

ST. AUGUSTINE - ST. JOHNS COUNTY AIRPORT AUTHORITY

Regular Meeting

held at 4796 U.S. 1 North

St. Augustine, Florida

on Monday, September 16, 2013

from 4:00 p.m. to 4:50 p.m.

* * * * *

BOARD MEMBERS PRESENT:

ROBERT COX, Acting Chairman
KELLY BARRERA
JOSEPH CIRIELLO
MATTHEW MERCER

BOARD MEMBERS ABSENT:

CARL YOUMAN, Chairman

* * * * *

ALSO PRESENT:

DOUGLAS N. BURNETT, Esquire, St. Johns Law Group, 509
Anastasia Boulevard, St. Augustine, FL, 32080, Attorney
for Airport Authority.

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

* * * * *

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

2 CHAIRMAN COX: I'd like to call to order the
3 regular meeting of the St. Augustine-St. Johns
4 County Airport Authority meeting of 9/16, 2013.
5 Are we recording okay, Cindy?

6 MS. HOLLINGSWORTH: Yes, sir.

7 CHAIRMAN COX: Pledge of Allegiance, please.

8 (Pledge of Allegiance.)

9 MEETING MINUTES & FINANCIAL REPORT

10 CHAIRMAN COX: Good afternoon, everybody. So
11 let's go right into the meeting minutes and
12 financial report. Any corrections or amendments to
13 the meeting minutes from anybody?

14 (None.)

15 CHAIRMAN COX: Okay. The minutes will be
16 approved as distributed. Financial report, since
17 I'm on the financial side of it, the
18 secretary-treasurer, everything on the financial
19 side's good and up to date. We went to a whole new
20 system and I'm getting electronic reports on that,
21 so we're good to go for the financial report.

22 AGENDA APPROVAL

23 CHAIRMAN COX: Any corrections or amendments
24 to the meeting agenda? Anybody have any comments?

25 (None.)

1 CHAIRMAN COX: Okay. The agenda is approved
2 as distributed.

3 EXECUTIVE DIRECTOR'S REPORT

4 CHAIRMAN COX: Executive director report?

5 MR. WUELLNER: A couple of items worth noting.
6 The Delta 3 project, which included the design side
7 of this project, is really at final billing. As
8 you're well aware, we're -- I'll report on that
9 later as an agenda item, but the -- awaiting grant
10 allocation or notification of grant for the actual
11 construction. But the Delta 3 design component is
12 almost complete and we'll be wrapping up over the
13 next 30 days in terms of bill-out and close with
14 FAA.

15 And that included the element to the Wild --
16 Wildlife Hazard Management Plan required under
17 Part 139. So that is wrapped up, too. And the
18 training related to Life -- Wildlife Hazard
19 Management Plan will be in early October and that
20 will conclude the requirements under 139 there.

21 Make you aware of fuel supplier conversion
22 here. I think most of you are aware of it already,
23 but the -- we have converted from branded fuel of
24 Phillips 66 to Shell. We'll be holding a kickoff
25 event with the Pilots Association this coming

1 Saturday just to make them aware of that
2 transition.

3 Just to make you aware, we did -- we were
4 remote parking, I know you know this, for Gentlemen
5 of the Road tour held this last weekend. A little
6 over 3,000 vehicles made -- made their way here to
7 the airport to get on shuttles to attend that
8 event. By all reports our -- by our staff, it went
9 well. Probably if anything, it was a little
10 overkill in terms of the accommodation for it, but
11 it all went extremely well. No problems here or
12 anything else. In fact, the only minor incursion
13 we had was by City of St. Augustine staff one
14 evening just drove through a barricade that they
15 shouldn't have been through, but no -- no problems
16 or no aircraft operating in the area or anything
17 like that.

18 (Mr. Burnett enters the room.)

19 MR. WUELLNER: And upcoming item of interest,
20 just to make you -- remind you that the MS 150 bike
21 ride event will be weekend after this, the weekend
22 of the 28th and 29th. That will be hosted here as
23 it has been for the last six, seven, eight years.

24 So we're -- was actually nice we were mostly
25 set up. As a result of the last weekend's concert

1 event, we're pretty much set up for the -- for the
2 event coming up in weekend after next. So don't
3 expect any issues with that. It's always a well
4 run and well orchestrated event and don't expect
5 any problems. So there -- unless there are any
6 questions relative to those items, I'm good.

7 CHAIRMAN COX: Any questions?

8 MR. MERCER: Can you clarify fuel supplier
9 conversion, what that is?

10 MR. WUELLNER: We converted from Phillips as a
11 supplier to Shell as a supplier.

12 MR. MERCER: Okay.

13 MR. WUELLNER: And that was hugely beneficial
14 to our local pilots.

15 MR. MERCER: Okay. Is that on both the jet
16 and the --

17 MR. WUELLNER: We don't do jet. This is just
18 self-fuel.

19 MR. MERCER: Just on the self-fueling?

20 MR. WUELLNER: Only self-fuel.

21 MR. MERCER: Okay. Thank you.

22 MR. WUELLNER: Uh-huh.

23 BUSINESS PARTNER UPDATE

24 CHAIRMAN COX: Business partner updates.

25 Mr. Sanchez? Is Mr. Sanchez here? Anybody from

1 the county commission?

2 (Not present.)

3 CHAIRMAN COX: Mr. Sanchez is not here. Steve
4 Smith, Galaxy, any updates?

5 (Not present.)

6 CHAIRMAN COX: No update. Reba Ludlow is not
7 present. Dan Nehring?

8 (Not present.)

9 CHAIRMAN COX: Nobody from Northrop Grumman.
10 Norm Gregory, EDC?

11 (Not present.)

12 CHAIRMAN COX: Norm's not here. So batting
13 500 so far. Jim Zimmerman, IDA.

14 (Not present.)

15 CHAIRMAN COX: You're it, Doug.

16 MR. BURNETT: Thank you.

17 CHAIRMAN COX: Doug Burnett.

18 MR. BURNETT: Very very briefly -- I apologize
19 for being late this afternoon, I was in the field
20 on a -- on a case.

21 Very briefly, though, I wanted to update you
22 on a litigation matter that's somewhat friendly
23 litigation, to the extent you can have such a
24 thing, and that is a case that's been going on with
25 the Airport Authority versus the tax collector. We

1 have a difference of opinion related to the payment
2 of taxes on rental property, and the quick nuance
3 on that issue is that the airport's property is not
4 subject to taxation.

5 The tax collector believes that the airport's
6 property when leased to a tenant is subject to
7 taxation. And as to that particular issue, I don't
8 know that we as the Airport Authority really care
9 so long as they're looking to the tenant to pay the
10 tax. But when they look to the airport because the
11 tenant hasn't paid the tax, then we have a problem.

12 So the short part of it is we've got a
13 declaratory relief action which has been out there
14 for a while now. We've cross-motivated for summary
15 judgment, which you'll appreciate, to resolve the
16 case on the legal merits because it's not one of
17 those cases where you have a factual dispute.
18 Evidence and testimony isn't going to make the
19 difference. It's a function of what the Florida
20 law provides.

21 So with that, we were set at a hearing this
22 past week. We, in our -- in our responsive motion
23 to the tax collector raised an administrative rule
24 that is part of the Department of Revenue which is
25 controlling law, and they are evaluating that

1 issue. We believe very strongly in the
2 Airport Authority's position on the issues.

3 So, that's -- that's it in a nutshell. And I
4 think we'll have resolution of it if not next
5 month, then October -- excuse me, then in November
6 it will be resolved. And again, it's one of those
7 friendly types of cases, we just simply have a
8 disagreement and need the judge to rule on it to
9 make a determination.

10 MR. MERCER: Mr. Burnett, is this involving
11 sales tax, I certainly take it? What kind of tax?

12 MR. WUELLNER: Ad valorem.

13 MR. MERCER: Ad valorem? Okay.

14 MR. BURNETT: Sales tax on the rental, if you
15 will, but paying it through the Airport Authority
16 ad valorem tax dollars.

17 MR. MERCER: Okay.

18 CHAIRMAN COX: Just out of curiosity, how does
19 the county approach their own properties in the
20 same circumstances?

21 MR. WUELLNER: Well, it's -- it's a different
22 matter.

23 CHAIRMAN COX: I don't want it elongate it. I
24 just thought it would be a simple answer.

25 MR. BURNETT: Yeah, we're slightly different

1 on ours because we have airport revenues --

2 CHAIRMAN COX: Right.

3 MR. BURNETT: -- that we believe are exempt

4 under FAA rules --

5 CHAIRMAN COX: Right.

6 MR. BURNETT: -- and federal law --

7 CHAIRMAN COX: Right.

8 MR. BURNETT: -- from payment of those things.

9 MR. WUELLNER: And probably even more

10 fundamental is counties are subsets of the state

11 and are immune from taxation. So the issue

12 wouldn't even -- there'd be no basis to even tax

13 the county.

14 CHAIRMAN COX: Which goes to our position --

15 MR. WUELLNER: But we're exempt --

16 CHAIRMAN COX: -- which is under the FAA,

17 we're immune from the same position.

18 MR. WUELLNER: We're not immune. We are

19 exempt.

20 CHAIRMAN COX: Okay.

21 MR. WUELLNER: We're granted an exception

22 through the legislation --

23 CHAIRMAN COX: Got it.

24 MR. WUELLNER: -- so the treatment's a little

25 different.

1 MR. MERCER: Is this with Judge Maltz?

2 MR. BURNETT: It is.

3 MR. MERCER: And we have a motion pending a
4 summary judgment. Do we have a hearing yet?

5 MR. BURNETT: We were supposed to have a
6 hearing this last week.

7 MR. MERCER: Okay.

8 MR. BURNETT: And right now, the -- it was
9 framed with the tax collector having filed the
10 lawsuit to begin with for the declaratory relief.
11 They were the ones more motivated. We don't
12 believe the Airport Authority should be paying it,
13 so the Airport Authority hasn't paid it. It really
14 boils down to two particular tenants over on the
15 airport property.

16 MR. MERCER: Uh-huh.

17 MR. BURNETT: And so the tax collector, since
18 they filed it, they filed the motion for summary
19 judgment, which procedurally we thought was
20 advantageous for us because they would file a
21 motion for summary judgment first, we would have
22 the benefit of their work product to then file a
23 cross-motion for summary judgment, which we did.

24 We raised the issue which they didn't raise in
25 theirs related to the Department of Revenue rules.

1 And so now they're analyzing that issue presumably
2 to file an amended motion for summary judgment, and
3 then we'll file an amended cross-motion for summary
4 judgment.

5 MR. MERCER: Got it.

6 MR. BURNETT: But that Department of Revenue
7 ruling may dispose of the case. We believe it is
8 dispositive.

9 MR. MERCER: Right. Very good. Thank you.

10 CHAIRMAN COX: Okay. Let's move on to the
11 next agenda item. But just one -- for decorum
12 sake, please run your questions to have the floor
13 through the Chair. Thank you. Go ahead, Ed.

14 FIND CEREMONIAL CHECK PRESENTATION

15 MR. WUELLNER: I would -- Cindy, if you'll
16 bring up the other PowerPoint. It's my pleasure to
17 introduce Mr. Carl Blow. He was a -- our local
18 commissioner on the Florida Inland Navigation
19 District board. And Carl is here to make you aware
20 of some of the efforts that FIND does as well as at
21 the end has a little not surprise, but has a
22 presentation he'd like to make back to the board.
23 So --

24 MR. BLOW: Thank you for having me today. I
25 realize you guys are on a tight schedule, so I may

1 go kind of fast. And if you have any questions,
2 please --

3 MR. WUELLNER: Get you to either use the mic
4 or carry it with you or stand there, it's your
5 choice.

6 MR. BLOW: I'm not used to all of this
7 technology here. Anyway, my name is Carl Blow and
8 thank you for having me today.

9 We have a little PowerPoint that basically
10 explains what the Florida Inland Navigation
11 District is. And I'm just going to go through
12 this. If you have any questions, please, you know,
13 stop me and ask them.

14 But basically we are a -- the local sponsor of
15 Atlantic Intracoastal Waterway in Florida. We are
16 a special taxing district like yourselves. Our
17 district covers the 12 counties on the east coast
18 of Florida from Nassau County all the way down to
19 Miami-Dade. There's 12 commissioners, one for each
20 county. We're appointed by the Governor. The --
21 and we -- basically our revenue is derived from
22 real estate taxes. We're very proud of the fact
23 that 98 percent of the revenue we collect is used
24 for operations and maintenance and only 2 percent
25 is used for administration.

1 Our program's basically we're responsible for
2 securing the right-of-way and any easements or
3 whatever real estate's necessary for the Army Corps
4 of Engineers to operate the Intracoastal Waterway.
5 We also have an assistance program whereby we help
6 local governments provide public access to the
7 waterway, and that's -- that's the program that
8 this Airport Authority's been involved in.

9 But just to give you a little history, the
10 Intracoastal Waterway was originally a private
11 canal -- back in the 1881 and 18 -- to 1912, it was
12 a private canal, and -- and it was pretty small as
13 you can see, five foot deep, 50 feet wide. The --
14 in 1927, it was decided that it would be best for
15 the State of Florida and the federal government to
16 take the canal over. So the Florida legislature
17 created FIND in 1927. And our function is of
18 course a service, a -- the quote local partner with
19 the Army Corps of Engineers. I'll just move along
20 here.

21 Today, we're responsible for the Intracoastal
22 Waterway 460 miles in length. It's 12 feet mean
23 low water from the Florida-Georgia border down to
24 Fort Pierce and then 10 feet from Fort Pierce to
25 Miami and then 7 feet to -- on down to the cross

1 bank as you go into the Keys. And then we're also
2 responsible for the Okeechobee waterway from
3 basically the eastern half of it from the ICW over
4 to the -- Lake Okeechobee.

5 In order to maintain the waterway, we have to
6 dredge approximately 500,000 cubic yards a year,
7 and the cost of that ranges between \$12 and \$14
8 million. Ideally or the way it's supposed to work
9 is the cost, that -- that \$12 to \$14 million is
10 supposed to be provided by the federal government.

11 Starting about 15, 20 years ago, the federal
12 government hasn't fully funded that expense on an
13 annual basis and basically FIND has -- using your
14 real estate taxes, has pick -- has picked up the
15 difference and right now it runs about 50/50. FIND
16 provides 50 percent of the funding and typically
17 the federal government provides the other 50
18 percent. Here again, our primary responsibility
19 was to secure the right-of-way and any necessary
20 uplands and easements.

21 The -- currently we have about 22,000 acres of
22 right-of-way and 35,000 acres for what's called
23 dredge material management facilities. And what
24 those are is if you're familiar with the waterway
25 back in the -- in the 1920s and 30s and 40s when it

1 was improved by the federal government, back then
2 that was prior to environmental regulations and you
3 could basically set up a dredge and go down the
4 waterway and pump the spoil to the side and
5 actually create an island.

6 If you're familiar with the waterway, there's
7 a lot of islands along the sides. Well, those are
8 all man-made. But you can't do that anymore due to
9 environmental regulations. So what we have to do
10 when we dredge the waterway is we have to pump that
11 material to upland storage facilities which are all
12 permitted by both the federal and state
13 governments.

14 And so starting in the early 1980s, we went up
15 and down the east coast of Florida securing these
16 sites to build these facilities. And they
17 typically run between 200 acres to -- we have some
18 smaller ones down in South Florida that are
19 probably about 50 acres.

20 But our -- our -- our responsibility is to
21 build those facilities and have them available for
22 maintenance dredging when the federal government is
23 ready to do that. That's just a little graphic of
24 one of them. That's Peanut Island down in Riviera
25 Beach, which is a spoil island that's very popular

1 for recreational purposes. This is a picture of
2 where we're pumping material into one of these
3 facilities, which are just basically a giant bowl,
4 and that's a sand water slurry and they allow the
5 water to return back to the waterway.

6 Let's see. Over the next 50 years, we'll move
7 12 and a half million cubic yards of beach quality
8 material onto eight beach sites and 12 and a half
9 million cubic yards on what is basically nonbeach
10 sites into these facilities.

11 Most of our dredging activity occurs at ocean
12 inlets where the Intracoastal Waterway intersects
13 an inlet like here in St. Augustine. Typically
14 that's where we have the -- the most shoaling. And
15 fortunately in those areas, we're able to move
16 those shoals -- because the sand is beach quality,
17 we're able to put it back on the beach. And in
18 this case in St. Augustine, we typically put it on
19 the Anastasia State Park or St. Augustine Beach
20 around the pier. Here again, these are just some
21 current projects. I'll just burn through this real
22 quick. The -- now, this is the assistance program.
23 This is what you guys have been involved in.

24 In the early 80s, the Florida legislature
25 directed us to come up with a program to help local

1 governments improve the access to the Intracoastal
2 Waterway. And -- and so we set up a grant program,
3 and its function is to help cities and counties
4 improve public boat ramps, improve public viewing
5 piers, and fishing piers.

6 And -- and a big one is to improve, it's
7 Number 5 there, acquisition and development of
8 public -- well, that's dredge material management
9 areas and commercial industrial access. That's the
10 biggie that really where -- where the
11 Airport Authority comes into play.

12 Over the last several years, we've worked with
13 staff basically to hopefully return your -- your
14 seaplane basin/barge terminal back to its original
15 depth. The -- that's particularly important to
16 FIND, because as far as I know, this is the only
17 airport on the east coast of Florida that has
18 direct water access to the Intracoastal Waterway.
19 And so that's -- to us, that's very unique and
20 that's something that we love -- you know, we've
21 been partnering with you and would like to continue
22 to partner with you to make sure that that facility
23 remains viable.

24 But anyway, you can see some of the other
25 projects here. We also are fairly heavily involved

1 in environmental restoration-type projects
2 primarily down in South Florida, Lake Worth and
3 those areas. Similar to what you guys did out here
4 on your own spoil island, which actually turned out
5 great.

6 Here is just a little recap on these grant
7 projects here that have been done in
8 St. Johns County. It's been about 52 projects over
9 the -- since the program has -- was started. About
10 \$60 million and FIND has contributed about 4 --
11 almost \$5 million in funding for that. And here
12 again, here is just a list of some of the projects,
13 and you guys are down there on the bottom, the
14 airport barge terminal channel dredging.

15 Then we also are involved in waterway cleanup.
16 We have actually a separate grant program that in
17 the case of St. Johns County, we work with the City
18 of St. Augustine to remove derelict boats, and
19 that's what we do up here. Further south, we're
20 pretty heavily involved in -- in restoration of
21 these spoil islands so that they can be used for
22 recreation. In this area, we really don't have a
23 lot of spoil islands that are very accessible
24 for -- for boat traffic.

25 And then we also publish a lot of data for

1 the -- for the boaters. And this is just a sample
2 of some of the stuff we publish. We -- we actually
3 do have an economic study for each of the 12
4 counties. So if you're interested in that, that's
5 on our web site and it's by county. We have one
6 for St. Johns County.

7 Here's a little thing on the economics of the
8 Atlantic Intracoastal Waterway in Florida. As far
9 as commercial traffic, you can see the numbers
10 there. The -- unfortunately, that first one on
11 fuel oil, what's -- what's occurred is that was
12 fuel oil that was shipped to Florida Power & Light
13 plants down there on the Indian River. And those
14 plants recently switched to natural gas, so that
15 number actually is probably going to go away.

16 The reason this is important is the Army Corps
17 of Engineers, when they analyze economic benefits
18 for waterways, they use what's called the ton mile.
19 And basically they're -- they only look at
20 commercial traffic. They put no weight on
21 recreational traffic and recreational value. And
22 that's unfortunate in Florida because that's what
23 most of the economic impact is for our Intracoastal
24 Waterway.

25 Here is just a picture of, you know, another

1 use for the Intracoastal Waterway is use those --
2 moving very large objects, which in your case is
3 E-2 Hawkeyes. You can only do that on a barge.

4 The -- as far as recreational statistics, we
5 have about 500,000 registered vessels in Florida,
6 lots of visiting vessels, and lots of vessel trips
7 so to speak. But that represents almost a \$15
8 billion economic impact to the State of Florida and
9 obviously a lot of personal wages and close to
10 115,000 jobs and obviously adds a lot to the
11 property values. That aerial is the Fort
12 Lauderdale boat show, to give you an idea, and of
13 course that's the Intracoastal Waterway right
14 there.

15 Going back to the Army Corps of Engineers,
16 they don't -- they don't use any of this data when
17 they are determining the economic impact of a
18 waterway. They only use ton miles. And I've been
19 using a photograph that you guys supplied me of an
20 E-2 Hawkeye being floated onto a barge here.

21 And we've used that for the last two years
22 whenever we go to D.C. to meet with the Army Corps
23 of Engineers and also our elected representatives
24 to demonstrate to them that this ton mile
25 calculation is inherently flawed because it's based

1 on shipping soybeans and coal and big bulk items.

2 And when you look at that E-2 Hawkeye, that
3 photograph that you guys supplied me, you know
4 that's a very -- I mean, it doesn't weigh much,
5 it's an airplane, it's very light, but the value of
6 it is \$90 million. And so we are trying to get the
7 Corps to change their -- their formula and to
8 consider other than just ton miles or the weight of
9 the soybeans but -- but the residential or the
10 recreational impact.

11 Let's see. Other than that, this is just some
12 economic data that says if you didn't maintain the
13 waterway, this would be the negative impact of not
14 doing that. It's just, you know, numbers. And
15 then if you -- if you do maintain the waterway,
16 then good things happen and your property values go
17 up. And anyway, that's -- that's my little. Any
18 questions?

19 CHAIRMAN COX: Very nice.

20 (No questions.)

21 MR. BLOW: Well, anyway, like I say, we really
22 do appreciate the partnership we have with the --
23 with the Airport Authority.

24 Here again, as far as I know, you're the only
25 airport that has direct access to the Intracoastal

1 Waterway. And I'd just like to report that staff
2 did submit some grant applications as you're aware
3 for this grant cycle for this next fiscal year and
4 you scored extremely high. So I hope to maybe be
5 bringing you another check here in the future.

6 As I mentioned to Ed, it might not be as much
7 as you asked for because, here again, I have to --
8 typically what happens is each county, we allocate
9 a certain amount of money out of our budget for
10 this grant program, and for some reason Carl Blow
11 is always oversubscribed. I always have more
12 grants than I have funding available. So we'll
13 be -- Ed and I will be discussing what we can do to
14 get into the budget.

15 CHAIRMAN COX: That's because you do such
16 great presentations, Carl.

17 MR. BLOW: Well, I don't know about that.

18 CHAIRMAN COX: No, it's true.

19 MR. BLOW: But anyway, here again, I want to
20 thank you. And also one quick thing on a side
21 note. This really has nothing do with FIND. But
22 I'm involved in the artificial reef program here in
23 St. Johns County as well as Flagler County and I
24 just -- hopefully you've seen something in the
25 paper where you've been mentioned as -- as an

1 important partner in that program.

2 And I just want to, you know, take this
3 opportunity to thank you because you are an
4 important partner in that program and so far this
5 summer alone, we've put out 800 tons of material on
6 the county line down there off Marineland and
7 St. Johns -- that was a Flagler County project.

8 And St. Johns County is in the process of
9 putting the project out for bid to probably move
10 2000 more tons. And without your help and without
11 being allowed to store that material down there on
12 Big Oak Road, it wouldn't be possible to have an
13 artificial reef program. So thanks a lot.

14 CHAIRMAN COX: Thank you, so much.

15 MR. BLOW: And here's your check. I'll
16 just --

17 MR. WUELLNER: Get you guys up there and get a
18 quick photo.

19 CHAIRMAN COX: How about right over here?

20 MR. WUELLNER: That's good. Get all of our
21 board members up here.

22 (FIND check presentation.)

23 CHAIRMAN COX: Very nice presentation, Carl.
24 Are you going to be around at the end of the
25 meeting --

1 MR. BLOW: Yes, sir.

2 CHAIRMAN COX: -- if any board members want to
3 have any individual questions?

4 MR. BLOW: Yes, sir.

5 CHAIRMAN COX: Next agenda item?

6 ENGINEERING RFQ

7 MR. WUELLNER: Next agenda item is -- relates
8 to professional aviation engineering and planning
9 services request for qualifications.

10 As we reported at previous meetings, we went
11 out on a -- and solicited for aviation consulting
12 engineering planning services. That solicitation
13 was done consistent with Florida's Competitive --
14 Consultants' Competitive Negotiations Act, which is
15 contained in Florida Statute 287.057, which is also
16 consistent with the Airport Authority's
17 administrative policy for acquisition of these
18 services.

19 The solicitation was -- was out in publication
20 of record for the July 15th and the 23rd, was also
21 posted and direct e-mailed through Florida Airports
22 Council's web site. We also did direct mail to
23 bidders who had expressed an interest over the last
24 several years that had made contact with our
25 office. We directly contacted via mail. We had

1 eight firms contact us for additional information
2 regarding that solicitation.

3 At the end at the time of expiration, we had
4 two firms submitting for consideration related to
5 our aviation engineering and planning services.
6 Those two firms were Ricondo & Associates and
7 Passero Associates. Passero Associates I'll remind
8 you is our current aviation engineering firm. I do
9 need to point out just for -- just so you have
10 clarity that Ricondo & Associates is only a
11 planning service firm. They -- they are not an
12 engineering firm.

13 Those two firms were as I said submitted for
14 consideration. We evaluated those requests. We
15 certainly have no issues with Passero Associates as
16 a staff. You have had them for the past almost ten
17 years as your engineer of record for projects on
18 the airport. And we are recommending that you
19 reselect Passero and authorize that we begin
20 contract negotiations with them for
21 contract-related action at your October meeting, so
22 you approve a contract ideally at your October
23 meeting.

24 Rank order for our purposes was Passero at
25 number one and Ricondo & Associates at number two.

1 You as always have the ability to amend that list
2 to select either/or or both firms as -- as a part
3 of your reserve responsibilities and rights. So
4 with that, our recommendation is you reselect
5 Passero Associates as your engineering and planning
6 consultant for the coming years.

7 CHAIRMAN COX: With that, I'll open this up
8 for board discussion. Any comments from the board?
9 Yes, sir? Go ahead, Joe.

10 MR. CIRIELLO: As far as the contract goes, I
11 have no problems with the language that's in the
12 contract. But being a little nitpicky, I have a
13 little problem with what's not in the contract.
14 And --

15 MR. WUELLNER: Contract?

16 MR. CIRIELLO: -- as an example, I'll use this
17 letter I got from Hawkins Construction a while
18 back.

19 CHAIRMAN COX: Joe, can I ask you a question?
20 There seems to be some confusion as to what
21 contract you're --

22 MR. CIRIELLO: Passero.

23 CHAIRMAN COX: Passero contract --

24 MR. CIRIELLO: That's what we're talking
25 about, isn't it?

1 CHAIRMAN COX: Do you want to refine it?

2 MR. WUELLNER: Yeah. Just for clarification,
3 all we're doing -- all we'd be doing today is
4 authorizing contract negotiations with Passero.
5 What you're probably referring to is the previous
6 five-year contract. We have not presented a
7 contract and wouldn't until next month for any
8 services beyond this point. We're kind of --

9 MR. CIRIELLO: I thought we were going to be
10 voting on accepting Passero today.

11 MR. WUELLNER: As a -- you're authorizing
12 contract negotiation with Passero, not signing a
13 contract with Passero yet.

14 MR. CIRIELLO: Well, what I'm getting at is
15 there's something I'd like to see put into that.

16 MR. WUELLNER: Okay, okay.

17 MR. CIRIELLO: That's what I'm getting at.

18 MR. WUELLNER: Okay. That's fine then. It
19 sounded like you were reviewing a contract. That's
20 why we stopped you.

21 MR. CIRIELLO: No. I -- like I said, I'd just
22 like to see something put in -- not only just this
23 contract, but a lot of other things.

24 MR. WUELLNER: Okay.

25 MR. CIRIELLO: You may remember that there has

1 been times that as a board member I've been
2 critical of the board itself for some of the things
3 it does. And that seems kind of nasty, but in this
4 letter that I got, I think everybody else on the
5 board got one except Mr. Mercer, it said, "We were
6 told by Passero that the airport would pay for the
7 original carpet material and they could use it
8 elsewhere." The way I read that is that Passero is
9 speaking on behalf of the board. Now I've
10 personally been brought before the board on one
11 occasion for sure, maybe two, saying that I spoke
12 in public, saying that I spoke for the board when I
13 wasn't.

14 So what I'm saying is if -- I don't think that
15 anybody that we deal with, whether it's the staff,
16 the director, any contractors, that they should
17 have a -- a right to make statements saying that
18 the board will do this or do that without the board
19 being aware of it.

20 And that's what I'd like to see put in here,
21 is somehow that whoever is under contract with us,
22 whoever our employees are, that they can't what I
23 believe is the board's job in managing the airport,
24 speak for the board. And that's the only little --
25 little thing that I want to see put in this.

1 MR. WUELLNER: Our recommendation is just a
2 single firm, but you're welcome -- you may add the
3 second firm if you wish.

4 MS. BARRERA: Well, my recommendation, since
5 Ricondo & Associates is only a planning-only firm
6 would be that we authorize as a board for Ed to --
7 and staff to enter into negotiations with Passero &
8 Associates to bring back a contract to our October
9 board meeting.

10 CHAIRMAN COX: Per the recommended?

11 MS. BARRERA: (Nods head.)

12 CHAIRMAN COX: Do I have a second?

13 MR. MERCER: Second.

14 CHAIRMAN COX: Okay.

15 MR. CIRIELLO: Could I amend that?

16 CHAIRMAN COX: Can you amend the motion?

17 MR. CIRIELLO: Yeah.

18 CHAIRMAN COX: I think the person that makes a
19 motion has to amend the motion.

20 MR. CIRIELLO: Well, that's not the way I
21 thought the rules were.

22 MR. BURNETT: You can --

23 MR. WUELLNER: You can bring it up.

24 MR. BURNETT: You can discuss it and raise
25 whatever issue you have and ask the maker of the --

1 maker of the motion if they will accept the change,
2 but it's up to the maker of the motion to make the
3 change now that we have a motion on the floor
4 that's been seconded.

5 MR. CIRIELLO: I know, but I'm going back a
6 lot of years that any time a motion was made, if
7 somebody wanted to amend the original motion, as
8 long as it pertained to the motion, they could do
9 that.

10 CHAIRMAN COX: Well, we have a ruling from our
11 board's attorney, so we're going to stick with
12 that.

13 MR. CIRIELLO: All right.

14 MR. BURNETT: Mr. Ciriello, you're welcome to
15 make your comments --

16 CHAIRMAN COX: Sure.

17 MR. BURNETT: -- for the maker of the motion
18 to consider whether or not to amend it.

19 MR. CIRIELLO: I don't get you.

20 MR. BURNETT: Well, if you -- if you want to
21 ask the maker of the motion if she wants to accept
22 your comment, then she can certainly amend her
23 motion to include it if she wants to.

24 Of course your comment may be one that sways
25 the entire board and the board may -- you may have

1 a vote of a -- the pending motion be one that fails
2 for lack of votes, and therefore then it would be
3 open to the floor to have another motion with a
4 second that's different than the one that's
5 currently been made.

6 MS. BARRERA: If I may, after a motion's been
7 made, it's open for discussion -- and seconded,
8 there's opportunity for discussion regardless.

9 MR. BURNETT: Yeah, absolutely.

10 MR. WUELLNER: Absolutely.

11 MR. CIRIELLO: What'd she say?

12 MR. BURNETT: You can make discussion right
13 now. You can say whatever your issue is.

14 MR. CIRIELLO: Well, I asked a questions if I
15 could amend the original motion. That's all I
16 asked, and you're saying I can't, so there's no
17 sense saying it.

18 MR. BURNETT: Well, there's no way for the
19 maker of the motion to know what the change is you
20 want unless you tell her what the change is you
21 want, though. That's I guess the issue.

22 MR. MERCER: Mr. Chairman?

23 MR. WUELLNER: Yes, sir.

24 MR. MERCER: Mr. Ciriello, why don't you share
25 your comment on what your idea was. That way,

1 before I vote on the pending motion, I can hear
2 your comment and then know whether I want to vote
3 yea or nay.

4 MR. CIRIELLO: I already did when I was
5 speaking on the contract. If --

6 CHAIRMAN COX: Guys, get your -- get closer to
7 your microphone.

8 MR. CIRIELLO: I already made my comment to
9 what my objection -- not objection to the contract,
10 what I'd like to see added to it. And that's all I
11 was going to do, was amend the motion that that
12 remark be included in the contract.

13 CHAIRMAN COX: If I might, we're not
14 discussing direct contract negotiations right now,
15 Joe. That's going to be after we select whoever it
16 is that we bring on board, then we'll enter into
17 those specific contract language issues that you're
18 talking about.

19 MR. CIRIELLO: So if we vote yes on the
20 motion, this contract copy that I got sent to me
21 isn't going to be in effect?

22 MR. WUELLNER: No, it is not.

23 MR. CIRIELLO: Okay. All right.

24 MR. WUELLNER: That's the one that's expiring.

25 MR. CIRIELLO: All right.

1 CHAIRMAN COX: Does that make sense?

2 MR. CIRIELLO: Yeah.

3 CHAIRMAN COX: Is that good? Okay. So we
4 have a motion on the floor and a second.
5 Mr. Mercer, did you have any concern after
6 listening to what he said?

7 MR. MERCER: No concern.

8 CHAIRMAN COX: Okay. Everyone in favor?

9 MR. CIRIELLO: Aye.

10 CHAIRMAN COX: Aye.

11 MR. MERCER: Aye.

12 MS. BARRERA: Aye.

13 CHAIRMAN COX: No nays?

14 (None.)

15 CHAIRMAN COX: Motion passes. Agenda item,
16 taxiway.

17 TAXIWAY D-3

18 MR. WUELLNER: Taxiway Delta 3 project. A
19 couple of things to just get out here in front of
20 you.

21 Just remind you Taxiway Delta 3, the project
22 scope is to construct -- reconstruct Taxiway Delta
23 3. I'll bring up a drawing here in just a second
24 here and I'll explain it to everyone else. Also to
25 reconstruct 2/20 between Runway 13/31 and Taxiway

1 Bravo.

2 Also includes an enclosed or the ability to
3 enclose airfield drainage in the vicinity of K, L,
4 M, and down through Taxiway F or where it merges
5 with Taxiway F. That area we're calling attention
6 to is basically the K, L, M T-hangar rows and the
7 open ditch in front of the self-service area, to
8 orient you. If you'll pop that up, if you would
9 for me, Cindy. This probably is as good as any to
10 talk to.

11 This is the drainage enclosure areas. So
12 literally at the end of the three rows of
13 T-hangars. I'm sorry this isn't real heavy
14 contrast and this one keeps copping off for some
15 reason. But anyway, these three areas would be
16 enclosed -- or, excuse me, four areas enclosed in
17 the drainage.

18 Delta 3, which is right now a very narrow
19 taxiway connector here that can't support most
20 aircraft, would be widened and facilitated into
21 Runway 6/24 and this section of Runway 2/20 would
22 be rehabilitated. This section of 2/20 would be
23 rehabilitated also. It did not get the
24 load-bearing improvement during the Taxiway B
25 projects originally, so it needs to be done

1 regardless.

2 We're still in an open discussion with FAA
3 about being able to do the simple overlay of these
4 two final sections here. We believe we can still
5 get it within the budget constraints we have for
6 this project. So we're anticipating being able to
7 do -- all of Runway 2/20 will be brand new pavement
8 at the end of the day, leaving only the small
9 section on the east/northeast edge that will be
10 picked up in the Taxiway Alpha project probably
11 next year or the year after when that funds with
12 FAA. So at some point in the next couple of years,
13 the entirety of 2/20 will be rehabbed and be brand
14 new pavement. So give you an idea of what -- the
15 current grant.

16 We are awaiting -- we are awaiting grant
17 documents back from the FAA. It could be this
18 week. It shouldn't be any later than next week
19 because we'll be out of time within the fiscal
20 year, so I do not expect those grant documents to
21 take any longer.

22 The money -- the 1 -- approximately \$1.4
23 million of FAA funds, just to remind you, was --
24 were entitlement funds that were directly a result
25 of having scheduled air service here with Skybus

1 back in 2007 to 2008. For some reason, a special
2 appropriation was made for -- for airports that had
3 service during that period of time. As a result,
4 we scored some extra money that was allocated to
5 this airport. This -- this project or this
6 combination of projects would be the resultant work
7 from that additional entitlement.

8 There are two additional contracts that we
9 would like to ask the board to conditionally
10 approve. They will be order of magnitude one to
11 P & S Paving of Daytona who was the low bidder on
12 this job at \$1,376,196. Also the runway -- excuse
13 me, the resident project representative on the job
14 with Passero at \$135,219.

15 I would ask you not to get wound on the number
16 exactly because it will ultimately be a function of
17 what the actual FAA grant comes in. But we'd like
18 to get conditional approval to be able to accept
19 those contracts as well as accept the FAA grant
20 documents and allow the executive director's
21 signature to those grants as we -- as we usually
22 do.

23 That will commit the money because the -- the
24 suspense I almost guarantee you with FAA will be
25 about a 48-hour opportunity to sign the documents

1 and get them back, especially given how late it is
2 in their fiscal year. Only what, ten days from a
3 new fiscal year at this point -- or about two weeks
4 from a fiscal year. So they're going to be under
5 the gun to get these signed regardless of their
6 issues in getting them out.

7 So be happy to try and clarify some of that.
8 Mostly we're just trying to keep the project moving
9 forward. We will update you at the appropriate
10 time what the final numbers are. And if you wish
11 to, you know, take sort of a ratification action at
12 the October meeting, that would be certainly
13 appropriate. It will be up to you.

14 CHAIRMAN COX: Thank you, Ed. I'll open this
15 for board discussion. A question right away, and
16 just to reaffirm what you were saying. This is
17 contingent conditional authorization. It's
18 contingent on what dollars the FAA's going to give
19 us.

20 MR. WUELLNER: Correct.

21 CHAIRMAN COX: So these numbers that see here,
22 1.3 and 136 can change.

23 MR. WUELLNER: I would tell you those are the
24 absolute worst case numbers.

25 CHAIRMAN COX: Okay. That's what I was

1 looking for. Got it. Any further discussion,
2 any -- anybody else discussion?

3 MS. BARRERA: I would like to point out that
4 we also have this is in our budget, our current
5 budget that we presented at our meeting. So we've
6 got it already factored in. This isn't anything
7 additional that we weren't anticipating.

8 CHAIRMAN COX: Good point.

9 MR. MERCER: Mr. Chairman?

10 CHAIRMAN COX: Yes.

11 MR. MERCER: Two questions of Mr. Wuellner.
12 Number one, is there any impact -- with respect to
13 hangar rows K, L, M, is there any impact on the
14 light GA tenants that are in those hangars?

15 MR. WUELLNER: No, sir. We -- we managed to
16 create an area of work. It's basically that darker
17 blue line that runs the outside. So we should --
18 we'll be able to maintain -- maintain operations
19 for that area -- for K, L, M and around the fuel
20 farm. We will be having to close for periods of
21 time. In fact Runway 2/20 will be closed during
22 construction because of the impact to paving
23 operations on the runway.

24 MR. MERCER: Another question. When I
25 campaigned, it was on a very clear platform of

1 being opposed to commercial scheduled air carrier,
2 big aircraft, big heavies coming into our little
3 airport.

4 MR. WUELLNER: Uh-huh.

5 MR. MERCER: Is this -- is it fair to say -- I
6 don't want to put words in your mouth. Is it fair
7 to say that this E-3 project is in essence to
8 refortify parts of the taxiway and runway to be
9 able to accommodate some of the heavy commercial
10 big heavy aircraft?

11 MR. WUELLNER: It will allow that, but it also
12 allows -- currently we cannot move any type of
13 business jet across that. The narrow -- narrow
14 width of the pavement, the geometry of the
15 pavement, as well as the load-bearing strength of
16 that segment of pavement can't be -- can't
17 accommodate those aircraft.

18 MR. MERCER: On 2/20 or --

19 MR. WUELLNER: No, on the Delta 3 section.

20 MR. MERCER: Okay.

21 MR. WUELLNER: Both of the runways support it
22 fine. We have a similar issue in terms of
23 load-bearing and geometry on Taxiway Delta.

24 MR. MERCER: So today, they have to come down
25 on Bravo and then turn on to Delta?

1 MR. WUELLNER: That's correct.

2 CHAIRMAN COX: Just as a clarification, we're
3 talking about heavy aircraft -- when you're talking
4 about this, I don't think we have any perspective
5 going forward on getting heavy aircraft coming in
6 here. Heavy aircraft by definition is what, still
7 300,000 and above?

8 MR. WUELLNER: I believe so, yes, sir.

9 CHAIRMAN COX: So the Boeings and the Airbuses
10 coming in here are probably 160 and less. And --
11 and the pound -- the pound per square inch on the
12 tires is what's going to affect our ramp issues and
13 taxiway issues when we got forward, not to mention
14 the -- like you said, the narrowness of the deal.
15 So we really won't be having any heavy aircraft
16 coming in here which would be, you know, the triple
17 7s and the 74s and the -- every once in a while we
18 get that --

19 MS. BARRERA: Military.

20 CHAIRMAN COX: -- the military, the C-141 and
21 the Soviet --

22 MR. WUELLNER: Yeah.

23 CHAIRMAN COX: -- giant thing coming in.

24 MR. MERCER: Well, I -- I guess my comment I
25 guess depends on how you define heavy. You know,

1 the 737s is what the Navy's switching to --

2 CHAIRMAN COX: Right.

3 MR. MERCER: -- to out -- to phase out the P-3
4 Orions.

5 CHAIRMAN COX: Right.

6 MR. MERCER: They're going to the Boeing 737,
7 and the C-40 configuration and also the P-8
8 Poseidon configuration and the weight -- it's a
9 great aircraft --

10 CHAIRMAN COX: Yeah.

11 MR. MERCER: -- it's a wonderful aircraft, but
12 it is -- I'm being told by the Navy pilots that I'm
13 colleagues with it's really tearing up the runway
14 over there at Navy Jax with the weight. So --

15 CHAIRMAN COX: I don't want to say anything
16 about Navy Jax, but we've got better runways, in
17 all seriousness, having landed both places. But,
18 you know, it's just the way it is. I think we've
19 got a much better situation than what they're
20 looking at over there.

21 MR. MERCER: But just so I'm clear and so the
22 record's clear, Mr. Wuellner, there is a way for
23 business jets, the Lear class jets and the
24 Gulfstreams, they can come in on Bravo and turn on
25 to Delta today, correct?

1 MR. WUELLNER: That is correct.

2 MR. MERCER: Okay.

3 CHAIRMAN COX: Mr. Ciriello, any comment?

4 MR. CIRIELLO: No, sir.

5 MR. WUELLNER: Let me clarify, because it just
6 kind of clicked what you said here. They cannot
7 get on -- the smaller biz jets can operate on
8 Delta. The Gulfstream class cannot operate on
9 Delta dimensionally. They can operate on Bravo
10 without any issues, but they cannot operate on
11 Delta. It has -- it has a geometry and
12 load-bearing issue on that run -- on that tax -- on
13 Delta.

14 MR. MERCER: Okay.

15 CHAIRMAN COX: Any further discussion from the
16 board?

17 (None.)

18 CHAIRMAN COX: Any public comment?

19 (None.)

20 CHAIRMAN COX: No -- seeing no public comment,
21 I'm opening the board for a motion.

22 MS. BARRERA: I'll make a motion that we
23 authorize our executive director to be able to
24 provide his signature on the grant and approximate
25 maximum dollar amount of \$1.4 million, which will

1 also conditionally authorize the construction
2 contract with P & S and the contract with Passero.

3 CHAIRMAN COX: I'll second that. Any further
4 discussion?

5 (None.)

6 CHAIRMAN COX: All in favor?

7 MR. CIRIELLO: Aye.

8 CHAIRMAN COX: Aye.

9 MS. BARRERA: Aye.

10 CHAIRMAN COX: Nays?

11 MR. MERCER: Nay.

12 CHAIRMAN COX: Motion passes.

13 PUBLIC COMMENT

14 CHAIRMAN COX: Okay. We're moving on to open
15 public comment. Anybody in the public wish to
16 comment on anything about the airport?

17 (None.)

18 CHAIRMAN COX: No public comment. So we'll go
19 to the authority members and open the -- open to
20 board members. Mr. Ciriello?

21 MEMBER COMMENTS AND REPORTS

22 MR. CIRIELLO: I have no comment, but the
23 intergovernmental meeting, I had to miss because I
24 was sick. Kevin filled in for me. So if there's a
25 report, he'll have to give it.

1 CHAIRMAN COX: Any comments, Kevin, on the
2 intergovernmental?

3 MR. HARVEY: Not well attended.

4 CHAIRMAN COX: Okay. Thank you, sir. We'll
5 just go down. Mr. Mercer?

6 MR. MERCER: We didn't have an Aerospace
7 Academy meeting yet. They're off for the summer
8 corresponding with the school year. And I think
9 the first meeting is in October. So nothing to
10 report on that. I did want to thank or compliment
11 Ed's office for the joyous announcements of fuel --
12 reduced fuel price. His office should get credit
13 for that. That's always a plus --

14 CHAIRMAN COX: That's tremendous. That's a
15 tremendous drop.

16 MR. MERCER: -- for us pilots. So we thank
17 you, Ed, and your staff for that on a couple of
18 occasions. That's it.

19 CHAIRMAN COX: Ms. Barrera?

20 MS. BARRERA: I have no comment.

21 CHAIRMAN COX: Mr. Youman's not here.

22 I haven't attended any EDC meetings, but I
23 would like to say that I was very impressed with
24 the -- the parking that we did in helping out the
25 city I guess as a partner to help park for this

1 event that we had over the weekend.

2 I came out here on my own and just to see how
3 things were going just to make sure that none of
4 our pilots were being disenfranchised or anything.
5 Everything was very straightforward and handled
6 very well. So that's it for the board members.

7 Items of interest. The final budget meeting
8 will be September 30th at 5:01 and we're going to
9 go into the first budget meeting here shortly. Our
10 proposed next meeting is October 21st at 4 p.m.
11 Anybody have any issues with that date?

12 (None.)

13 CHAIRMAN COX: Seeing none, we'll keep it at
14 October 21st. So we are adjourned.

15 (Meeting adjourned at 4:50 p.m.)

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REPORTER'S CERTIFICATE

STATE OF FLORIDA)
COUNTY OF ST. JOHNS)

I, JANET M. BEASON, RPR-CP, RMR, CRR, certify that I was authorized to and did stenographically report the foregoing proceedings and that the transcript is a true record of my stenographic notes.

Dated this 23rd day of September, 2013.

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