

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, September 20, 2010

6 from 4:15 p.m. to 4:57 p.m.

7 * * * * *

8 BOARD MEMBERS PRESENT:

- 9 WAYNE GEORGE
- 10 JOHN "JACK" GORMAN
- 11 KELLY BARRERA, Chairman
- 12 CARL YOUMAN
- 13 JAMES WERTER, Secretary-Treasurer

14 * * * * *

15 ALSO PRESENT:

- 16 DOUGLAS N. BURNETT, Esquire, St. Johns Law Group, 509
- 17 Anastasia Boulevard, St. Augustine, FL, 32080, Attorney
- 18 for Airport Authority.
- 19 EDWARD WUELLNER, A.A.E., Executive Director.
- 20 BRYAN COOPER, Assistant Airport Director.

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- 24 JANET M. BEASON, RPR, RMR, CRR, FPR
- 25 St. Augustine Court Reporters
- 26 1510 N. Ponce de Leon Boulevard
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1 PROCEEDINGS

2 CHAIRMAN BARRERA: Thank you all for waiting.

3 If we could have everybody raise for the Pledge of
4 Allegiance.

5 (Pledge of Allegiance.)

6 CHAIRMAN BARRERA: I'd like to officially call
7 the meeting of the St. Johns County-St. Augustine
8 Airport Authority to order.

9 APPROVAL OF MINUTES

10 CHAIRMAN BARRERA: For the fellow board
11 members, y'all should be in receipt of the minutes
12 from our previous board meetings. Do we have any
13 additions, deletions or revisions to the minutes?

14 MR. YOUMAN: No.

15 CHAIRMAN BARRERA: Then the minutes will stand
16 approved as submitted.

17 FINANCIAL REPORT

18 CHAIRMAN BARRERA: Financial report
19 acceptance? Do we have any additions, deletions,
20 to the financial report? Any exceptions?

21 MR. WERTER: No.

22 CHAIRMAN BARRERA: Then we'll move that the
23 financial report is accepted as presented.

24 TRIP GENERATION STUDY

25 CHAIRMAN BARRERA: Our first agenda item is --

4

1 we're doing our meeting today a little bit out of
2 order. And as in previous times, we'd like to go
3 ahead and have the trip generation study presented
4 by Beth with Reynolds, Smith & Hills and the North
5 Florida --

6 MR. WUELLNER: We're going to -- going to be a
7 minute on that.

8 CHAIRMAN BARRERA: -- TPO.

9 MS. LEISTER: Good afternoon, everyone. As
10 we're waiting for the presentation to come up, I'll
11 go ahead and introduce myself.

12 My name is Beth Leister. I'm from RS&H and my
13 neighbor here is Ashley Sprague. I was the planner
14 on the project and Ashley was the transportation
15 engineer. Here with us today we also have David
16 Stroud on the far end of the row just to the right
17 of me. He's also served as our adviser on this
18 project.

19 This -- this study was funded by the North
20 Florida TPO, and the purpose of this presentation
21 is to summary -- summarize the process and the
22 results of the study for you today. The study is
23 still in draft form. The board members have or may
24 have a copy of the draft report.

25 So thank you for having us today and as soon

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1 as we have our presentation up, we'll go ahead and
2 get started.

3 MR. YOUMAN: Bingo.

4 MS. LEISTER: Oh, perfect.

5 MS. HOLLINGSWORTH: This might or might not
6 work.

7 MS. LEISTER: Okay. Let's see. If anybody
8 can't hear me, let me know. I know my voice
9 doesn't match me that well, so...

10 We're going to go ahead and go through the
11 topics, which are why the study's important to NFRA
12 and why it's important to the region. We're going
13 to give you some background on things that we
14 reviewed to help us develop this study. And then
15 we're going to go through the trip generation
16 process in short because we only have ten minutes,
17 and the trip generation results.

18 The purpose of this study is to estimate
19 trip -- trips generated by the -- you can go ahead
20 to the next slide -- the Airport Overlay District
21 at maximum buildout. Looking at the map there, the
22 red boundary shows the Airport Overlay District.
23 It's notable that there's no way to know exactly
24 when buildout occurs. Buildout is driven by market

25 conditions and the airport can't control properties

6

1 within the district that it doesn't own.

2 This study also ensures that the traffic
3 characteristics for the Airport Overlay District
4 are accurately represented in the travel demand
5 forecasting models.

6 (Mr. Burnett enters the room.)

7 MS. LEISTER: The outcome provides a dataset
8 for the Airport and the North Florida TPO to
9 coordinate with other future transportation
10 planning efforts. Next slide.

11 At the beginning of this study, we reviewed
12 NFRA's newest master plan completed in 2005. We
13 went ahead and pulled out three key issues that we
14 felt were relevant to this study and the future
15 development of the airport.

16 The data shown in the table are the future
17 pro -- projections for the airport activity. The
18 2023 projections were used to inform the future
19 traffic projections for this study. Next slide.

20 To accurately assess the conditions affecting
21 NFRA, these related topics were taken under
22 consideration. The airport has long considered the
23 potential multimodal facilities and studied that
24 potential in 2001. Since that time, JTA has

25 conducted a commuter rail feasibility study, and

7

1 there's also recently been talks of an AMTRAK
2 station somewhere located in St. Augustine.

3 All of these have formed our decision to
4 include 500 parking spaces in our trip generation
5 calculations for the future location of a potential
6 multimodal facility. Other considerations include
7 needed roadway projects identified during the North
8 Florida TPO long-range transportation planning
9 process, the widening of U.S. 1 and State Road 313.

10 However, it's notable that these are identified as
11 needs and currently do not have a dedicated funding
12 source.

13 Now I'm going to turn it over to Ashley to go
14 over some of the process and results.

15 MS. SPRAGUE: Okay. Can y'all hear me? This
16 graphic presents an overview of the trip generation
17 process. Before any trip generation calculations
18 could be completed, the existing and future
19 conditions within the Airport Overlay District had
20 to be established.

21 The existing conditions were established
22 through a series of data collection steps which
23 included traffic counts, field reviews, and review
24 of airport operations data. These trip generation

25 calculations for the existing conditions were

8

1 performed and were compared to the traffic counts
2 to check the reasonableness of any assumptions that
3 were made.

4 The established existing conditions served as
5 a basis for the future conditions within the
6 overlay district. And the future conditions
7 determined the trip generation estimates that were
8 used as inputs to refine the region's
9 transportation demand forecasting model.

10 In order to develop the land within the
11 Airport Overlay District to its highest and best
12 use, several assumptions were made about the land
13 uses -- regarding the existing land uses. And the
14 existing land uses are those that are shown on the
15 map.

16 These assumptions included developing the Open
17 Land land use category as Office/Light Industrial,
18 and this is the land use category where we included
19 that potential future multi -- multimodal facility
20 that could accommodate both commuter rail and
21 AMTRAK. Additionally, the Upland Forest on the
22 west side of U.S. 1 were developed as Light
23 Industrial for any potential DRI development.

24 The maximum acreage of developable land was

25 calculated at 68.5 million square feet, which would

9

1 compare to the existing 1.69 million square feet of
2 existing development. And this calculation does
3 not consider any redevelopment of existing
4 developed properties.

5 The trip generation process was broken down
6 into two categories, aviation and nonaviation, and
7 this was mainly because each category has unique
8 trip generation characteristics and methodologies.

9 This slide shows the overall process of the
10 nonaviation trip generation. The nonaviation trip
11 generation estimate is based upon the Institute of
12 Transportation Engineers Trip Generation Manual,
13 and this manual is a collection of trip generation
14 rates that are based on area of development or
15 employment and these relate to vehicle trips.

16 And the land use assumptions from the previous
17 slides were used to estimate the building --
18 maximum building area and employment intensity
19 within the Airport Overlay District. And that
20 maximum building area and employment density
21 generated 44,448 daily vehicle trips within the
22 Airport Overlay District for nonaviation uses.

23 The future aviation traffic generation
24 includes both general aviation and commercial

25 aviation activity at NFRA. The estimates for the

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1 operations and enplanements for that activity were
2 taken from the 2023 forecast from the latest
3 Airport Master Plan.

4 The aviation-based trips were estimated using
5 statistical factors that relate operations and
6 enplanements to vehicle trips. The calculation
7 resulted in 3,780 daily vehicle trips generated by
8 aviation uses within the overlay district. The
9 existing trips, which were the ones used to check
10 the reasonableness and the proposed trips, which
11 are the ones that I just discussed, were added to
12 determine the total vehicle trips generated at
13 buildout.

14 The North Florida TPO's regional planning
15 model, which is NERPM, was used as a tool to refine
16 the trips to the roadway number, and the proposed
17 trips, which are those that are highlighted in the
18 blue box, were added to the trips already in the
19 model to refine the forecast within the Airport
20 Overlay District.

21 Now, this map shows the three traffic analysis
22 zones that are incorporated in the Airport Overlay
23 District and the traffic that is generated by each
24 with -- within the revised model. The table shows

25 a comparison of the trips generated between the

11

1 original and the revised model. The revisions to
2 the model allowed an additional 42,000 trips to be
3 generated by the Airport Overlay District.

4 Now the full purpose of revising the NERPM was
5 to generate an average annual daily traffic on
6 U.S. 1, and this estimate was 35,100 vehicles per
7 day. And that indicates that U.S. 1 has sufficient
8 capacity to accommodate the traffic generated by
9 future development within the Airport Overlay
10 District.

11 MS. LEISTER: That's okay. Just a couple of
12 final points, which is that the actual development
13 should serve to drive refinements to the 2035 NERPM
14 dataset. And to better pinpoint the timing and the
15 magnitude of the development, a market analysis
16 setting would be helpful. And this is the
17 conclusion of our presentation and we'll be happy
18 to answer any questions.

19 CHAIRMAN BARRERA: Thank you both. Do we have
20 any questions, any comments from staff before we
21 open it up for --

22 MR. WUELLNER: Well, I think the only comment
23 we would have is that -- correct me if I'm wrong,
24 but my recollection is that we -- this really

25 doesn't deal with projected commercial air service

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1 peak components because there's no way to predict
2 what that is. So you're really looking at the
3 forecast based on strictly master plan-type input
4 data on use as a general aviation report.

5 So the addition of commercial service into the
6 mix would probably dramatically affect that, and it
7 would really -- you know, at that point when
8 something like that happened, we'd want to in a
9 sense regenerate that information and see how it
10 is. Because it could very well be -- and I realize
11 this is off now. But it could -- it could very
12 well be -- is it coming up? Yeah.

13 MS. LEISTER: It actually includes a
14 conservative projection for commercial activity --

15 MR. WUELLNER: Yeah. The master plan number,
16 yeah.

17 MS. LEISTER: -- based on the master plan.

18 CHAIRMAN BARRERA: Right.

19 MS. LEISTER: So once -- once that activity is
20 on board, then you would definitely want to revisit
21 that.

22 MR. WERTER: May I --

23 MR. GEORGE: Go ahead, Jim.

24 MR. WERTER: I'm just asking, when you say

25 sufficient to accommodate future, do you have a

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1 margin how well we're covered?

2 MS. SPRAGUE: At 35,000 vehicles per day, that
3 would be about level of service C, which is
4 acceptable traffic. F would be failing. So
5 it's --

6 CHAIRMAN BARRERA: Buzz, I think you were
7 next. And then we'll open it up for the other
8 board members.

9 MR. GEORGE: Actually, what is the -- the
10 present traffic count? I'm trying to get an idea,
11 if 35,1- is considered reasonable and if we're
12 sitting down at 18-, then how much is our
13 commercial activity really going to impact that?

14 MS. LEISTER: Based on our traffic counts,
15 we're sitting at around 20,000 a day now based on
16 our data --

17 MR. GEORGE: Okay. All right. So you're
18 talking 35,1-, which is the capacity of the roads
19 that we have now, and we're doing 20-.

20 MS. LEISTER: Well, this -- 35,1- is still
21 under capacity, meaning there is still ample
22 capacity over 35,1-.

23 MR. WUELLNER: Okay.

24 MS. LEISTER: That's for the existing

25 cross-section, which would be two lanes in each

14

1 direction.

2 MR. GEORGE: And if 313, if and when that
3 happens, that's going to dump more. But we've got
4 a long way to go before we get to maximum.

5 CHAIRMAN BARRERA: Jack, I think you had a
6 question?

7 MR. GORMAN: I have two. One, where did the
8 data come from, the 35,000?

9 MS. SPRAGUE: Well, when we refine the trips
10 in the NERPM, what happens is that modeling process
11 assigns the trips based on trip lanes and
12 everything else and gives us an output of peak
13 season, weekday average daily and we convert that
14 to annual average daily traffic.

15 MR. GORMAN: My --

16 MS. SPRAGUE: So it came directly from the
17 modeling.

18 MR. GORMAN: When I was on the TPO, I
19 understood it was 50,000.

20 MS. SPRAGUE: Well, we actually found some
21 documented overestimation of traffic within our
22 area and had to adjust those ADTs to accommodate
23 that.

24 MR. GORMAN: So the data -- your data is

25 readjusted from the data that I got --

15

1 MS. SPRAGUE: Right. There's post-processing
2 after.

3 MS. LEISTER: We actually obtained a study
4 from Milton Locklear with DOT where they documented
5 the overestimation.

6 MR. GORMAN: Second -- second more important
7 question. In the graphic that you show as the --
8 the development in the different aspects of it, is
9 all that property owned by the airport now or have
10 you depicted the ownership of the airport property?

11 MS. LEISTER: Yes, the ownership is depicted
12 in the report.

13 MR. GORMAN: And all -- and all of the
14 property that you show -- you showed in the graphic
15 is owned by the airport at this time?

16 MS. LEISTER: No. All of the property within
17 the Airport Overlay District is a land use overlay
18 by the county and it's not all owned by the
19 airport. However, we do have a map in the report
20 that shows the parcels --

21 MR. GORMAN: So to be developed in the -- in
22 the capacity that you're showing, there would have
23 to be additional land acquired inside that
24 footprint?

25 MR. WUELLNER: No. No. It -- all it's doing

16

1 is the overlay district defines the land uses that
2 are acceptable and compatible.

3 MR. GORMAN: No, I'm just --

4 MR. WUELLNER: It doesn't mean we want to own
5 it for any reason.

6 MR. GORMAN: I'm just talking about the actual
7 developed -- the developed areas, the
8 different-colored developed areas, in other words,
9 that she had up for the graphic --

10 MR. WUELLNER: Those could remain privately
11 owned.

12 MR. GORMAN: And still be developed --

13 MR. WUELLNER: Well, still be developed
14 compat -- the land use would provide that it
15 remains compatible with the airport --

16 MR. GORMAN: In other words, you could build
17 around it.

18 MR. WUELLNER: Essentially, yes.

19 MR. GORMAN: Okay.

20 MR. WUELLNER: But it has to -- it would
21 remain compatible with airport. In other words,
22 you aren't going to get approval to walk in with a
23 high density residential within the overlay
24 district without a fight.

25 MR. GORMAN: What I'm saying again is that in

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1 other words, you've got a pattern of different
2 developments, and with that development, using that
3 development sketch that was just shown without
4 any -- any tremendous specifics, we own all that
5 property now or there -- or if we do not, there
6 would be no -- no problems with the lack of
7 ownership of the property?

8 MR. WUELLNER: There may be parcels of
9 property within that overlay district that the
10 airport would want to own for one reason,
11 especially if they were affiliated with aviation
12 uses into the future. But there could be a -- in
13 fact, a great deal of the property within the
14 overlay district is property that we're just trying
15 to make sure remains compatible with the airport,
16 meaning it doesn't create a land use issue that
17 makes it onerous to somebody.

18 MR. GORMAN: Yeah, I'm not -- I wasn't talking
19 about the overlay total. I was talking about the
20 actual -- you know, there was a colored section
21 that was showing development area; in other words,
22 where there would be the -- you know, and basically
23 the industrial development and everything else.

24 And my concern is that we -- that we don't own

25 all of those pieces that would -- that would be

18

1 slated for development industrially but could you
2 build around them?

3 MR. WUELLNER: That is correct. We do not.

4 MS. SPRAGUE: If I may --

5 CHAIRMAN BARRERA: Go ahead, Ashley.

6 MS. SPRAGUE: That land use map, those
7 colorations were just showing the different zones
8 of acceptable land use. It doesn't mean that those
9 areas are actually developed today. In fact, the
10 majority are not developed.

11 MR. GORMAN: Well, I understand that. I was
12 showing the usage --

13 MS. SPRAGUE: Right. The possible uses.

14 MR. GORMAN: But the director answered my
15 question. That's fine. Thank you.

16 CHAIRMAN BARRERA: Carl, I think you were
17 next.

18 MR. YOUMAN: What percent of accuracy would
19 you say this is according to your correlation with
20 other studies? 50 percent, 60, 45, 30?

21 MR. GEORGE: Yes.

22 MS. LEISTER: I don't think we have any -- any
23 figures to base that on to give you an accurate
24 answer.

25 MR. YOUMAN: So this is real apple pie in the

19

1 sky figure.

2 MS. LEISTER: It is -- it is a bit of a
3 crystal ball type of exercise, but we're doing it
4 with all of the best empirical data that's out
5 there using the ITE manual, and that's the best
6 recommended source to predict this type of
7 situation.

8 CHAIRMAN BARRERA: And, Beth, if I could add
9 onto that, you're also using the 2005 master plan
10 numbers.

11 MS. LEISTER: Right.

12 CHAIRMAN BARRERA: So those are already dated
13 at this point. Go ahead.

14 MS. LEISTER: That's correct.

15 MS. SPRAGUE: And I think that's why we made
16 the recommendation at the end of the presentation
17 to allow the actual development to continuously
18 refine these predictions, because we don't know
19 with a hundred percent certainty how that -- for
20 example, how that Open Land use category will
21 eventually be developed.

22 MR. WUELLNER: Well, and it's also important
23 to note that like the master plan, which is --
24 it -- they're both demand driven, these -- these

25 are not tied to dates, they're tied to development.

20

1 So as the development occurs, it can be re -- it
2 can be refreshed basically in terms of data and
3 prediction.

4 MS. LEISTER: Yes. I couldn't have said it
5 better myself.

6 CHAIRMAN BARRERA: Do we have any further
7 board questions regarding this?

8 (None.)

9 CHAIRMAN BARRERA: Any further staff comment
10 or additions?

11 MR. WUELLNER: No. I -- I'm encouraged it
12 doesn't require a whole lot of buildout, a whole --
13 a whole lot of additional buildout within the
14 predictions today.

15 And the reason is you -- the cue for those
16 kind of projects is almost ridiculous, but it's in
17 excess of ten years, even with a legitimate need.
18 So it's something we want to stay ahead of.
19 Especially if commercial service develops, I think
20 you need to keep watching this.

21 I would suggest we really refresh this data
22 every time the master plan's done in an effort to
23 make sure we stay well ahead of the -- the road
24 project side of this, because it's a long lead time

25 for those kind of projects and you could find

21

1 yourself really behind the curve. We -- we tend to
2 be able to adjust quicker on the aviation side than
3 roads do.

4 MR. YOUMAN: So then this -- this is a base to
5 start from --

6 MR. WUELLNER: Yes.

7 MR. YOUMAN: -- is what we're saying right
8 now. And just keep continually updating the base,
9 and it will get more accurate as we go along in
10 time.

11 MR. WUELLNER: Correct. And -- and the other
12 piece is that while it doesn't directly affect the
13 aviation development, the nonaviation development
14 could very well still be subject to concurrency
15 requirements other than county.

16 And showing that U.S. 1 has sufficient
17 capacity at this point could keep projects from
18 being held up waiting on road improvements to allow
19 them to occur. And of course monitoring that
20 process in the future will assure that it can -- a
21 steady flow of hopefully a business-based
22 development can occur.

23 MR. GEORGE: When are we supposed to do
24 another master plan?

25 MR. WUELLNER: I think we've -- I know we've

22

1 got it in the JACIP, the Joint Automated Capital
2 Improvement Program. I want to tell you it's about
3 four years out, something like that?

4 UNIDENTIFIED SPEAKER: I think it's 14-15.
5 It's about four years.

6 MR. WUELLNER: FY 14-15.

7 MR. GEORGE: Okay. The last one took three
8 years to finish.

9 MR. WUELLNER: To finish, yeah. We -- we may
10 get it accelerated later --

11 MR. GEORGE: Yeah.

12 MR. WUELLNER: -- but that's where it is now.

13 MR. GEORGE: Thank you.

14 CHAIRMAN BARRERA: Thank you, Ashley and
15 Beth --

16 MS. LEISTER: Thank you.

17 MS. SPRAGUE: Thank you.

18 CHAIRMAN BARRERA: -- and the rest of the trip
19 generation study team.

20 MR. WUELLNER: I would remind the board that
21 this study was funded by the TPO. This was not an
22 airport -- this was that study that they did for us
23 beginning last -- I think funded last fall.

24 MR. GEORGE: Got you.

25 CHAIRMAN BARRERA: This, we didn't have down

23

1 for public comment. I don't mind taking --

2 MR. MARTINELLI: I just have one. Where do I
3 go?

4 CHAIRMAN BARRERA: To the mic over there at
5 the podium.

6 MR. MARTINELLI: Oh, gee. Okay. A long walk
7 for a short...

8 Just a couple of questions. The 35,100 trips
9 per day, is that 1500 per hour for each 24 hours or
10 is it 35,100 between 5:00 and 9:00 p.m.? In other
11 words, the question I'm asking is, for U.S. 1 to
12 handle that projected traffic, don't you need to
13 know or have you laid out a time frame within which
14 the traffic occurs? And I would think that would
15 be rather important.

16 MS. LEISTER: There is actually a peak
17 component to this. We just didn't go into that for
18 the presentation, since this is a more abbreviated
19 result summary.

20 MR. MARTINELLI: Okay. So the -- so the peak
21 component can be handled.

22 MS. LEISTER: Yes.

23 MR. MARTINELLI: That was my question.

24 CHAIRMAN BARRERA: Thank you.

1 RESOLUTION 2010-08

2 CHAIRMAN BARRERA: Ed, you've got Resolution
3 10-08?

4 MR. WUELLNER: Yes. Is that the next one?

5 CHAIRMAN BARRERA: Uh-huh.

6 MR. WUELLNER: Resolution 10-08 is a --
7 primarily an extension to an existing grant we have
8 with Florida DOT. It's related to a property
9 acquisition grant, but it adds additional scope to
10 that grant to allow for environmental audit-related
11 work, topography survey, traffic analysis, and
12 preliminary construction costs associated with the
13 vicinity of Hawkeye View Lane and Gun Club Road
14 activity for future development on the airport. It
15 also extends the time limit of the grant by I
16 believe it's about nine months total to the end of
17 September next year.

18 I do want to point out, because it is a change
19 in the format of the resolution for these JPAs, but
20 you'll find it in future resolutions with us for
21 DOT, is that we now need specific authorization of
22 staff to be able to pursue time extensions and any
23 other modifications of the grant as we go through
24 administrating those grants.

25 If we don't include that language, which is

25

1 essentially I -- number 7 within the resolution,
2 item number 7, if we don't include that language,
3 then all of those items will need to come back to
4 the board every time they need to be addressed.

5 And the recommended language is that of DOT's, is
6 just to allow that to occur.

7 Effectively I would do that on your behest.
8 Obviously we keep you informed of those things, but
9 it doesn't drag down the process. We could add 30
10 to 60 days to that process just hitting board
11 meetings and the like. So, our recommendation is
12 that the Authority would adopt Resolution 2010-08.

13 CHAIRMAN BARRERA: Okay. We'll open that up
14 to public comment.

15 (No public comment.)

16 CHAIRMAN BARRERA: We don't have any public
17 comment on this agenda item. Do we have any board
18 questions? Carl?

19 MR. YOUMAN: I just want to make a -- make a
20 motion to accept Resolution 2010-08 as presented.

21 MR. GEORGE: Second.

22 CHAIRMAN BARRERA: Do we have any further
23 board discussion?

24 (None.)

25 CHAIRMAN BARRERA: Okay. All in favor, say

26

1 aye.

2 MR. GEORGE: Aye.

3 CHAIRMAN BARRERA: Aye.

4 MR. GORMAN: Aye.

5 MR. YOUMAN: Aye.

6 MR. WERTER: Aye.

7 CHAIRMAN BARRERA: All opposed?

8 (None.)

9 CHAIRMAN BARRERA: Motion passes.

10 FUEL FARM PROJECT BID AWARD

11 MR. WUELLNER: Last item I have for you of a

12 business element today is the -- the fuel farm bid

13 award. We received eight bids.

14 This is the replacement or I -- aimed at

15 replacing the existing fuel facility over there

16 that's about 25 years old at this point. It has

17 reached its usable life. We received -- we had

18 eight bids received. The lowest bidder was from

19 Great Dane Petroleum in Lauderhill, Florida.

20 It's a base bid recommendation plus alternate

21 3. That -- so the effective here is about a 50 --

22 it's right at 50,000 gallons of jet fuel capacity

23 spread over two 25,000-gallon tanks and

24 25,000-gallon capacity for avgas. This -- again,

25 this would replace -- that's what additive 3 is,

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1 adds the avgas component. Recommended or bid award
2 amount would be \$547,297. This is a 50/50 grant
3 with Florida DOT.

4 Also included in this item is the supplemental
5 construction services with Prosser Hallock in the
6 amount of \$19,825. It would be staff's
7 recommendation that the board approve both of these
8 items within this agenda.

9 CHAIRMAN BARRERA: Okay. Mr. Martinelli?

10 MR. MARTINELLI: Back there. I think I should
11 stay down this end here.

12 MR. GEORGE: It's a weight reduction program.

13 MR. MARTINELLI: Just a quick question. Is
14 the property that that fuel farm is on, is that
15 within the Galaxy leasehold?

16 MR. WUELLNER: No, it is not.

17 MR. MARTINELLI: Okay.

18 MR. WUELLNER: We are working through the
19 details, but it is our understanding we will reach
20 an arrangement relative to the property. It would
21 actually go at the intersection -- approximate
22 intersection of Taxiway Bravo and Taxiway Bravo 2.
23 There's a -- if you recall, there's kind of a bend
24 there where Bravo 2 heads toward the commercial

25 terminal.

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1 On Northrop Grumman property is where this
2 would be placed at this point. We are working
3 weekly with Northrop Grumman to secure the release
4 of that property. It's the ideal location. Keeps
5 it out of the footprint of all planned development
6 projects at this point.

7 MR. MARTINELLI: Okay. So the -- the new fuel
8 farm will not replace the old one at the same
9 location.

10 MR. WUELLNER: That is correct.

11 MR. MARTINELLI: Okay. Thank you.

12 CHAIRMAN BARRERA: Seeing no further public
13 comment on this item, we can open up to board
14 questions. Jack?

15 MR. GORMAN: Just one, and I -- the answer --
16 it's a moot point really. I mean, that 25,000
17 capacity for avgas is enough to allow yourself, and
18 I'm sure the answer is yes, but the buying ability,
19 the volume buying ability necessary in today's
20 market?

21 MR. WUELLNER: Yes. As you are aware of,
22 currently all of that's truck delivered at this
23 point and it comes in roughly 8,000-gallon loads.
24 So it -- it's easily manageable at 25,000.

25 CHAIRMAN BARRERA: Jim?

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1 MR. WERTER: I'm a little confused. The fuel
2 farm that is proposed, is that going to be leased
3 to Galaxy for them to bring in the gas?

4 MR. WUELLNER: Yes. It -- you have a lease
5 agreement with the existing fuel farm.

6 MR. WERTER: Yes.

7 MR. WUELLNER: The lease will be modified at
8 some point and placed --

9 MR. WERTER: On the new farm.

10 MR. WUELLNER: Yeah, still be used that way.

11 MR. WERTER: Okay. No problem.

12 MR. WUELLNER: The -- it actually has more
13 capacity than we have today, which will also allow
14 for the storage and not resale, but the storage and
15 distribution of fuel related to airline-related
16 purchases. Many airlines purchase their own fuel.
17 You effectively store it in that fuel farm and it's
18 put in the aircraft by the FBO as a hookup. Yes,
19 sir?

20 MR. GORMAN: And the usage of it will be
21 exclusive -- exclusively for Galaxy Aviation --

22 MR. WUELLNER: At this point.

23 MR. GORMAN: -- or it would be a nonexclusive
24 usage?

25 MR. WUELLNER: No. At this point, it is

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1 exclusive because there is only one fuel provider
2 for commercial. But it -- we can add capacity to
3 the system. We can add -- it can be modified to
4 allow other users should another FBO or something
5 else be --

6 MR. GORMAN: In other words, as a matter of
7 policy, it is modifiable to be able to be used by
8 another --

9 MR. WUELLNER: Sure --

10 MR. GEORGE: -- another entity at any time.

11 MR. WUELLNER: Oh, by -- by virtue of the fact
12 we're prohibited from doing exclusive agreements.
13 But the de facto is it is exclusive at this point
14 because there's only one user --

15 MR. GORMAN: That's fine.

16 MR. WERTER: In short, the fuel farm's a bank.
17 If you have other agencies, other private agencies
18 that want to use the fuel farm along with Galaxy,
19 then it becomes a commingled bank.

20 MR. WUELLNER: No. What -- only in the extent
21 that the product placed in there meets the
22 standards of whoever the fuel provider is on the
23 airport. You -- you can't just stick fuel in it
24 and --

25 MR. WERTER: No, I understand that. What I'm

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1 talking about is let's keep it on the basic simple
2 level. Galaxy wants to hold a thousand gallons of
3 110 low lead. We have a new FBO, or let's say a
4 flight school wants to now deposit fuel and wants
5 to use that fuel farm and they put in a thousand.

6 MR. WUELLNER: Yeah. Yeah, that's --

7 MR. WERTER: Is there an accounting method?

8 Is that how that works or what?

9 MR. WUELLNER: No. That scenario wouldn't be
10 permitted normally. The -- the only way this
11 really normally works is, for instance,
12 airline-related fuel purchases. The airline
13 purchases fuel in 8,000-gallon loads through their
14 own --

15 CHAIRMAN BARRERA: Agreements.

16 MR. WUELLNER: -- supplier's agreements. The
17 FBO agrees to accept that 8,000-gallon load of
18 air -- aviation fuel for the air -- for the airline
19 and the FBO agrees to pump it out of that facility
20 and place it in their airplanes for a fee. They do
21 make bulk purchase arrangements with other users on
22 the airport when they ask them to, but it's all
23 coming through and it's all ultimately at this
24 point responsible by the FBO.

25 MR. WERTER: Okay. Well, that pretty much is

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1 how I pictured it. It -- it's an accounting --

2 MR. WUELLNER: Yes.

3 MR. WERTER: -- fuel deposit --

4 MR. WUELLNER: But we're not -- I just want to
5 be clear, we're not the banker. The FBO is.

6 MR. WERTER: Yeah. No, I got that part.
7 Okay.

8 MR. WUELLNER: To use your analogy.

9 CHAIRMAN BARRERA: Buzz?

10 MR. GEORGE: A couple of items. One, what is
11 the existing capacity of the fuel farm? Are we
12 increasing it?

13 MR. WUELLNER: Yes.

14 MR. GEORGE: Doubling?

15 MR. WUELLNER: Not quite. The -- the design
16 of this facility allows for yet another 25,000
17 gallons of jet fuel. So at some point, we can
18 add -- it's set up to handle five tanks of fuel.

19 MR. GEORGE: Okay. Do you have at your
20 fingertips what the budgeted construction cost was
21 for last year, because we've been planning this for
22 awhile, versus what the actuals came in?

23 MR. WUELLNER: This, we added -- this will
24 probably exceed the budgeted amount by about the

25 \$47,000.

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1 MR. GEORGE: Okay.

2 MR. WUELLNER: But it -- but at this point,
3 it -- we're increasing the capacity. The -- we
4 need to retire the facility we have or we're going
5 to run into issues.

6 MR. GEORGE: I realize that. You've got
7 infrastructure.

8 MR. WUELLNER: This is kind of the baseline
9 level. We expected this kind of a number. It just
10 happens to be what's left in that grant.

11 MR. GEORGE: Okay. I just wanted the other
12 board members to recognize that when we do things
13 like this, we need to ask that question.

14 MR. WUELLNER: That's --

15 MR. GEORGE: Because that does go on top of
16 what the budget was.

17 MR. WUELLNER: That's an excellent point.

18 MR. GEORGE: And that's one of the reasons the
19 budget's going to be exceeded every year.

20 MR. WUELLNER: It is. This particular one,
21 once we develop the fuel that -- came up with the
22 design of the system and the size, the capacity
23 that was needed is why this got pushed in the
24 budget. If you remember, there were two project --

25 project elements originally and we elected to add a

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1 description to do the wash rack on this end --

2 MR. GEORGE: Yeah, right.

3 MR. WUELLNER: -- out of the same grant. And
4 as a result, there's a little less grant money than
5 was originally available to pursue just fuel.

6 So -- and in future expansions, there's no
7 limitation. We can pursue FDOT grant money for the
8 additional 25,000 or off-spec fuel or anything else
9 that we might want to include later on. We can
10 pursue grants independent of that. We could add
11 another tank within a couple of years or three
12 years, whatever. It wouldn't show up from a
13 programming standpoint.

14 CHAIRMAN BARRERA: The original amount
15 budgeted, Buzz, was \$400,000 at 80 percent --

16 MR. GEORGE: Okay.

17 CHAIRMAN BARRERA: -- grant.

18 MR. GEORGE: Are you anticipating the lease of
19 this to meet our 7 1/2 percent return? I know
20 we've got a difference here. You've got a basic
21 infrastructure that's got to be there.

22 MR. WUELLNER: No. No, we are not.

23 MR. GEORGE: Okay. Thank you.

24 MR. GORMAN: What --

25 MR. WUELLNER: Keep in mind we get 8 cents a

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1 gallon out of it.

2 MR. GEORGE: I know, yeah. My question was

3 going to be, with the 8 cents a gallon and the

4 way --

5 MR. WUELLNER: With it, yes, we do.

6 MR. GEORGE: Okay. Fine.

7 MR. WUELLNER: It -- it greatly exceeds it.

8 But as a flat lease-related component, no, it does

9 not.

10 MR. GEORGE: Okay.

11 MR. GORMAN: I know that the containment basin

12 is a large percentage, it can be, of the entire

13 cost of the structure. It -- the containment basin

14 is, you know, future structure to be able to --

15 you've said to add yet another tank. But, I mean,

16 in other words, is -- how tight is that parameter?

17 MR. WUELLNER: Well, this -- part of the

18 reason --

19 MR. GORMAN: Is it cheaper now?

20 MR. WUELLNER: -- this is more expensive than

21 originally --

22 MR. GORMAN: Sure.

23 MR. WUELLNER: -- kind of thought through is

24 this does not require containment, because the

25 tanks that are being used and specified are the

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1 double-walled tanks that eliminate the need for
2 that out -- exterior diking. So it -- by using
3 double-walled pipe, using double-walled containers,
4 we avoid the need for a stand-alone concrete dike
5 setup that is always problematic.

6 MR. GORMAN: So you don't -- so you don't have
7 that containment parameter problem.

8 MR. WUELLNER: Correct.

9 MR. GORMAN: So you just add another tank and
10 add another tank and keep going.

11 MR. WUELLNER: Absolutely. Just plumb
12 manifolds to it and you're off and running so to
13 speak.

14 MR. GORMAN: When did that come into being?

15 MR. WUELLNER: It's been around for a while.

16 The tanks we use on the avgas side are
17 double-walled. That's why we don't have a --

18 MR. GORMAN: Yeah, the new ones.

19 MR. WUELLNER: -- the diking around it these
20 days. You still have to contain a small section
21 that's related to where you actually connect hoses
22 and park refuelers and the like. That still has to
23 be able to be collected in the event of a spill at
24 the end of a hose or something to that -- that

25 effect when you're actually moving fuel in or out

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1 of it. But the storage component, the
2 double-walled tank handles the environmental.

3 MR. GORMAN: Even with that volume. Okay.
4 Thank you.

5 CHAIRMAN BARRERA: It should also extend the
6 life, shouldn't it?

7 MR. WUELLNER: Yes, it does. It really
8 affect -- the beauty of it is the condensation
9 aspect of it -- really, double wall with the
10 insulation methodology keeps that condensation
11 which creates that water inside the tank component
12 prematurely rusts tanks, does -- it's actually a
13 much better system than the old single-wall
14 tanks --

15 MR. GORMAN: The day/night heating problem.

16 CHAIRMAN BARRERA: Carl?

17 MR. YOUMAN: Are these stainless steel?

18 MR. WUELLNER: No, they are not stainless
19 steel. You would think they were for the price,
20 but that is not.

21 MR. GEORGE: I make a motion we accept staff's
22 recommendation and proceed with the fuel farm as
23 presented.

24 MR. YOUMAN: I'll second it.

25 CHAIRMAN BARRERA: Okay. Do we have any more

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1 board discussion on this agenda item?

2 (None.)

3 CHAIRMAN BARRERA: All in favor, aye?

4 MR. GEORGE: Aye.

5 CHAIRMAN BARRERA: Aye.

6 MR. GORMAN: Aye.

7 MR. YOUMAN: Aye.

8 MR. WERTER: Aye.

9 CHAIRMAN BARRERA: Motion passes unanimously.

10 MR. WUELLNER: Thank you.

11 CHAIRMAN BARRERA: Okay. We're ready for
12 committee reports.

13 COMMITTEE REPORTS

14 MR. WUELLNER: You have just a couple of
15 minutes.

16 CHAIRMAN BARRERA: We probably have just
17 enough time for our first committee report. And
18 that would be TPO. Carl, did you want to defer?

19 MR. YOUMAN: I defer to Bryan Cooper. He
20 covered for me. I was on vacation.

21 MR. COOPER: Which one of us was on vacation?
22 Oh, okay. I'll make this very very short.

23 MR. GEORGE: Thank you.

24 MR. COOPER: The -- the TPO meeting didn't

25 cover very much, in fact, it didn't cover anything

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1 that would affect the airport, but I came away from
2 the meeting with a couple of observations.

3 They're trying to divvy up money for projects
4 over the next five years, and one of the things
5 that they seem to be awfully concerned about was
6 that money that was projected that they were going
7 to be divvying up last year and the year before is
8 turning out much smaller. The sources for those
9 revenues are shrinking right now. And unless we
10 have a turnaround on that, some of those projects
11 that they are recommending, they have scheduled for
12 recommendation in the work program might not go.

13 The only thing that I saw that would have any
14 effect on the airport was the 313, and that's still
15 four, five years out for the planning phase and the
16 right-of-way acquisition. So we're a while yet
17 before anything that I saw there is going to affect
18 us. And Carl had been there, and you might know
19 something that they didn't discuss at this last
20 meeting.

21 The one other thing that sort of surprised me
22 was the lack of any discussion or anything at all
23 reference the multimodal centers. Other than that,
24 I can answer any questions that may have come up

25 while I was there, but I didn't hear anything

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1 related to the airport.

2 CHAIRMAN BARRERA: Okay. Thank you, Bryan.

3 At this time, we're going to take a recess and

4 reconvene at 5:01, which will be the time for

5 our -- our -- our next TRIM notice meeting. So, if

6 everybody could reconvene and we'll start again in

7 just a few minutes.

8 (Meeting suspended at 4:57 p.m.)

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1 REPORTER'S CERTIFICATE

2

3 STATE OF FLORIDA)

4 COUNTY OF ST. JOHNS)

5

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

11 Dated this 22nd day of September, 2010.

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

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