training  
23          here, not just in this building, but also all over  
24          the property, which has allowed us to really have  
25          some incredible ties to the local fire rescue and

1 to the Sheriff's Office. There's not much that we  
2 don't feel good about with those relationships in  
3 the last few years. Most of that -- yes, sir?

4 MR. MERCER: Ed, may I ask a question?

5 MR. WUELLNER: Uh-huh.

6 MR. MERCER: What do you think has been  
7 driving the favorable increase in the takeoffs and  
8 landing statistics from 100- to 120,000? Is it the  
9 fuel prices? Is it the FBO? Is it -- what do you  
10 think's driving that?

11 MR. WUELLNER: I would have to tell you that  
12 the vast majority of the operational increases have  
13 come from flight school activity, you know. And I  
14 expect that to continue to grow to some degree.

15 There's been a lot of press out there related  
16 to the need for pilots and careers. And I think  
17 you're seeing some aspect of -- of youth in America  
18 who are looking at that as a serious career path  
19 over time. And that's -- you know, bodes well for  
20 flight schools in general.

21 MR. MERCER: That's wonderful.

22 MR. WUELLNER: So it's a lot -- it's a lot  
23 of -- I think the majority of our operations are  
24 still attributed to light general aviation activity  
25 here. In fact, the vast majority I would guess --

1           this is -- this is just a guess, not something to  
2         rely on completely, but I would say north of 70  
3         percent of our operations are directly related to  
4         light general aviation directly.

5           MR. MERCER: Wonderful.

6           MR. WUELLNER: Looking forward to 2013.

7           Self-sufficiency, we don't see anything on the  
8         horizon that looks negative there. In fact, I'm  
9         happy to report we're -- really we're finished with  
10        our discussions with Northrop Grumman relative to  
11        renewing their -- the lease on the northeast side,  
12        what everybody here knows as the North 40. That  
13        results in significant net new revenues to the  
14        Airport Authority. Pretty much just exactly as  
15        planned seven years ago when we worked through the  
16        lease.

17           We are continuing to explore different  
18        diversification opportunities all over the  
19        property. And by diversification, I mean looking  
20        at any aspect of aviation as well as any aspect of  
21        nonaviation that can be made compatible to the  
22        airport as a whole.

23           Of course our primary mission's aviation.

24           We're not going to get involved in anything that  
25        compromises that key role. But at the end of the

1           day, being able to -- to be more broadly available  
2           to the public and to business allows us to be an  
3           even stronger economic partner in the community,  
4           and we want to continue to explore that. Part of  
5           that's caged or centered around the economic  
6           development study which I'll talk a little more  
7           detail in just -- in just a minute.

8           Another critical path item as this board's  
9           identified it over the years is trying to get some  
10          level of air service restored to the community.  
11          You know, we share -- I think collectively on the  
12          board and certainly from the staff perspective have  
13          a shared vision of some acceptable level of that.

14          I don't think anybody here has -- has visions  
15          of some great big, you know, overwhelming  
16          commercial service arrival in our community.  
17          That's not -- not what we're trying to do. But I  
18          think the community has evolved enough to support  
19          some level of service and some level of access to  
20          the National Airspace System. So we'll continue to  
21          do that barring any kind of change -- change of  
22          direction that comes out of the board for that.

23          As far as capital program, I mentioned the D-3  
24          enhancements. We're going to -- we're going to  
25          continue with design for the balance of the year.

1           As we get toward fall months, that will move into  
2 constructs. Same with Taxiway A. I do not see us  
3 building or doing the rehab in Taxiway A until  
4 probably the following year, best guess. I've been  
5 surprised before where they've come up with federal  
6 matching dollars much sooner than we expected, but  
7 given where the general economy is right now, I  
8 wouldn't -- I'm not going to hold my breath.

9           We intend to do over the next several months  
10 and in fact have started a first line effort here,  
11 but we want to look at an internal review of Tax --  
12 of Hangars A through F on the airport. Now these  
13 are the hangar buildings that really frame the  
14 airport administration building all the way down to  
15 the first set of bulk hangars.

16           There are three roughly 10-unit T-hangar  
17 buildings there and then all the balance of those  
18 rows, D through F are the port-a-port rows out  
19 there. It's no secret to users on the airport what  
20 shape most of those port-a-ports are in.

21           We want to -- we want to figure out exactly  
22 what the plan of action is relative to making sure  
23 the capacity is there for the existing tenants and  
24 looking at some plan to probably systematically  
25 remove the balance of at least the port-a-ports

1 over the next few years as they are just spent.

2           Most of those hangars date back to the early  
3 1960s. We have -- it's weld on weld on weld out  
4 there in almost every case, and many have been  
5 reskinned and -- and everything possible over the  
6 last almost 60 years. So we're going to figure out  
7 what that plan of action is and then at an  
8 appropriate time, we'll bring that back to you and  
9 let you guys consider what we're recommending on  
10 it. But that's internal at this point.

11           If there are projects that come out of that  
12 review, then I expect that we'll do what's called a  
13 JACIP update, that is, and for -- especially for  
14 your benefit, Mr. Mercer, but it's the state's and  
15 federal's capital program. We'll do some sort of  
16 update of that plan that would put projects that  
17 would support replacing those hangars or doing  
18 drawing something else into the mix or into the  
19 queue for match grab funding particularly with DOT  
20 at this point versus FAA. But it -- but it does  
21 provide a vehicle out there anyway that may let us  
22 have some funding to help on those.

23           MR. MERCER: Question on this topic. So, in  
24 considering the different potential avenues for the  
25 port-a-ports, because I used to occupy one of those

1 and I do know that the state of some of them at  
2 least is --

3 MR. WUELLNER: Questionable.

4 MR. MERCER: -- question, yes.

5 Is there -- is it a -- is it fair to say for  
6 the general aviation community that there will be  
7 some replacement hangars put in, the question is  
8 whether or not they're going to have certain  
9 features? Or is there any scenario in which some  
10 of those old port-a-port hangars might be removed  
11 without being replaced with some sort of light GA,  
12 light general aviation hangar?

13 MR. WUELLNER: I think as we've demonstrated  
14 on a bunch of projects over the last 15 years, that  
15 we're not going to put a project or a program in  
16 front of this board that puts any of our existing  
17 tenants in anything other than comparable or better  
18 space.

19 But at the end of the day, we're seeing a slow  
20 decline in light general aviation storage needs  
21 over time. So I suspect it will be a combination  
22 of things. It will be attrition. It -- and those  
23 buildings will -- or I should say the users will  
24 slowly be absorbed into existing vacancies that  
25 come up in other parts of the airport. I'm sure

1           there'll also be some at least replacement to some  
2       level of new building capacity back there. Exactly  
3       what that will look like right now, it's a little  
4       early.

5           MR. MERCER: Do we still have a waiting list  
6       for people wanting to get T-hangar rental space?

7           MR. WUELLNER: We -- we do. The list is, I  
8       would describe it as very fungible. And by that, I  
9       mean there's a lot of names on the list, but a lot  
10      of go-over, that they want to remain on the list  
11      but don't rent. So when they're contacted, they  
12      just ask to get put back to the end of the list.

13          So we -- there's not a lot of -- I mean, I  
14       would say probably 20, 25 percent of those on the  
15       list are viable right now who would actually take a  
16       hangar if -- if offered one. We do move through a  
17       fair number of units a year, unlike what it used to  
18       be maybe five years ago. We move through what,  
19       like a dozen or two a year at least now, which is  
20       probably symptomatic of the general economy a  
21       little bit, too. But we -- you know, our  
22       commitment is to take care of the existing tenants  
23       and then as we can, continue to make room for folks  
24       who want to be on the airport where possible.

25          The continued reinvestment in light GA is a

1 difficult economic equation these days. So we're  
2 going to take really good care of what we have and  
3 look from a business perspective whether it makes  
4 sense to add additional capacity over time. I hope  
5 that answered you.

6 MR. MERCER: Thank you -- thank you for the  
7 response.

8 I would just -- I just -- for the record,  
9 though, I do want to -- I'm in SAAPA. I represent  
10 the people of the county, but I spend a great deal  
11 of time out here at the airport flying with the  
12 light general aviation folks. And I can tell you  
13 there is a real passion among the light GA people  
14 to make sure that this airport in the upcoming  
15 years continues to provide the hangar opportunities  
16 that we can get the people on the waiting list  
17 moving forward.

18 I think you've -- I compliment you. I think  
19 your office has done a great job with the hangars  
20 that you developed in the South 40. That -- that  
21 is the kind of stuff that I'm very interested as a  
22 board member in seeing us make sure we keep an  
23 emphasis for the light GA folks.

24 MR. WUELLNER: Okay. Thank you. Where am I  
25 here?

1           We stuck in terminal rehabilitation, but  
2           frankly this is -- would be entirely tied to  
3           restoration of service at some point. And what we  
4           are doing right now is just taking a look at what  
5           is now a five- or six-year-old building and just  
6           trying to get a list together of anything that  
7           would need to be taken care of ahead of service,  
8           should it be restored so that we have that list and  
9           the marching orders and the plan together to move  
10          forward should it happen. So that's again more of  
11          an internal item.

12          We are also pursuing -- I mentioned at the  
13          last authority meeting that we had some  
14          opportunities or potential opportunities for some  
15          funding of the replacement to Hawkeye View Lane on  
16          the east side of the airport. That's that kind of  
17          winding road that serves what is the Northrop North  
18          40 complex among other things including all our  
19          corporate tenants on that side.

20          That road is sort of an obstacle to future  
21          development or increased capacity back at Grumman.  
22          So we intend to leverage that with Grumman support  
23          into some funding with DOT and the Office of  
24          Tourism, Trade and Development of the state and  
25          perhaps have some hundred percent funding to

1 straighten and widen and make improvements to that  
2 road so that the additional development capacity  
3 will be available to us as we move through the  
4 years.

5 So we have -- we're in the final stages of  
6 preparing that application and at the appropriate  
7 time when it's ready to go, we'll get it submitted.  
8 Decisions typically on funding of that come out  
9 midyear. We certainly have plenty of time to that.  
10 So we -- we'll continue pursuing that.

11 From an operations standpoint, we want to  
12 again take a look at -- this is tied again to  
13 general commercial service -- take a review of our  
14 operating methodologies, safety, security, TSA  
15 planning, badging, all kinds of things as they  
16 relate to commercial service, make sure we're on  
17 track to be able to respond to that should  
18 something happen.

19 We also would like to this year begin an open  
20 dialogue with St. Johns County, Northrop Grumman,  
21 and the Airport Authority as to how we can  
22 appropriately staff and -- and plan for airport  
23 fire rescue and figure out what makes the most  
24 sense for all those entities.

25 The airport will have a need for that long

1 term. Certainly Northrop Grumman does at this  
2 point. St. Johns County's a natural partner and  
3 indeed is a mutual aid partner on the airport right  
4 now. But as time goes forward, you want to make  
5 sure that all three major parties in this are on  
6 the same page and pursuing the same goals here.

7 I'm not going to presuppose an outcome to  
8 that, but I think -- I think it behooves us to sit  
9 down as three entities and figure out what -- what  
10 does make sense and begin to plan for that.  
11 Because it will come at us -- we're on a couple of  
12 year agreement left on the fire service of Northrop  
13 Grumman.

14 I don't know what Grumman's intentions are  
15 long term to do that. I know that was less --  
16 something going on with that monitor -- but less  
17 than excited about ARFF as a business function  
18 understandably. So it makes sense to get -- get  
19 out there and get it talked out and get a plan  
20 developed.

21 As far as community, we'd like to enhance the  
22 community presence again. Part of the visioning  
23 that went into bringing someone in to assist in  
24 marketing and PR and the like is to just make sure  
25 that we are outreaching much better to the

1           community on what's going on here and help the  
2           community understand the importance of the airport  
3           and its -- and the economic impact it makes in our  
4           community. Continue to plug the things like the  
5           MS 150, and of course the Aerospace Academy, and  
6           host those local community organizations.

7           And I'd be happy to address any questions.  
8           And really at this point, if there are items you'd  
9           like to see us look at over the next year or even  
10          out further than that, just to get them in the  
11          queue, we'd -- we'd like to do that. Because we  
12          know, you know, we don't see it all. You know, we  
13          get close to the source sometimes and you know  
14          sometimes it's hard to see things from -- from a  
15          different perspective.

16          And so if you see -- see things or, you know  
17          want to contribute projects or items or just things  
18          you from an operational standpoint think we ought  
19          to be looking at, we'd be open to including those  
20          into what we're doing this year or next year or  
21          whatever.

22           CHAIRMAN YOUNAN: Mr. Ciriello?

23           MR. CIRIELLO: Yeah, going back to this  
24          wrapping up Grumman lease renewal, is this  
25          something that's going to be coming before the

1 board for a vote?

2 MR. WUELLNER: Yes. I mean, the agreement  
3 will. It should be next month you'll have the  
4 document.

5 MR. CIRIELLO: Well, what I'd like to ask is,  
6 I don't know about any of the other board members,  
7 but I was just wondering if I could have a copy of  
8 this agreement to read over it and see if maybe  
9 there might be some comments or concerns of  
10 questions that I might want to ask.

11 MR. WUELLNER: Well, sure. You're welcome --  
12 welcome to that any time. Just keep in mind, this  
13 is them exercising an option to an existing lease.  
14 So this is not a -- an open invitation to modify  
15 the lease.

16 This is a -- basically an extension to the  
17 existing lease. This is not a brand new lease. So  
18 where I'm going is the base document or the base  
19 agreement that's been in place for 20-some years  
20 will remain intact.

21 MR. CIRIELLO: There's no changes that can be  
22 made.

23 MR. WUELLNER: The only real changes are  
24 related to valuation of the lease as to how much  
25 they pay.

1                   MR. CIRIELLO: Well, the reason I ask that, if  
2 you can remember, I don't remember if I was on the  
3 board or just a participant, but a number of years  
4 ago when I think Grumman had finished their  
5 payments on their project before their 20-year  
6 period was up -- and if I'm not mistaken, there was  
7 some, what, 70-some acres of land adjacent to it --

8                   MR. WUELLNER: Yes.

9                   MR. CIRIELLO: -- that was in the original  
10 lease that they could stop us from doing anything  
11 with, that at the time there was a proposal that if  
12 we would let them have a year's free rent or  
13 something, they would release that acreage to us.

14                  And I made the comment on record at the time  
15 that whatever board put that in a lease, as far as  
16 I'm concerned made a mistake, that we owned 70-some  
17 acres of land and we couldn't use it unless Grumman  
18 said so. So that's what my concern is. If we  
19 renew this lease if something like that's in there  
20 that I wouldn't like, but if I couldn't take it out  
21 or object to it, what's -- what's -- what's the  
22 use?

23                  MR. WUELLNER: Let me address the specific  
24 issue you're talking about because your  
25 recollection's for the most part right on.

1                   About five years ago, the Airport Authority  
2 extended the base lease five additional years.  
3                   That technically -- that original base lease  
4 expired in October this past October. A part of  
5 that five-year renewal that -- or extension they  
6 gave to the base lease back in 2007, if my math's  
7 correct, that -- we provisioned in there to get  
8 that 70 acres removed from option so it's no longer  
9 under option to Grumman. So they no longer  
10 exclusively control that 70 acres. It was changed  
11 from an option to a right of first refusal.

12                  So Grumman still has the ability to develop  
13 that should they wish to. The Airport Authority  
14 can go in there at any time and basically force the  
15 question to Grumman and say, look, we have someone  
16 who we want to place in there, something we want to  
17 develop back there and, Grumman, you either lease  
18 it now or you forego your rights to lease it. So  
19 that's -- that's the form of the agreement now. So  
20 it's a much better place than where they absolutely  
21 controlled it.

22                  And you may recall part of that same agreement  
23 is where the airport benefited as part of that quid  
24 pro quo, for lack of better words, is where we got  
25 Grumman to agree to do airport fire and rescue. So

1 that was the trade-off.

The other third item, major item in that was  
Grumman executed -- we sort of insisted they  
execute a new ground lease under that North 40  
building, which began for the first time returning  
money to the airport. That happened about five  
years ago. Round numbers, that's \$150-, \$160,000  
annual kind of number just for the ground  
underneath, the 20 -- I want to say it's 24 acres,  
if my memory serves me.

11                   So we improved our position five years ago  
12                   without killing Grumman during their development of  
13                   the new E-2. We're now at the point where it -- it  
14                   should return to the airport in a significant way.

15 MR. CIRIELLO: Okay.

16 CHAIRMAN YOUNMAN: I noticed some additional  
17 people come in. If there's anybody that wishes to  
18 speak that hasn't filled out a slip, speaker slip,  
19 please do so. Any other comments from the board on  
20 Mr. Wuellner's presentation, the update of status  
21 of things?

22 (None.)

23 CHAIRMAN YOUNMAN: No questions. Any questions  
24 from the audience?

25 (None.)

1

BUSINESS PARTNER UPDATE

2

CHAIRMAN YOUNMAN: Let us move on to the  
business partner update. Mr. Sanchez, I know  
you're here ready and willing and able.

5

COMMISSIONER SANCHEZ: Thank you, sir. It's a  
pleasure to be here. I'd like to congratulate  
Mr. Mercer on his arrival here at the board and let  
me know when you're having fun.

9

MR. MERCER: Thank you. Will do.

10

COMMISSIONER SANCHEZ: We do have two new  
commissioners on our board. Everything's fine.  
It's going to be a good board. It's -- it is  
interesting about the fun part of it, though,  
because it doesn't really seem like fun for a  
while. So it's -- but we're doing good. Both new  
commissioners have already joined in with the  
Florida Association of Counties to go for the board  
certification program and that's great.

19

Our new radio system has already been tested  
from Palm Coast to Jacksonville. Works perfect.  
It's also been tested all the way around the  
county, and the only part they haven't done is the  
dispatch office yet. And of course that is very  
complicated because you have to keep the old system  
working while you're implementing the new system.

1           But anyway, they will have that done and we look  
2           forward to be completely in operation by March.

3           The deputies are tickled to death with the  
4           test results. They said everything worked perfect  
5           all over the county. Dade County Sheriff's Office  
6           has already spread the word that their portable  
7           units with their microphone on their belt, that's  
8           all they use down there. They don't even use the  
9           radios in the car. They said those things work  
10          everywhere you go. They work in the buildings.  
11          They work everywhere else.

12         The patrol cars are going to be left with the  
13          radio as a backup to be used in case something  
14          happens to the portable unit. The -- some of the  
15          investigators, some of the administration will not  
16          have that second radio. That will cut down costs  
17          some. But anyway, we are very proud of what's  
18          happening with it so far. Looks like it's going to  
19          be great.

20         I'm sure some of y'all have seen some of the  
21          towers around. The other advantage is, you know,  
22          the federal government requires us to approve any  
23          tower request that is substantial to a company  
24          serving the public. If they come in and show that  
25          they have to have a tower somewhere to serve the

1           public, by federal law, we can't turn it down. But  
2           that law also says if there's a tower available  
3           that can deliver that service, they have to go on  
4           it.

5           Guess what? We have 11 new towers in our  
6           county that we're going to be leasing out to  
7           companies. And that has a potential of about a  
8           million and a half dollars a year eventually, has  
9           the potential of paying for the towers in 12 to 13  
10          years, and has the potential of paying for the  
11          entire system in 23 years. And the towers are  
12          guaranteed to 50 years. So we're tickled to death  
13          with all that.

14          I want to mention something about PACT  
15          Coalition, the prevention of drug and alcohol use  
16          in our schools. Kelly sits on this board also. A  
17          while back, I presented an ordinance and I got our  
18          board approval to include the owners and the  
19          license holders of these places because the state  
20          was not proceeding with that. They would charge  
21          the cashier and that was it.

22          So we passed an ordinance that not only the  
23          cashier is charged, but also the juvenile buying  
24          will be charged. The owner will be charged. And  
25          after two times, his special use permit, which is

1           all convenience stores and everything, can be  
2           pulled by our administrator. His appeal is to our  
3           board.

4           I put a news release in my article in  
5           CreekLine newspaper, the northwest part of the  
6           county, and the Sheriff's Department recently did a  
7           sting operation up there at ten places with no  
8           violations. And I have a strange feeling that that  
9           ordinance may have a little to do with it, because  
10          the owner stands a really good chance of not only  
11          paying a fat fine, but losing his license, too. So  
12          I think that played a major role.

13          Some parts of the county, they pulled another  
14          sting operation which this thing was not exposed to  
15          a great deal. They had four violations. So -- but  
16          that's still a reduction. And I'm hoping that  
17          ordinance is carried forth and does some good.

18          I'm going to leave the economic development  
19          thing to Norm since he's here today. You are here  
20          today, right?

21          MR. GREGORY: Just barely.

22          COMMISSIONER SANCHEZ: Oh, okay.

23          And I did want to mention that the ObamaCare,  
24          we've been notified by our management company for  
25          our self-insured hospitalization insurance that as

1           of the end of this year, we will start paying  
2           another \$275,000 a year for the existing care  
3           clause.

4           Now some of that will be passed on to the  
5           family if they have like -- well, if there's a  
6           husband and say three kids, they're going to have  
7           to pay four times the \$63 during the -- for the  
8           whole year. They'll have to pay that. The county  
9           will have to pay for the ones -- for the people  
10          that actually work at the county. So you can tell  
11          that's just one of the many things that's going to  
12          affect it. We've had some notification of some  
13          other things coming up. We have a meeting  
14          tomorrow. If none of you are busy, maybe you might  
15          want to drop by and visit, see everything that's  
16          going on. There will be some activity.

17          And, you know, we -- I notice you mentioned  
18          air service in your presentation there, and the  
19          county still considers that a very important part  
20          of commercial development, is to having some kind  
21          of air service here. So I think that would be an  
22          important thing to keep online.

23          Amphitheatre doing great. We're going to  
24          proceed pretty soon in a program where we're going  
25          to ask for bids on the name of the amphitheatre.

1           And that works real well, because it brings in  
2           money every year for the person's name to be on  
3           there. And we're also going to start having names  
4           listed on the back of the seats for a company and  
5           they can -- they can pay so much a year to have  
6           that.

7           So we're going to -- we're finally to a  
8           point -- and I suggested this when we kicked into  
9           the amphitheatre, that in about four or five years  
10          we need to look at that because that's a major  
11          income. And I think we're going to be putting that  
12          to use this year. I'm sure hoping so.

13          But the amphitheatre's doing fine. There'll  
14          be some great shows coming up. Chicago's coming  
15          back. If any of y'all are old enough to remember  
16          the group Chicago. But I know Mr. Roland's old  
17          enough to remember.

18           MR. MERCER: I have --

19           COMMISSIONER SANCHEZ: That's about it. If  
20          there's any questions, then I'd be glad to answer  
21          them.

22           MR. WERTER: Is Pete Cetera still there?

23           COMMISSIONER SANCHEZ: Huh?

24           MR. WERTER: Is Pete Cetera still with them,  
25          Chicago?

1                   COMMISSIONER SANCHEZ: I don't know.

2                   CHAIRMAN YOUNMAN: Is this off the record?

3                   COMMISSIONER SANCHEZ: He was asking a  
4 question about the group Chicago. And I don't know  
5 about every person involved, but I know it don't  
6 make a lot of difference because last time they  
7 were fantastic, is the report I got. So bands do  
8 change members. I changed members a lot of times  
9 in mine. It always got better.

10                  CHAIRMAN YOUNMAN: Mr. Sanchez, thank you very  
11 much for such a detailed report.

12                  COMMISSIONER SANCHEZ: Thank you. I  
13 appreciate the opportunity.

14                  CHAIRMAN YOUNMAN: We appreciate it.

15                  COMMISSIONER SANCHEZ: Thank you.

16                  CHAIRMAN YOUNMAN: Next up, Mr. Slingluff,  
17 Galaxy Aviation.

18                  MR. SLINGLUFF: Nothing new to report.

19                  CHAIRMAN YOUNMAN: Reba Ludlow is the SAAPA  
20 liaison, but she is not here today and  
21 Mr. Martinelli is reporting for her.

22                  MR. MARTINELLI: SAAPA has started out its,  
23 excuse me, its new year with a whole new board.  
24 And as you said, Reba is the new liaison to the  
25 airport. She is not able to be here. She asked me

1 if I would, and I will.

2 Two major thrusts I think as we go forward  
3 into the new year that SAAPA has engaged on. We  
4 like the Airport Authority have put forth our whole  
5 program or are starting to put forth our program  
6 for the coming year.

7 One of the cornerstones of that program of  
8 course is safety. And we had an excellent  
9 presentation at our last meeting which was last  
10 week by Craig Fordem and his upset training program  
11 that he does for the Chilean Air Force and for  
12 other major entities in the aviation community.

13 The important thing about all of the safety  
14 area is the tower of course. And one of the things  
15 that SAAPA has done and is continuing to do is to  
16 meet regularly with the tower chief and improving  
17 communications between the pilots on the airport  
18 and the tower. And that, too, has progressed  
19 significantly so that there is good communication,  
20 there's good cooperation, and again improved  
21 safety. Excuse me.

22 The other very important thing is our budget  
23 for the coming year. And under the new board and  
24 with new thrusts, the amount of money which is now  
25 being set aside for grants for education for

1 students aspiring to get further into the aviation  
2 community and the aviation field has made  
3 significant strides. I believe there was over  
4 \$3,000 in donations from Airport Authority  
5 businesses or partners on the airport in addition  
6 to what SAAPA has set aside for these aviation  
7 grants. So that's all very significant.

8 And again, we -- SAAPA I'm sure would be very  
9 interested in the program that Ed has put forward  
10 for your 2013 thrust. And at some point Ed, if  
11 possible, we'd love to have you make that  
12 presentation to SAAPA if that's possible. Thank  
13 you.

14 CHAIRMAN YOUNMAN: Thank you, Mr. Martinelli.  
15 Excellent report. On the -- just a comment. On  
16 the upset -- upset training, safety training. I  
17 was there and as a novice, not a pilot, listening  
18 to that presentation, I almost want to ask every  
19 pilot then when I get on a commercial airplane,  
20 "Have you taken upset training?" It was --

21 MR. COX: They haven't.

22 CHAIRMAN YOUNMAN: I know. That's what I found  
23 out -- that's what I found out at the SAAPA  
24 meeting, especially the European airlines. It's  
25 scary. Next up, Mr. Nehring -- are you here,

1           Mr. Nehring?

2           MR. NEHRING: I'm here. I have nothing to  
3           report.

4           CHAIRMAN YOUNMAN: Mr. Gregory, for the EDC?

5           MR. GREGORY: Good afternoon. Thank you for  
6           the opportunity.

7           I wanted to bring up something. Working with  
8           the airport has been a bunch of fun. And wow, are  
9           you guys on top of it. Listening to Ed's report,  
10          you're not in debt. Things are moving along.  
11          There's no big major problems. And you're looking  
12          at growth opportunities. I mean, how much better  
13          can it get? Thank you for your diligence. I  
14          appreciate it.

15          Looking at 2009 through 2012, I looked at the  
16          unemployment rate. In 2009, we were around 9.9  
17          percent or so at the end of the year. This year,  
18          we ended at 6.5 percent unemployment, which is very  
19          very good. We have been growing.

20          I've noticed that the other communities in  
21          Florida have also been doing reasonably well, too.  
22          But not as well as us. So we're in the top  
23          percent, the top 10 percent of the counties with  
24          some of the lowest unemployment rates in Florida,  
25          which is excellent.

1           Currently we -- this fiscal year, our fiscal  
2 year starts October 1st and ends September 31st.  
3 Our fiscal year, we have one project to report that  
4 we've secured and that's Advanced Disposal, which  
5 happened recently. Not through any fault of our  
6 own. It seems that we were very fortunate that  
7 they found one of our buildings very attractive and  
8 have already moved in. So that's an awfully nice  
9 thing. 85 jobs and about \$110,000 average job.  
10 I'm going out there to apply.

11          We also have 11 projects that I've put on hold  
12 and we've got another 50 or 60 that I've just  
13 dropped all together. But 11 projects that are on  
14 hold for various reasons, they're not ready yet,  
15 they don't have their funding yet, yada, yada, all  
16 kinds of reasons which I'm sure you've heard a lot  
17 of. And then we have active, 25 active projects  
18 currently right now. And those projects, several  
19 of them are starting to come to fruition as we  
20 speak.

21          We're working with the airport currently on  
22 the economic development study, which ought to be a  
23 good interesting opportunity. Recently had a  
24 project come from Enterprise, Florida for a hundred  
25 acres for a manufacturing facility for about 400

1           jobs. We submitted six sites. The airport -- I  
2           submitted the airport's property west of U.S. 1  
3           just as a -- as a trial balloon, and it did make it  
4           into the first cut, but came out on the second cut.  
5           We still have two sites that are in process right  
6           now. So hopefully we'll get one of those.

7           Opportunities continue to abound throughout  
8           the community. And some of the projects that have  
9           already passed that are growing. We have  
10          MasterCraft Builders up in the northwest quadrant.  
11          They started with three employees. They're now up  
12          to seven employees. They started with zero houses  
13          being built. They have 27 built -- either sold or  
14          under construction the past year.

15          There are a number of other opportunities  
16          coming up. In the last two months, we've had  
17          Offshore, which is an international company,  
18          looking to move into the St. Johns County market  
19          because the housing is so strong, because the  
20          education system is so strong.

21          Project Animation, that's a project out of  
22          California. They're looking to move their --  
23          relocate their operation to St. Augustine in  
24          particular. Has to do something with the quality  
25          of life. I don't know what they're talking about.

1           We also have Project Film, which is also a  
2           California-based company looking at doing something  
3           here.

4           Project Fish, which I'm sure you-all have  
5           heard of now, it's been in the newspaper, which is  
6           Bass Pro. I had absolutely nothing do with that.  
7           I don't know what that is. But Bass Pro, the  
8           county has been working with Bass Pro and the  
9           landowner in north St. Johns County on that  
10           particular one.

11           Project Glass, which is a really interesting  
12           project, they came to us because of the 2G-Cenergy  
13           energy company that we brought over from Germany.  
14           Project Glass is a nanotechnology, taking sunlight  
15           that is captured in glass and then turning it into  
16           energy. You clad your building in glass, and it  
17           runs your building for electricity. Pretty neat  
18           technology. Hopefully we'll get the manufacturing  
19           facility here. I'm working with them.

20           And Project Block, which is a new -- new  
21           company. They've been up and running for a little  
22           bit, but they're growing. They look like they're  
23           going to have 50 new employees. They want to move  
24           into St. Johns County, but we're competing with  
25           Jacksonville for them. And I think we're going to

1 win that opportunity hopefully.

2                   And that's probably all I need to talk about  
3                   today. We've got lots of good things going on,  
4                   though. And thank you for your continued support  
5                   here at the airport. We appreciate it. Thanks.

6 CHAIRMAN YOUNMAN: Any questions?

(None.)

8 CHAIRMAN YOUNMAN: Mr. Norman, thank you very  
9 much for the detailed report and we appreciate  
10 working with the EDC also in partnership.

11 MR. GREGORY: Thanks.

12 CHAIRMAN YOUNMAN: Mr. Zimmerman, IDA. I don't  
13 believe he's present.

14                           COMMISSIONER SANCHEZ: He's in an IDA meeting  
15 right now, so...

16 CHAIRMAN YOUNMAN: Oh, okay. And Mr. Burnett.

17                   MR. BURNETT: I have nothing to report this  
18                   month.

19 CHAIRMAN YOUNAN: Nada?

20 MR. BURNETT: No, sir.

21 MR. COX: Wow.

22 MR. WUELLNER: Wow.

## ECONOMIC DEVELOPMENT PLANNING STUDY

24 CHAIRMAN YOUNMAN: Okay. Mr. Wuellner, the  
25 economic development planning study?

1                   MR. WUELLNER: I'm pleased to go over a few  
2 more details of this. We promised these at the  
3 last meeting. What I've done is cut and paste  
4 the -- part of the grant-related information into a  
5 slide and then onto your printed versions.

6                   But essentially five major components in the  
7 funded study. This is a study that's 50/50 funded  
8 by Florida DOT. Roughly 20 percent of the work's  
9 an inventory and forecast. 30 percent an  
10 alternative analysis. Cost benefit analysis of 25  
11 percent. Recommendations related to the study and  
12 then a financial plan related to anything that  
13 comes out of the study would make up the balance  
14 for the last 15 percent. Likely completion date to  
15 the extreme right-hand side there gives you a  
16 ballpark of what we're thinking of the schedule to  
17 move through all of the study elements. You can  
18 see it's a 50/50 study with Florida DOT, a total  
19 budget of about \$150,000.

20                  The next page or next slide indicates those  
21 that are participating with us, and here we have an  
22 Airport Authority member that's regularly attended,  
23 the chairman. In fact, myself, the economic  
24 development and chamber have participated. Both  
25 Norm shows up as well as does Kirk Wendland, the

1 chamber president. St. Johns County's economic  
2 development Melissa Glasgow shows up. Our  
3 consultant is there. Industrial Development  
4 Authority attends. Peter Apol who is on the board  
5 there attends. Paula Chaon with the St. Johns  
6 County School District.

7 And the reason the school district is  
8 involved, I want to make sure everybody's clear on  
9 that, is we've engaged through what's called  
10 project based learning the various academies at all  
11 of the high schools and they're trying to plug them  
12 in wherever possible in the study and also let them  
13 kind of be the free thinkers in the whole thing and  
14 the idea people and let them sort of put stuff out  
15 there that we can all talk through and give us some  
16 creative -- creative ideas hopefully related to  
17 that study.

18 The assigned tasks at this point are somewhat  
19 developed. We're still inputting a little more  
20 meat on the bone. But essentially the economic  
21 development and chamber will assist in a big way in  
22 doing the due diligence related to looking at  
23 addition -- additional property acquisition west of  
24 U.S. 1.

25 So help us ferret out what -- what the normal

1 business due diligence items would be required in  
2 doing that exercise with us. Schools obviously are  
3 going to plug into sustainability and innovation as  
4 we work forward.

5 I had here that the status was awaiting FDOT  
6 release on the grant, but as of Friday late  
7 afternoon, we received the grant documents signed,  
8 so it is now ready to roll from a -- from a  
9 financial perspective. So we will be kicking this  
10 off in the next couple of weeks and be reporting to  
11 you at each of your Airport Authority meetings, and  
12 I'm sure the chairman will have updates for you,  
13 too, as well during the course of the study.

14 But very interested to see what comes out of  
15 this as it has a lot of possibilities for us into  
16 the future. I'd be happy to tackle -- try to  
17 tackle any questions for where we are at this point  
18 if you have any.

19 CHAIRMAN YOUNMAN: No questions?

20 (None.)

21 CHAIRMAN YOUNMAN: Proceed to the next item,  
22 possible property acquisition.

23 PROPERTY ACQUISITION

24 MR. WUELLNER: Yes, sir. I wanted to just  
25 call your attention to a couple of parcels that are

1 out there and we may want to proceed further.

2 First let me explain, we do have FDO -- FDOT  
3 funds already committed. And what I mean is we  
4 have fully executed grants that we can tap for 50  
5 percent funding of -- of any of these properties.

6 So we can cut our direct costs by 50 percent as a  
7 result of that.

8 There are two possible parcels out there at  
9 this moment that we are aware of. One -- first one  
10 is 4778 U.S. 1, which is the building directly next  
11 door to the Airport Authority office along U.S. 1.  
12 Both parcels are on U.S. 1.

13 This building has been a number of things over  
14 the years to include a mom and pop grocery gas  
15 station back in the 40s, 50s, and 60s. Has passed  
16 through a number of owners over the years. Has  
17 been everything from a -- basically a fruit stand  
18 to an antique store. Has also been a flight  
19 school. That was if you recall where our flight  
20 school, Florida Flyers that's located on the first  
21 floor of this building, kind of cut their -- cut it  
22 into the airport using that office location at one  
23 time.

24 It is -- it is an old building. Probably  
25 dates back to the 30s, if my memory's correct.

1       There are some -- a few structural issues with the  
2       building. By and large, the biggest difficulty on  
3       that piece of property is that it -- as a gas  
4       station over the years, there's a small identified  
5       amount of product that was in the property.

6               This could be easily taken care of, either  
7       mitigated directly or an acceptable mediation --  
8       mitigation on this is also it can be simply  
9       converted to paved -- a paved piece of property and  
10      that satisfies all the requirements, too, later on.

11              I -- when I walked into this -- the only  
12      history I have on it, but when I walked in the door  
13      16-plus years ago, the Airport Authority was  
14      actively considering purchasing this property then  
15      for essentially what the purchase price is likely  
16      to be today.

17              Now, it has gone up multiples of that original  
18      price and then come back down basically in this  
19      economy. The county continues to give the owners  
20      as that has transferred over the years grief about  
21      this particular property because it does not meet  
22      current commercial development standards.

23              It is zoned commercial, but without a paved  
24      parking lot and some of the other things, it's been  
25      very -- they're constantly getting code enforcement

1 action against the owner every time they put  
2 something in there and try to operate it. We think  
3 you can -- it would make a -- make good sense at  
4 this point to consider purchasing that property.

5 The second piece is 4742 U.S. 1. That is the  
6 old Daddle Peppers location. It is a building that  
7 very likely will be owned by the bank in the near  
8 future or be up for foreclosure. As such, that  
9 opportunity exists for possibly purchasing that at  
10 something less than what might be market value  
11 later on.

12 You may recall a couple of years back, we  
13 purchased what is now part of the property that we  
14 are letting Civil Air Patrol use. That's about a  
15 seven-acre parcel purchased from Synovus Bank over  
16 the -- a few years ago at a substantial discount to  
17 what market was of it.

18 These two -- they're really three parcels  
19 along U.S. 1, two of which I'm talking about today.  
20 There's only one other parcel between our office  
21 all the way down three blocks U.S. 1 to what was  
22 the pizza place and parts corner -- parts store  
23 that are located approximately at U.S. 1 and North  
24 Boulevard. Otherwise that would complete the  
25 property acquisition on U.S. 1 for the Airport

1 Authority with the one exception.

2 There is one other parcel in there still. And  
3 that was the old -- just to orient you, the old --  
4 a -- what was it, a --

5 MR. BURNETT: Menu printing?

6 MR. WUELLNER: It was a -- like a --

7 MR. HARVEY: Jiffy store.

8 MR. WUELLNER: Jiffy store, thank you.

9 Something -- something akin to that. It was a  
10 little food store, quick mart kind of thing.

11 That building and associated property is the  
12 only one left there that has not -- has not been  
13 acquired at this point. And could be or we've  
14 never approached the owner since probably 2005,  
15 2006 relative to any interest they might have. And  
16 they weren't interested then. So it's owned by, I  
17 want to say Pantry -- Pantry Stores or something to  
18 that effect owns the property or did at least most  
19 recently.

20 We think it makes sense to continue to look at  
21 it. If you're -- if these properties interest you,  
22 we'd continue to have discussions and eventually  
23 negotiate something that we could bring back to you  
24 for consideration relative to the purchase.

25 We guess -- this is -- you can't completely

1 hold me to it, but I'm guessing that the total  
2 acquisition cost is -- for both properties, is  
3 south of -- it's going to be in the \$400- to  
4 \$500,000 range total. So when you take the DOT  
5 part of it in there also, you're cutting that  
6 number in half as relative to the Airport  
7 Authority's expenditure of funds on it. So that's  
8 where it is now. So be happy to try to answer any  
9 questions.

10 I threw a couple of exhibits in there. I  
11 don't know if you want to walk through them here,  
12 but the yellow line on the screen here -- if you  
13 don't have the color copies, the blue parcels that  
14 are identified here represent parcels the  
15 Airport Authority does not own. Anything else in  
16 that up to that yellow line or from the yellow line  
17 looking up the screen is already owned and acquired  
18 by the Airport Authority. So really you're looking  
19 at the blue boxes of which I think the next slide  
20 shows you the two parcels we're talking about.

21 CHAIRMAN YOUNMAN: Oh, okay. Now I see the  
22 picture.

23 MR. WUELLNER: The three to the right side are  
24 residential units. Those of you that go back far  
25 enough to know Mary Willis, that's the center box

1 of the three on the right side. We have no --  
2 there are no urgent development plans there.  
3 There's no one threatening anyone about anything at  
4 any time. It's just those are -- I'm just showing  
5 you what is out there that the airport does not own  
6 at this time.

7 The other two blue boxes, one is directly  
8 behind our office, which is the home business  
9 Pacetti Auto. And then the other -- of course the  
10 one between the two oranges is the Pantry that I  
11 was speaking to, the Jiffy mart or whatever --  
12 whatever you want to call it. So the balance of  
13 that property's already owned by the airport.

14 CHAIRMAN YOUNMAN: Just to clarify, all the --  
15 all the trees that I see in green going up from the  
16 yellow line, the airport owns? The only thing we  
17 don't own is the orange and blue.

18 MR. WUELLNER: That's correct. That's as  
19 close as I can get it. There may be some slight  
20 deviation of that yellow line, but it's pretty  
21 close.

22 MR. MERCER: I have a question, Ed.

23 MR. WUELLNER: Yes, sir.

24 MR. MERCER: The FDOT grant that's been  
25 approved, are those -- what's the source of the

1           dollars that the FDOT would be putting forward on  
2       the 50 percent? Is that coming from taxpayers here  
3       in Florida?

4           MR. WUELLNER: It comes from aviation fuel  
5       taxes alone. So they're basically aviation  
6       dollars, for lack of better words.

7           CHAIRMAN YOUNMAN: Mr. Ciriello?

8           MR. CIRIELLO: Yeah. I've got a few  
9       questions. This 4778, did you say that that was  
10      the parcel that had some contamination that might  
11      be a problem developing commercially?

12           MR. WUELLNER: Yes. I say there was some  
13      level of this. When -- again I'm going back 16  
14      years, but part of what sort of queried the  
15      airport's interest back then was the cost to do the  
16      study prior to acquisition. The Authority did not  
17      have the resources to fund a \$30,000 effort to just  
18      identify how much contamination was there.

19           It was a relatively fresh closing on the tanks  
20      that had been buried there. They were not at that  
21      time properly closed. They have since once the  
22      property was sold or before it was sold the last --  
23      that time -- which the Authority was not involved  
24      after that. We had stopped acquiring it at that  
25      time.

1                 Someone went through the motions with the  
2 state and properly closed the tanks. So the tanks  
3 were completely closed and legally closed with the  
4 state for that purpose. But it left an unknown as  
5 to what if any amount of contamination was  
6 available -- was on the site.

7                 The Authority had done a couple of test  
8 borings and had seen some level of contamination.  
9                 But what had not been done was what -- what you  
10                 might think of as mapping where the contamination  
11                 really -- the extent to which the contamination was  
12                 there. It's expected it was a really low quantity.  
13                 And the reason I say that is the tanks were -- were  
14                 never bigger than 500 gallons that were buried.  
15                 These were not massive. It was more mom and pop,  
16                 you know, kinds of size tanks in those days.

17                 MR. CIRIELLO: This 4742 then, there's no  
18                 problem with that.

19                 MR. WUELLNER: No, sir.

20                 MR. CIRIELLO: Okay. So basically if I recall  
21                 what you said, that 4778 would just mainly be used  
22                 for a parking lot.

23                 MR. WUELLNER: It could be used for a parking  
24                 lot. But we'd have a hard time doing anything --

25                 MR. CIRIELLO: Even a parking lot would be

1 hard?

2 MR. WUELLNER: We really have two choices  
3 here. We can leave it alone or we can even remove  
4 the building and do that and then do nothing with  
5 it until which time as we identify a project, in  
6 which case we can decide whether to clean it up,  
7 pave over it, or do what's -- do what's  
8 appropriate. There's no pending violation or  
9 anything sitting out there on it right now. So it  
10 would let you have that flexibility.

11 The other is you could try to put it into  
12 commercial use if you wish, but at that point,  
13 you're definitely going to have to pave it. You  
14 could do the environmental study and map it out and  
15 try to figure out whether you want to remediate it  
16 further to do something that's not really just  
17 covering it.

18 MR. CIRIELLO: Well, I would say --

19 MR. WUELLNER: Those options would -- could be  
20 later.

21 MR. CIRIELLO: -- without a definite thing in  
22 mind to get these properties would be pretty  
23 expensive and useless.

24 But my thought -- many years ago, I mentioned  
25 to you, I don't know if it was privately or as a

1 matter of record here, and I think I posed the  
2 question to Mike. At that time on the Gun Club  
3 Road on that corner that we had some property that  
4 somebody wanted to put in a kid's club or  
5 something, I suggested a motel.

6 And I think I mentioned it or asked Mike if  
7 we -- during a year's period, if we had many of  
8 these commercial -- corporate pilots come in and  
9 have to stay overnight while their bosses are out  
10 doing their thing. And if I remember correctly,  
11 Mike said there was quite a few people.

12 Instead of running down the road to a motel,  
13 if we had an airport motel, whether we built it and  
14 ran it ourselves or leased the property to some  
15 motel company to build it. Plus the  
16 Georgia/Florida game, the spillover from the  
17 Daytona races and spillover from golf things at the  
18 golf village and up in Ponte Vedra, that in a  
19 year's time this motel might be, you know,  
20 profitable. So would that idea of getting this  
21 property and maybe putting in an airport motel  
22 there be viable?

23 MR. WUELLNER: I would tell you there really  
24 is no development that could be off limits to that  
25 land. You know, it's really where we choose

1           collectively as a board to take it over the next  
2        few years. But without owning the property, there  
3        is no opportunity per se.

4           MR. CIRIELLO: I was just thinking if we're  
5        going to go to the trouble of buying that property,  
6        that if we had an idea that maybe even have  
7        somebody look into the possibility of some motel  
8        company wanting to develop there, then go ahead and  
9        do it. But if we're just going to buy it and leave  
10      it sit for two or three years trying to decide what  
11      to do with it, I say the heck with it.

12          CHAIRMAN YOUNMAN: If I may interject. We  
13      could also ask motel companies if there's a  
14      statement of interest in developing on our  
15      properties and see if their investigative structure  
16      says it -- you know, it would be a good thing or  
17      not.

18          MR. CIRIELLO: Oh, yeah, yeah.

19          MR. WUELLNER: Well, this -- let's not get the  
20      cart ahead here.

21          CHAIRMAN YOUNMAN: I know. I'm --

22          MR. WUELLNER: This may not be a good parcel  
23      for that.

24          CHAIRMAN YOUNMAN: No, I'm just saying  
25      that's -- that's an -- that's an alternative.

1                   Mr. Cox?

2                   MR. COX: How much frontage feet do you think  
3                   that is, 3- or 400 feet total?

4                   MR. WUELLNER: Well, the 78 one, I would -- I  
5                   think it's three lots wide. I would say that's  
6                   probably 160, 180 feet there.

7                   MR. COX: My point is this -- is that -- that  
8                   many frontage feet for 200 grand, it's ridiculous  
9                   not to even consider because on -- on a highway,  
10                  it's ridic -- you walk into equity. I mean, it's  
11                  almost literally walk into --

12                  MR. WUELLNER: To your point, this property  
13                  peaked in about, what, 2009 thereabouts. I believe  
14                  they were listing and asking around a half a  
15                  million dollars for it.

16                  MR. COX: Well, that -- that's the current  
17                  property as it sits now. If we improve it at all,  
18                  I mean, to me it's a no-brainer. I would be in  
19                  support of --

20                  CHAIRMAN YOUNMAN: Mr. Mercer?

21                  MR. MERCER: Thank you, Mr. Chair. I have  
22                  just a couple of observations.

23                  One, any time we're talking about spending a  
24                  half a million dollars of money, whether the source  
25                  of it is taxes from this bucket or taxes from that

1           bucket, taxes on fuel, we're spending somebody's  
2           money.

3           And so the first thing I have to be convinced  
4           of is do we have a need -- do we have a need to  
5           spend a half a million dollars for these two  
6           parcels? Not whether or not it's a good purchase  
7           price. We could go right up -- right up the coast  
8           and buy oceanfront if we wanted to. Do we have a  
9           need today for this? If we do, what is the need?

10          And second, as a user of aviation fuel, many  
11         of us who fly and you fly around the state, you  
12         land in an FBO, you want to top off, these -- there  
13         is a portion because of these -- these grants, one  
14         of the things I'm concerned about is the cost of  
15         aviation fuel both for the FBOs around the state of  
16         Florida, but also for the users.

17          The money -- there's no such thing as free  
18         money. And I want to try to make sure that if --  
19         if my one-fifth vote is going to go towards an  
20         expenditure or at least moving in that direction, I  
21         need to be convinced of the need because I have  
22         concern about fuel taxes. I have concern about the  
23         cost of fuel.

24          Having said that, I'll compliment the  
25         administration on what I think they do a very good

1 job and that's managing the self-serve price here  
2 at this airport, which is certainly very  
3 competitive with many of the other airports that I  
4 fly my plane into.

5 CHAIRMAN YOUNMAN: My opinion and comment is  
6 that picking up property like this, there may not  
7 be immediate need, may not even be immediate  
8 justification today, but we're tying up property  
9 for the future.

10 We're looking towards the future, whether this  
11 airport contributes to the economic viability of  
12 the community. And if we can purchase these  
13 properties like Mr. Cox is saying at under market  
14 values and tie up the whole big piece a piece at a  
15 time without hurting any individual property owner,  
16 I think it's -- it behooves the airport to take  
17 advantage of the situation and -- if it can be  
18 negotiated properly and the gas situation or  
19 contamination doesn't forestall it. Take a hard  
20 look at it. At least we can go forward and take a  
21 good look at it. That's my opinion.

22 MR. COX: One more point to interject and you  
23 brought up a good point is, is that by us  
24 purchasing these properties prior to going -- at  
25 least the one property prior to going into

1 foreclosure will actually help the homeowners that  
2 are behind us here in the value of their homes.  
3 You know, if they -- if they let that property go  
4 to foreclosure, those homes are going to -- it's  
5 going to deteriorate the value a little bit. But  
6 it's just a small consideration, so...

7 CHAIRMAN YOUNMAN: And Mr. Cox, if I may, your  
8 background is in what?

9 MR. COX: Real estate.

10 CHAIRMAN YOUNMAN: Thank you. Ms. Barrera, do  
11 you have a comment?

12 MS. BARRERA: From my viewpoint, just looking  
13 at compatible land use and noise mitigation, the  
14 price that we're able to get these two pieces of  
15 property would be of great value.

16 CHAIRMAN YOUNMAN: What are the holding costs?

17 MR. WUELLNER: Depending on what we -- what we  
18 collectively decide to do with the property. If we  
19 remove the buildings off of it, it essentially goes  
20 to zero at that point. If you choose to lease them  
21 or do something like that, it would be a function  
22 of, you know, taxes and costs over what the rental  
23 structure would be, assuming we have or could find  
24 tenants for them.

25 CHAIRMAN YOUNMAN: Any public comment?

1                   Mr. Martinelli?

2                   MR. MARTINELLI: I look at the board as the --  
3                   you folks as the board of directors of a business,  
4                   and the business is the airport, which is a  
5                   self-sustaining entity or enterprise. And as such,  
6                   your primary concern I would assume is the airport  
7                   and the future of the airport and the economics of  
8                   the airport.

9                   And while I think it's very admirable to think  
10                  of fliers, airplane owners, and people that buy  
11                  fuel and the fact that a portion of the money that  
12                  we spend for fuel comes back to different airports  
13                  or different projects, I think that also of course  
14                  is a very admirable position to have.

15                  However, as a board member and as a member of  
16                  the board whose primary responsibility is to take  
17                  care of this airport, I think the future then of  
18                  the airport is the paramount consideration. And as  
19                  such then I believe that the opportunity to  
20                  purchase this land which is at a bargain, which is  
21                  in the best interest of this airport, should be  
22                  pursued.

23                  MR. MERCER: May I respond, then,  
24                  Mr. Chairman, to the public comment?

25                  CHAIRMAN YOUNMAN: You may.

1                   MR. MERCER: Purchasing land it seems to me  
2 and to many of us, there's an awful lot of land in  
3 foreclosure and a big part of my -- my business  
4 involves foreclosure.

5                   Buying land just because it's for sale and  
6 buying land just because it's for sale at a good  
7 price is not necessarily in the best interest for  
8 an airport. It's not necessarily in the best  
9 interest for an individual or a business.

10                  There really needs to be I think a very  
11 careful analysis of what the priorities are and is  
12 purchasing land -- where do you -- where do you  
13 stop? I mean, why -- you know, do you go right  
14 up -- right down the coast? How -- where do you  
15 draw the line?

16                  I think the starting point is, do we have a  
17 need? This is real money, and I would submit that  
18 I think our first -- our first test should be on  
19 any expenditures, we need to be good stewards of  
20 the money wherever the source is and evaluate, is  
21 this in the best interest of the airport? What is  
22 the need for this property? Do we have a need for  
23 the property?

24                  CHAIRMAN YOUNMAN: Mr. Cox?

25                  MR. COX: Those are very valid and good

1 points. And, you know, I know you've spent some  
2 time with SAAPA and flying around the airport. And  
3 having been in on the board in the past and I know  
4 there's a number of other board members in here  
5 that have been on the boards many years before.

6 This property has been under speculation for a  
7 long time. A long time. And it's not like we just  
8 dropped into this last month and now we're trying  
9 to decide whether or not this would be a -- a good  
10 choice for the airport.

11 So I think it's been something that Ed and the  
12 previous boards have looked at and tried to  
13 decipher whether or not -- and the properties  
14 weren't for sale I don't think at the time at least  
15 under this particular --

16 MR. WUELLNER: Huh-uh.

17 MR. COX: -- iteration of this sale. But I  
18 think this has been looked at for a long time.

19 And I don't think there's any -- any ideal  
20 under the airport's or this board anyway for us to  
21 expand ad infinitum down the coast or anywhere  
22 else, and I think Ed pointed out pretty  
23 appropriately that what you're saying is it stops  
24 at the yellow line, right?

25 MR. WUELLNER: Yes.

1                   MR. COX: We have no intent to go beyond that.

2                   MR. WUELLNER: It makes no operational sense.

3                   MR. COX: No, I agree with you. And Kelly  
4                   actually brought up a very good point for noise  
5                   mitigation and all the other issues that we may  
6                   concern as far as we'd like to encapsulate the  
7                   airport, I mean, from my perspective, and kind of  
8                   put a bubble around it.

9                   CHAIRMAN YOUNMAN: And if I may -- if I may  
10                  enter, this has been a long-term plan from board to  
11                  board to board --

12                  MR. COX: True.

13                  CHAIRMAN YOUNMAN: -- to fulfill this land, to  
14                  fill it out for airport use within that block. And  
15                  we are just continuing a previous plan that was put  
16                  forth by previous boards. Mr. Ciriello?

17                  MR. CIRIELLO: Yeah. As I'm looking here,  
18                  those three blue blocks, are you saying those are  
19                  homes that we don't own?

20                  MR. WUELLNER: That's correct.

21                  MR. CIRIELLO: Okay. Now, if we go out and  
22                  buy this property facing U.S. 1 and right now  
23                  there's no real reason for buying it -- I mean,  
24                  it's not like we're planning to build this or that.  
25                  And if you buy it and after a few years you decide,

1 well, we're going to put in more hangars like you  
2 did a few years ago and those three people just  
3 happen to be like a few years ago that don't want  
4 to give in to the airport and then are you going to  
5 go back in there and are you going to pull that  
6 eminent domain baloney on them?

7 MR. WUELLNER: No, sir. We promised them six  
8 years ago or however --

9 MR. CIRIELLO: Well, you promised the board  
10 back then or they did. But that doesn't mean some  
11 future board or somebody else can't override that.  
12 But you're in a hurry to get -- you're not in a  
13 hurry, but thinking about getting that property out  
14 in front when you might have a stumbling block in  
15 behind you.

16 So if we can't come up with an idea of --  
17 maybe not right now, but a year -- at least a year  
18 or two down the line to say we're fingering this  
19 property because we're going to do this with it,  
20 then I don't see any -- any reason of getting it.  
21 If we don't have a reason to get it, the heck with  
22 it.

23 CHAIRMAN YOUNMAN: Mr. Cox, one last comment.

24 MR. COX: Yeah. Whether or not we buy that  
25 frontage property or not is not going to -- if a

1           board changed on those three properties, they could  
2           still proceed forward with eminent domain.

3           MR. CIRIELLO: Yeah, yeah.

4           MR. COX: But I don't think there's anybody on  
5           this board that's going to go down that path. And  
6           I agree with you, a future board could make all  
7           kinds of changes. But it wouldn't make any  
8           difference whether we purchased those two  
9           properties or not.

10          CHAIRMAN YOUNMAN: I'd like to ask a motion to  
11          ratify Authority interest in negotiating with the  
12          owners toward purchase. This is just to --

13          MR. COX: I think you just need consensus.

14          MR. WUELLNER: I think you need a motion to --

15          CHAIRMAN YOUNMAN: To proceed.

16          MR. MERCER: We may have some public comment  
17          here.

18          COMMISSIONER SANCHEZ: Can I still speak? Or  
19          you've got a motion on the floor then, so --

20          MS. BARRERA: We don't.

21          MR. COX: We don't.

22          CHAIRMAN YOUNMAN: Since -- since you're a  
23          county commissioner, I'll let you. Cause you  
24          didn't turn in a slip.

25          COMMISSIONER SANCHEZ: Boy, I tell you it's

1 something to be labeled.

2 You know, this board has some other  
3 responsibilities, too, and it's having a little  
4 foresight involving what is next door to you. It's  
5 not like you're going to go out on the coast and  
6 buy property. There's no reason for that. This  
7 property adjoins your property, and some of these  
8 other people probably will decide to sell one day.  
9 But anyway, you have a responsibility to be able to  
10 look into expanding.

11 You also should remember one of the famous  
12 quotes in real estate: "Boy I sure wished I had  
13 done that." Because that can happen to you real  
14 quick. Somebody could step in here and buy those  
15 two pieces of property and then they're going to  
16 be, you know -- put up a business where they don't  
17 appreciate your noise. They don't appreciate your  
18 traffic. And then you're going to have nothing but  
19 complaints. Thank you.

20 MR. COX: I move to -- are you open for the  
21 motion?

22 CHAIRMAN YOUNMAN: I'm open for the motion.

23 MR. COX: Move to accept the board's  
24 recommendation for the information of the purchase  
25 of the property.

1 CHAIRMAN YOUNMAN: Do I have a second?

2 MS. BARRERA: I'll second.

3 MR. WUELLNER: Sorry. Staff's recommendation.

4 MR. COX: The staff's recommendation. Yeah,  
5 not the board.

6 CHAIRMAN YOUNMAN: Second?

7 MS. BARRERA: Second it.

8 CHAIRMAN YOUNMAN: Any further discussion?

9 MR. CIRIELLO: I have a question. Is that  
10 motion made for us to look into the possibility of  
11 buying it or is that motion made to directly go out  
12 and buy it?

13 CHAIRMAN YOUNMAN: No, this is just to look  
14 into buying it, to check and see how much it's  
15 going to cost and what kind of deal can be made and  
16 then come back to the board.

17 MR. CIRIELLO: Okay. Got you.

18 CHAIRMAN YOUNMAN: May I have a vote of ayes,  
19 please?

20 MR. CIRIELLO: Aye.

21 MR. COX: Aye.

22 MS. BARRERA: Aye.

23 CHAIRMAN YOUNMAN: Aye. Nays?

24 MR. MERCER: Nay.

25 CHAIRMAN YOUNMAN: Let the record show four

1 ayes and one nay.

2 AVIATION GROUND LEASE - NIMBUS AVIATION

3 CHAIRMAN YOUNMAN: Let us now move on to the  
4 next item on the agenda, the aviation ground lease,  
5 Nimbus Aviation. Mr. Wuellner?

6 MR. WUELLNER: Yes, sir. The next -- next  
7 item is Nimbus Aviation. This is a proposal for  
8 corporate storage. It is a ground lease only.  
9 This does not involve us building a building or  
10 making other improvements related to it. They're  
11 requesting a 30-year first term with a 10-year  
12 option after that.

13 It uses our standard form lease and is  
14 consistent with our policy. It's a rate of \$.29  
15 cents a square foot per year. Approximate parcel  
16 size is 50,250 square feet, which is an annual  
17 rental return to the Authority of 15 -- excuse me,  
18 \$14,560 subject to annual CPI adjustments. Is  
19 there the exhibit? Can we bring that up?

20 MR. BURNETT: And if I could, Mr. Wuellner,  
21 you -- some of you may be looking at an earlier  
22 agenda.

23 MR. MERCER: I am.

24 MR. BURNETT: That earlier agenda had a  
25 \$10,500 number and a \$.21 a square foot. The

1           correct number is \$.29 a square foot and \$14,560 --

2           MR. WUELLNER: 560, yeah.

3           MR. BURNETT: -- is the yearly rental rate.

4           MR. MERCER: Thank you.

5           MR. WUELLNER: There -- the depiction up here  
6       shows a -- a layout that could be utilized up  
7       there. They are evaluating some additional  
8       layouts. It's essentially, just for those of you  
9       that can orient yourself on property, from our new  
10      fuel farm facility on Estrella to the corner  
11      essentially across from where U.S. Customs is. So  
12      if you're trying to orient yourself on the property  
13      there.

14           The parcel size would really be -- one of the  
15       things I wanted to make sure we were preserving at  
16       least at this end is if we go with the rate and the  
17       approximate property, what we'll do is once a final  
18       site plan is approved, we'll adjust the land  
19       envelope there to -- to make it fit so that there's  
20       a little bit of flexibility in what we're asking  
21       you to do today, until which time as a final site  
22       plan can be done.

23           It's essentially a -- if my memory's correct,  
24       a 12,000 square foot hangar with 6,000 square foot  
25       of additional shop and related space to the -- to

1           the building. It is strictly airport -- or, excuse  
2        me, corporate-related storage. And we believe it's  
3        a good fit for that particular parcel and would  
4        recommend you approve it.

5           MR. BURNETT: And one other comment, which is  
6        the -- we know what the rental rate is of the \$.29  
7        a square foot. It -- that annual rate may adjust  
8        slightly up or down once we get the final square  
9        footage nailed down in a survey. We don't have a  
10      precise drawing for it yet.

11        MR. WUELLNER: That's correct.

12        MR. BURNETT: We've got a good idea but not  
13      precision on the exhibit to go to the lease.

14        CHAIRMAN YOUNMAN: Board discussion?

15        MR. MERCER: Let me make sure I understand  
16      what we have. This is a 30-year initial term on  
17      the lease --

18        MR. WUELLNER: Correct.

19        MR. MERCER: -- proposed lease. It is for  
20      storage of corporate aircraft, correct?

21        MR. WUELLNER: Correct.

22        MR. MERCER: The annual rental is 14,000 and  
23      some change per year during that 30-year initial  
24      term?

25        MR. WUELLNER: For the first year. Then it

1           adjusts with CPI after --

2           MR. MERCER: CPI, which is what, two, two and  
3           a half.

4           MR. WUELLNER: Varies by year.

5           MR. MERCER: All right. Here's my question --  
6           and let me preface my question with what I'm  
7           understanding. We're only -- the airport is only  
8           going to earn \$.29, that's 29 pennies, per square  
9           foot on the ground lease.

10          MR. WUELLNER: Correct.

11          MR. MERCER: The tenant I assume is going to  
12          be building up the vertical infrastructure?

13          MR. WUELLNER: That's correct.

14          MR. MERCER: All right. What I need to  
15          understand, particularly being new, is how does  
16          this \$.29 per square foot, 30-year lease commitment  
17          benefit the airport?

18          MR. WUELLNER: Two-fold. One is the revenue  
19          related to the land lease. Secondarily, obviously  
20          all fuel purchased on the airport is a net revenue  
21          to the airport, too.

22          MS. BARRERA: And thirdly, the -- it reverts  
23          back to the airport as an asset at the end of the  
24          lease.

25          MR. MERCER: In 30 -- in the 30 year.

1                   MS. BARRERA: All the infrastructure on there  
2 that's done becomes an asset of the airport because  
3 as it being on airport property, whatever we own  
4 stays ours at the end of the lease.

5                   MR. MERCER: So they've got an -- they have  
6 one option for 10 years, so it could be a 40-year  
7 commitment.

8                   MR. WUELLNER: That's correct.

9                   MS. BARRERA: It could. But the capital that  
10 they -- that they build becomes our asset.

11                  MR. MERCER: Have we -- have we thought of  
12 other possible uses for that land -- and maybe you  
13 have discussed it or thought about it in the past?  
14 Again my first time here.

15                  MR. WUELLNER: It's been through several  
16 Airport Master Planning processes over the years.

17                  MR. MERCER: Have they ever considered  
18 hangar -- small T-hangars and that type of thing  
19 for that particular strip?

20                  MR. WUELLNER: We have. The site was  
21 essentially abandoned by the Authority as T-hangars  
22 because only that linear approach could be done on  
23 the hangars in that parcel because of the nature of  
24 the parcel. So doing -- they in fact moved toward  
25 development of that South 40, as you referred to it

1           earlier, that concept in design for future T-hangar  
2           development.

3           MR. MERCER: How does -- \$.29, and I'm not a  
4           real estate guy or expert, but how does \$.29 per  
5           square foot -- it seems awfully low, candidly. In  
6           all candor, it strikes me as being really cheap  
7           rent.

8           MR. WUELLNER: Sometimes it's a little more  
9           helpful to see it in the context of acre.

10          MR. BURNETT: If -- if I could, while Ed's  
11           looking at that, too. The structure -- I think the  
12           development cost of what they're talking about  
13           constructing for the total improvements with the  
14           paved area and the two structures that are  
15           connected, it's about a million five I think, or  
16           more -- more than a million five, but it's at least  
17           a million five. At 3 percent for 30 years is a  
18           \$6300 a month payment.

19          The airport -- I apologize. The airport's  
20           rate of return on the structure is 7 percent. So  
21           at a million five, 30 years, 7 percent, it's a  
22           \$10,000 a month rate.

23          MR. WUELLNER: It equate -- it equates to a  
24           property value of approximately -- using a 7  
25           percent rate of return for aviation properties,

1           which is what we typically get, 7. That's  
2           approximately a hundred thousand dollars an acre  
3           kind of rate. So it establishes essentially a  
4           value of a hundred thousand per acre if you were to  
5           purchase it, which we don't -- we don't sell.

6           MS. BARRERA: And furthermore, if they abandon  
7           it for any reason during that time of that lease,  
8           it reverts back to the Airport Authority.

9           MR. MERCER: I understand that, but --

10          MR. WUELLNER: Well, subject to mortgage.

11          MR. MERCER: And I'm not -- I'm just trying to  
12          make sure I understand that the proposal --

13          MS. BARRERA: Subject to mortgage --

14          MR. MERCER: -- is we're going to tie up that  
15          stretch of land, there'll be some capital  
16          improvements on the front end that the tenant's  
17          going to have to foot the bill on. That will enure  
18          to the airport's benefit 30 or perhaps 40 years on  
19          the back end.

20          In the meantime, the airport, though,  
21          obviously can't make any other use of that land and  
22          is generating only \$.29 per square foot. How --  
23          how does that rental rate of 29 pennies per square  
24          foot compare with -- with what we're doing in other  
25          context, perhaps? It just strikes me as being a

1 very low rental rate.

2 MR. WUELLNER: It's not.

3 MR. MERCER: It's not. Based on?

4 MR. WUELLNER: Previous rentals on the  
5 property, rental rates in Northeast Florida. We  
6 recently got some survey information that the high  
7 end is like \$.33 in Northeast Florida and the low  
8 end's less than \$.10 per square foot in Northeast  
9 Florida, at Northeast Florida airports. So you get  
10 some context based on that, if you -- if that's  
11 helpful.

12 MR. COX: You're talking airport property.

13 MR. WUELLNER: Airport property,  
14 aviation-related property.

15 MR. MERCER: Thank you.

16 CHAIRMAN YOUNMAN: Any other board discussion?

17 (None.)

18 CHAIRMAN YOUNMAN: Public comment? Did you put  
19 in a slip?

20 MR. SOLANO: I just had a piece of  
21 information, if it would be of some value, but I  
22 didn't put the slip in. Boulder Airport is exactly  
23 \$.29.

24 CHAIRMAN YOUNMAN: I'm sorry?

25 MR. SOLANO: Boulder Airport is exactly \$.29

1 for the same development.

2 MR. BURNETT: Sir, could you please go to  
3 microphone and give your name and address?

4 MS. BARRERA: For the record.

5 MR. SOLANO: Yes, sir. I've been looking at  
6 the same situation in Boulder --

7 MR. BURNETT: Name -- name and address, first,  
8 please.

9 MR. SOLANO: Tom Solano, 130 South Serenata  
10 Drive, Ponte Vedra. I've been looking at the same  
11 exact situation in Boulder, which is a very  
12 expensive airport in the U.S., and it's \$.29  
13 exactly. That's all I wanted to share.

14 CHAIRMAN YOUNMAN: Thank you. Any more  
15 discussion from the board?

16 (None.)

17 CHAIRMAN YOUNMAN: May I have a motion to  
18 approve this lease for Nimbus Aviation?

19 MR. COX: Motion to approve staff's  
20 recommendation for the lease.

21 CHAIRMAN YOUNMAN: For Nimbus Aviation.

22 MR. COX: Nimbus Aviation.

23 MS. BARRERA: Second it.

24 CHAIRMAN YOUNMAN: Is there any further  
25 discussion?

1 (None.)

2 MR. CIRIELLO: Did somebody second it?

3 CHAIRMAN YOUNMAN: Yes, Kelly.

4 MR. CIRIELLO: I'm sorry. I didn't catch it.

5 CHAIRMAN YOUNMAN: Did you want to -- did you  
6 want to ask --

7 MR. CIRIELLO: No, no. I just didn't hear the  
8 second.

9 CHAIRMAN YOUNMAN: Okay. May I have a vote of  
10 the ayes to approve, please?

11 MR. CIRIELLO: Aye.

12 MR. COX: Aye.

13 MS. BARRERA: Aye.

14 CHAIRMAN YOUNMAN: Aye. May I have a vote of  
15 nays?

16 MR. MERCER: Nay.

17 CHAIRMAN YOUNMAN: Let it be shown a  
18 four-to-one vote.

19 EXECUTIVE DIRECTOR CONTRACT NOTIFICATION

20 CHAIRMAN YOUNMAN: All right. The next item on  
21 the agenda is the executive director's contract  
22 notification.

23 This is essentially a -- just to notify  
24 you-all that his contract, Mr. Wuellner's contract  
25 is -- expires June the 30th, 2013. That's his

1 current five-year contract. And it provides for a  
2 six-month notification of intent to negotiate a new  
3 contract.

We are not here to discuss the contract at this time. It's just to make the notification that it's -- that it's due. And what I'd like to do is just have -- have an approval that we continue the process of the contract negotiations and in March come back after each board member's had the opportunity to review the contract, to discuss any changes, et cetera the board wishes to make or to leave the contract as is, and the same thing for Mr. Wuellner, so that we don't extend these negotiations beyond the termination time or conclude them in an ineffectual manner if it's possible. May I have some board discussion on this proposal, please? There's no motion of course.

18 (None.)

19 CHAIRMAN YOUNMAN: No discussion. Public  
20 comment?

21 (None.)

22 CHAIRMAN YOUNMAN: Like to ask for a motion to  
23 begin the review process for the executive  
24 director, Mr. Wuellner's new five-year contract.

25 MS. BARRERA: Make a motion that we begin the

1 review process of the five-year contract.

2 CHAIRMAN YOUNMAN: May I have a second on that,  
3 please?

4 MR. COX: Second.

5 CHAIRMAN YOUNMAN: May I have a vote of aye,  
6 please?

7 MR. CIRIELLO: Aye.

8 MR. COX: Aye.

9 MS. BARRERA: Aye.

10 MR. MERCER: Aye.

11 CHAIRMAN YOUNMAN: Aye. It was unanimous. And  
12 we'll bring it up in the March meeting. And each  
13 member, if you don't have one already, will receive  
14 a copy of the executive director's contract.

15 PUBLIC COMMENT - GENERAL

16 CHAIRMAN YOUNMAN: All right. As we come down  
17 to the -- towards the end here, public comment in  
18 general. Any public comment?

19 (None.)

20 CHAIRMAN YOUNMAN: No one?

21 MEMBER COMMENTS & REPORTS

22 CHAIRMAN YOUNMAN: Member comments and reports.  
23 Mr. Ciriello, intergovernmental meeting.

24 MR. CIRIELLO: Well, I left my glasses at  
25 home, but let's see.

1                   CHAIRMAN YOUNMAN: Would you like my readers?

2                   MR. CIRIELLO: The elections people made a  
3 report about the elections, the past election going  
4 well in St. Johns County, but the legislators and  
5 that are looking to maybe come up with some new  
6 rules for the southern end of the state because of  
7 the language -- you know, the different minorities  
8 language barrier, that they may have to start  
9 printing these things in foreign language for  
10 elections. She gave a little report on that.

11                  The DOT man representing DOT gave a report on  
12 a bunch of bridges and road rehabilitation. On  
13 A1A, there's going to be sidewalk and resurfacing  
14 done. State Route 13, repairs on bridges. State  
15 Route 16, improvements to sidewalks and the road.  
16 San Sebastian Bridge should be completed in  
17 February.

18                  The school board made a report about concern  
19 about the shootings like that one up in  
20 Connecticut, about needing more security at the  
21 schools. They're a little concerned about that and  
22 how easy some people have access to the school  
23 property.

24                  The beach reported they have a new police  
25 chief, new clerk, and gave a report on their

1 problems with cost of health insurance.

2                 The water people gave a report that their land  
3 assessment concerns were approved, and he passed  
4 out this flier of the properties that they have  
5 concern in the legends, and I would give this to Ed  
6 and if any of the other board members would like a  
7 copy to see what properties they're talking about,  
8 he can have copies made for you.

9                 And the county commission representative was  
10 mentioning problems about gun control. And the  
11 Sheriff's Department talked about short-term school  
12 security, and he also -- that there are a number of  
13 people in the Sheriff's Department in the executive  
14 branches that are due to retire the next few  
15 months. And from what I gather, there'll be some  
16 people moving up into those positions, but they  
17 won't be going out hiring new personnel to take  
18 over. So their personnel department won't go up,  
19 just people will be promoting. That's about all  
20 that went on there.

21                 CHAIRMAN YOUNMAN: Thank you, Mr. Ciriello.

22                 Did you have any further comments?

23                 MR. CIRIELLO: No.

24                 CHAIRMAN YOUNMAN: Next up is Mr. Cox, EDC?

25                 MR. COX: Nothing to report on the EDC at this

1 point. There hasn't been a meeting as far as I  
2 know since I stepped into that position.

3 CHAIRMAN YOUNMAN: There is one Tuesday, isn't  
4 it?

5 MS. BARRERA: Tuesday the 22nd.

6 CHAIRMAN YOUNMAN: The 22nd.

7 MR. COX: Right.

8 CHAIRMAN YOUNMAN: I'll be there with you, but  
9 I won't comment of course.

10 MR. COX: All right.

11 CHAIRMAN YOUNMAN: Mr. Mercer, Aerospace  
12 Academy?

13 MR. MERCER: Looking forward to plugging in to  
14 that. And I also want to thank Ed Wuellner for  
15 spending time with me this week, giving me a great  
16 tour of the airport and familiarizing me with a lot  
17 of the different projects that he's been working  
18 on. So I want to thank Mr. Wuellner for that and  
19 nothing further to report.

20 CHAIRMAN YOUNMAN: Okay. Mrs. Barrera.

21 MS. BARRERA: I would just tag along to  
22 Mr. Mercer's report that tonight the Aerospace  
23 Academy is having an open house at their facility  
24 for their academy. In addition, I wanted to  
25 welcome Mr. Mercer here to our board.

1                   MR. MERCER: Thank you.

2                   MS. BARRERA: Thank you for being present.

3                   We're looking forward to your continuing  
4                   involvement and take the opportunity to thank  
5                   Mr. Wuellner for setting aside time to meet with  
6                   us -- or meet with me individually today and go  
7                   over any questions I might have on the authority  
8                   board meeting and answer my questions, making  
9                   himself available to do that. Look forward to the  
10                  new year.

11                  CHAIRMAN YOUNMAN: Good. Thank you,  
12                  Ms. Barrera. The next regular meeting is March the  
13                  25th at 4 o'clock p.m., and if there's any need for  
14                  any meeting prior to that date, of course it can be  
15                  called on Mr. Wuellner or any board member. The  
16                  AAE (sic) annual meeting, what does AAE stand for?

17                  MR. WUELLNER: American Association of Airport  
18                  Executives.

19                  CHAIRMAN YOUNMAN: Thank you. I just wanted to  
20                  clarify that. May 19th through the 22nd in Reno,  
21                  Nevada.

22                  I just want to make a point here, early  
23                  registration which gives us a substantial discount  
24                  ends January the 31st for whomever on the board  
25                  wishes to attend this conference. The CAP cadets

1 provided over 20 hours on-airport service during  
2 the holiday season. Can you describe something  
3 about the items that they --

4 MR. WUELLNER: Primary landscaping assistance.  
5 They put down a whole lot of mulch for us all over  
6 the airport.

7 CHAIRMAN YOUNMAN: Wow. That's phenomenal.

8 MR. WUELLNER: They did a great job.

9 CHAIRMAN YOUNMAN: Now, the TPO meeting, I have  
10 a little problem. I can't give you a real report.  
11 There was a TPO meeting December the 13th and I  
12 attended. I had the book. And for the life of me,  
13 I have no idea what I did with the book and I don't  
14 remember a thing that happened at the meeting. So  
15 therefore, that's the extent of my report on the  
16 North Florida TPO for this meeting.

17 MR. HICKOX: Was it a good party, too?

18 CHAIRMAN YOUNMAN: I'm still -- I'm still on  
19 the finance committee of the TPO. I guess they  
20 don't want to get rid of me because nobody wants to  
21 volunteer for it. What is this Gulfport-Biloxi  
22 International Airport?

23 MR. WUELLNER: Something we received. They're  
24 hosting that conference, the --

25 MR. COX: ACI-NA.

1                   MR. WUELLNER: Is it ACI? I didn't know it  
2 was ACI.

3                   MR. COX: Yeah.

4                   MR. WUELLNER: Is hosting one of the smaller  
5 meetings.

6                   CHAIRMAN YOUNMAN: Okay.

7                   MR. WUELLNER: They just sent out an  
8 invitation. If you have an interest, let us know,  
9 we'll try to figure it out for you. No one's  
10 attended that particular one that I'm aware of.

11                  CHAIRMAN YOUNMAN: I just want to bring up one  
12 thing. I brought it up at the SAAPA meeting.

13                  With Mr. Mercer being on the board of SAAPA  
14 and the board of the airport at the same time, I --  
15 I attend a lot of the board meetings -- I mean the  
16 SAAPA meetings because I'm a member of SAAPA also.  
17 And I'm just reminding everybody in the audience  
18 that he and I have to be super -- or whoever of the  
19 board have to be super cognizant of the sunshine  
20 laws. If Mr. Mercer talks about the airport per  
21 se, we have to refrain from discussing Mr. Mercer's  
22 comments and vice versa. We have to be very  
23 careful of that.

24                  MR. BURNETT: He gets the first word, the  
25 middle word, the last word. He gets to talk and

1 you don't get to respond.

2 CHAIRMAN YOUNMAN: I don't get to respond.

3 MR. BURNETT: At SAAPA.

4 MR. MERCER: And, Carl, technically this  
5 year -- while I was on the board last year as one  
6 of the official board members, this year I don't  
7 hold an officer or board position per se. I am a  
8 chair in charge of doughnuts and coffee pickup for  
9 the SAAPA meetings, which they tell me is very  
10 important.

11 CHAIRMAN YOUNMAN: That means I can't discuss  
12 coffee and doughnuts with you.

13 MR. MERCER: That's right.

14 MS. BARRERA: So if I'm correct then, in that  
15 scenario, since Mr. Mercer is not a board member of  
16 SAAPA, who would be the speaking authority in  
17 attendance on a SAAPA meeting should one or more,  
18 Mr -- Mr. Youman, Mr. Mercer, Mr. Cox,  
19 Mr. Ciriello, or I attend? Who would be the voice?

20 MR. WUELLNER: I think that's up to you guys  
21 to work out.

22 MR. MARTINELLI: Carl?

23 MR. BURNETT: Typically we don't -- I don't  
24 know of that relationship between Airport Authority  
25 and SAAPA as having a liaison assigned to it by the

1 Authority.

2                   And of course there's a lot of other  
3 organizations out there, so you haven't gone to the  
4 extent of trying to -- if it was a situation -- I  
5 can tell you as the Airport Authority's lawyer, if  
6 it's a situation where one of you is the liaison,  
7 pick something, the EDC, whichever one of you is  
8 the liaison for the EDC, that's the one of you that  
9 gets to speak during the meeting and the other one  
10 doesn't get to respond. That's the policy. That's  
11 the way it works. That way, you avoid any kind of  
12 Sunshine Law problem. In this situation, then I'm  
13 not sure of the answer.

14                  MS. BARRERA: Would it defer to the chair to  
15 speak on behalf of the Authority? I'd like to get  
16 some clarification before we find ourselves in that  
17 situation.

18                  MR. BURNETT: They're both -- they're  
19 individually going to have to be governed by the  
20 Sunshine Law. I don't know that we can regulate an  
21 individual board member from speaking in that  
22 context because otherwise, you know --

23                  MR. MERCER: I think it seems like --

24                  MR. COX: So you're looking for board  
25 agreement or consensus right now as just to how it

1           would work out.

2           MR. MERCER: Doug, it seems to me that it  
3           would be important, for example, if I chose to  
4           voice something in a meeting hypothetically that I  
5           don't hold myself out as representing necessarily a  
6           position of the board.

7           I may want to -- you know, Carl may feel the  
8           same way, but he has maybe a view on going left on  
9           an issue and I'm going to go right on an issue. I  
10          think it's important that we're careful that we  
11          don't hold ourselves out as speaking on behalf of  
12          the board when it may just be an individual  
13          member's position or opinion.

14          CHAIRMAN YOUNMAN: I don't think -- I think --  
15          I don't think that works --

16          MR. BURNETT: The difficult --

17          CHAIRMAN YOUNMAN: -- as individuals.

18          MR. BURNETT: I think -- that's exactly the  
19          rule that the Airport Authority tries to encourage  
20          individual board members, is that any time you  
21          speak to the public to always put that disclosure,  
22          "I'm speaking on behalf of myself, not the entire  
23          Authority."

24           The difficulty with the Sunshine Law is, if  
25          you say, "I support expanding the south area

1 further," Mr. Youman may say, "I do" or "I don't."  
2 Either way, whatever he says potentially viol -- is  
3 violative of the Sunshine Law. So when one of you  
4 speaks, the other one can't really respond to it.  
5 But you're governed by that wherever you go and  
6 whatever --

7 CHAIRMAN YOUNMAN: Can I ask --

8 MR. BURNETT: You may run into each other at  
9 the teacher of the year event or whatever event  
10 around town.

11 CHAIRMAN YOUNMAN: If he speaks to one issue, I  
12 can't comment to that issue.

13 MR. BURNETT: That's correct.

14 CHAIRMAN YOUNMAN: If I speak to a totally  
15 different issue --

16 MR. BURNETT: He can't --

17 CHAIRMAN YOUNMAN: -- he can't comment to my --

18 MR. BURNETT: That's correct.

19 CHAIRMAN YOUNMAN: Just as long as we don't say  
20 anything about the same issue.

21 MR. BURNETT: That's correct.

22 CHAIRMAN YOUNMAN: Okay. Thank you.

23 MR. MERCER: Let me ask you a clarifying  
24 question since I'm the newbie. If there's somebody  
25 in the audience at a meeting -- and we have over

1           200 members in our club and we've never had that  
2       many show up. If I have somebody show up and they  
3       say, "I want to ask Carl a question." So let's say  
4       Sally asks Carl the question. And says, "I want to  
5       ask Mercer the same question," how does that play  
6       out?

7           MR. BURNETT: Y'all can't answer it. You  
8       can't do it.

9           CHAIRMAN YOUNMAN: The first person can answer,  
10       the second can't.

11          MR. COX: Show up ten minutes early and start  
12       talking first.

13          MR. WUELLNER: Well, the other --

14          MR. BURNETT: That's coming from someone --  
15       coming from somebody who spent a few terms on the  
16       board.

17          MR. MERCER: I would just say -- I would just  
18       for the record, and I'm not -- I'm not disputing or  
19       disagreeing with your statement there, but it does  
20       seem, and I think I -- you may be thinking what I'm  
21       thinking, Carl. It does seem to create sort of an  
22       artificial race to get the point out so the other  
23       person can't necessarily voice a contrary opinion,  
24       which I'm not sure that that's --

25          CHAIRMAN YOUNMAN: I don't -- I don't think

1 we'll have that problem.

2                   MR. WUELLNER: I was just going to point out  
3 the -- you know, obviously the issue has to have  
4 some kind of likelihood of being something the full  
5 Airport Authority would be considering or voting on  
6 at some point in the future. That needs to be  
7 forefront of whatever's the topic there.

8                   So if you're just talking about where SAAPA's  
9 going to fly out to on a Monday or Sunday to, you  
10 know, go have breakfast someplace, that has  
11 absolutely no relevance, you can all speak and you  
12 can all do what you want. It's only when it's  
13 going to be corralled in the context of the  
14 Authority.

15                  My suggestion would be is if that kind of  
16 discussion begins to develop, why don't we refer  
17 the individual who has a question or concern either  
18 to my office and we'll help them, or further refer  
19 them to an Airport Authority meeting where they can  
20 get the question in front of the entire board at  
21 which point you're free to talk.

22                  Worst case, we can notice a SAAPA meeting from  
23 time to time and have multiple board members there  
24 and you can all participate in that discussion.  
25 It's just got to be properly noticed.

1                   MR. BURNETT: And minutes have to be taken,  
2                   but yes.

3                   CHAIRMAN YOUNMAN: Any other comments or  
4                   anything? Because I'm ready to -- here goes the  
5                   gavel. End of the meeting at 6 p.m.

6                   (Meeting adjourned at 5:55 p.m.)

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1 REPORTER'S CERTIFICATE  
23 STATE OF FLORIDA )  
4 COUNTY OF ST. JOHNS )  
56 I, JANET M. BEASON, RPR-CP, RMR, CRR, FPR, certify  
7 that I was authorized to and did stenographically report  
8 the foregoing proceedings and that the transcript is a  
9 true record of my stenographic notes.10 Dated this 23rd day of January, 2013.  
1112 

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

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