

1 ST. AUGUSTINE - ST. JOHNS COUNTY AIRPORT AUTHORITY

2 General Meeting

3 held at 4796 U.S. 1 North

4 St. Augustine, Florida

5 on Monday, June 16, 2003

6 from 4:00 p.m. to 8:10 p.m.

7 \* \* \* \* \*

8 BOARD MEMBERS PRESENT:

- 9 SUZANNE GREEN, Chairman
- WAYNE "BUZZ" GEORGE, Secretary-Treasurer
- 10 JOSEPH CIRIELLO
- BOB COX
- 11 JOHN "JACK" GORMAN

12 \* \* \* \* \*

13 ALSO PRESENT:

- 14 DOUG BURNETT, Esquire, Rogers, Towers, Bailey,
- Jones & Gay, P.A., 170 Malaga Street, St. Augustine,
- 15 FL, 32084, Attorney for Airport Authority.
- 16 EDWARD WUELLNER, A.A.E., Executive Director.
- 17 BRYAN COOPER, Assistant Airport Director.

18 \* \* \* \* \*

19

20

21 St. Augustine Court Reporters  
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3

## 1 PROCEEDINGS

2 CHAIRMAN GREEN: Call to order the meeting  
3 of the St. Augustine-St. Johns County Airport  
4 Authority meeting. Stand to pledge the flag,  
5 please.

6 (Pledge of Allegiance.)

## 7 3. - APPROVAL OF MINUTES

8 CHAIRMAN GREEN: We have on the calendar the  
9 approval of the minutes of the regularly held  
10 meeting April 21st, 2003. Are there any  
11 exceptions or additions to the minutes as  
12 presented?

13 (No exceptions or additions.)

14 CHAIRMAN GREEN: Hearing none, the minutes  
15 then -- vote for approval of the minutes. Is  
16 there a motion to approve the minutes as  
17 reported?

18 MR. CIRIELLO: I'll make a motion.

19 CHAIRMAN GREEN: Mr. Ciriello's made a  
20 motion to approve them. Do I have a second?

21 MR. COX: Second.

22 CHAIRMAN GREEN: All in favor?

23 MR. CIRIELLO: Aye.

24 CHAIRMAN GREEN: Aye.

25 MR. GEORGE: Aye.

4

1 MR. COX: Aye.

2 MR. GORMAN: Aye.

3 CHAIRMAN GREEN: All opposed?

4 (No opposition.)

5 CHAIRMAN GREEN: Motion carries to approve  
6 the minutes as transcribed.

7 4. - ACCEPTANCE OF FINANCIAL REPORTS

8 CHAIRMAN GREEN: Next, we have the financial  
9 reports, and I believe there are two before us.

10 One is the six months ending March 31, and then a  
11 following -- for April 30, 2003. Do we have a  
12 report from our treasurer?

13 MR. GEORGE: I reviewed them and they --  
14 they're in order.

15 CHAIRMAN GREEN: Any comments from the board  
16 with regards to exceptions or additions to the  
17 financial statements?

18 MR. GORMAN: As -- as the entities, the  
19 rental park entity and the airport are such  
20 completely different entities, I would wish that  
21 those were broken down.

22 MR. GEORGE: They are.

23 MR. GORMAN: Well, a little more than --

24 than presented.

25 MR. GEORGE: One of the things that Ed and I

5

1 are working on is -- is developing a management

2 report that basically will take everything that

3 goes in the day-to-day operations and have the

4 detail there that -- that shows whether the

5 airport can operate off of the revenue that is

6 coming in. And then any other, you know,

7 projects would be separated, and then going back

8 to the format of the budget that had the major

9 capital expenditures, to get that updated as an

10 attachment to include with the financials.

11 And I think that will be a lot more

12 meaningful to see where we stand on different

13 projects, where the money's come from, and how

14 much, you know, we've -- we're hung out, so to

15 speak.

16 MR. GORMAN: That's the kind of breakdown I

17 was talking about. That's --

18 MR. GEORGE: The --

19 MR. GORMAN: That would be very --

20 MR. GEORGE: I did note that that -- I think

21 it's on page 6 of this, it shows that the self --

22 since you brought up the self-service facility,  
23 that -- that in the seven months, we've had  
24 revenue of \$60,000 plus, and we've had expenses  
25 of \$50,000.

6

1 MR. GORMAN: No, I didn't bring up  
2 self-service, but go ahead.

3 MR. GEORGE: I thought you did.

4 MR. GORMAN: No, I didn't.

5 MR. GEORGE: I'm sorry.

6 MR. GORMAN: No. I didn't bring that up. I  
7 think it's well done.

8 MR. GEORGE: Oh, yeah. Anyway, there's a  
9 \$10,000 profit. That's a 16 percent profit, so  
10 it's not too bad. Congratulations, Ed.

11 CHAIRMAN GREEN: Okay. If there are no  
12 exceptions or additions to the financial  
13 statements, I'll entertain a motion for approval  
14 of the financial statements for the six months  
15 ending March 31 and the seven months ending April  
16 30, 2003. Is there a motion?

17 MR. COX: I'll move.

18 CHAIRMAN GREEN: Is there a second?

19 MR. GEORGE: Second.

20 CHAIRMAN GREEN: Any further discussion?

21 (No further discussion.)

22 CHAIRMAN GREEN: All in favor of approval of  
23 the financial reports?

24 MR. CIRIELLO: Aye.

25 MR. GEORGE: Aye.

7

1 CHAIRMAN GREEN: Aye.

2 MR. COX: Aye.

3 MR. GORMAN: Aye.

4 CHAIRMAN GREEN: All opposed?

5 (No opposition.)

6 CHAIRMAN GREEN: Approval is carried for  
7 both financial reports.

8 5. - APPROVAL OF MEETING AGENDA

9 CHAIRMAN GREEN: Next, we have the approval  
10 of the meeting agenda. The agenda's been  
11 distributed.

12 MR. WUELLNER: And I have one item to add --

13 CHAIRMAN GREEN: Yes, sir.

14 MR. WUELLNER: -- at least for discussion,  
15 if not action. We received the information on  
16 the proposed design/build work related to the  
17 TVOR. We got this -- the last of the data in  
18 Friday afternoon, and no way to get it to you by  
19 mail. So, you've got it here. We can talk about

20 it, whether it results in action or not, but I'd  
21 like to get it agenda'd, probably as item E, I  
22 think. Yeah, as 8 Echo, 8.E.

23 CHAIRMAN GREEN: We'll add the TVOR, then,  
24 as item 8.E. Any other comment on the agenda?

25 (No further comment.)

8

1 CHAIRMAN GREEN: Entertain a motion for  
2 approval of the meeting agenda.

3 MR. CIRIELLO: I'll so-move.

4 CHAIRMAN GREEN: Is there a second?

5 MR. GEORGE: Second.

6 MR. COX: Second.

7 CHAIRMAN GREEN: Any discussion?

8 The only discussion I have on the agenda as  
9 printed for the public is we seem to have  
10 scheduled presentations, and I think we all need  
11 to try and adhere to that, to allot the  
12 appropriate amount of time for each presenter to  
13 have the same amount of time.

14 So, I just encourage the board members, as  
15 well as the public, we're going to try and stay  
16 on schedule to allot the appropriate amount of  
17 time for everybody. So, we're going to try and  
18 follow this agenda as closely as possible.

19 All in favor of the agenda?  
20 MR. CIRIELLO: Aye.  
21 CHAIRMAN GREEN: Aye.  
22 MR. GEORGE: Aye.  
23 MR. COX: Aye.  
24 MR. GORMAN: Aye.  
25 CHAIRMAN GREEN: All opposed?

9

1 (No opposition.)  
2 CHAIRMAN GREEN: The agenda carries.  
3 6.A. - BOARD OF COUNTY COMMISSIONERS  
4 CHAIRMAN GREEN: Next, we have reports. I  
5 did not see Mr. Maguire. No representative from  
6 County Commissioners?  
7 (Representative absent.)  
8 CHAIRMAN GREEN: All right.  
9 6.B. - AERO SPORT  
10 CHAIRMAN GREEN: Mr. Slingsluff, I did see.  
11 MS. ANDERSON: He's gone. We have no items.  
12 CHAIRMAN GREEN: Okay. No items from Aero  
13 Sport?  
14 MS. ANDERSON: I'm Michael today.  
15 6.C. - NORTHROP GRUMMAN  
16 CHAIRMAN GREEN: Northrop Grumman? No  
17 report from Northrop Grumman?

18 (Representative absent.)  
19 6.D. - PILOTS ASSOCIATION  
20 CHAIRMAN GREEN: Pilots Association?

21 (Representative absent.)  
22 CHAIRMAN GREEN: No report.

23 6.E. - FLORIDA AVIATION CAREER TRAINING

24 CHAIRMAN GREEN: Florida Aviation. Bjorn?

25 MR. OTTESEN: No report.

10

1 CHAIRMAN GREEN: No report.

2 6.F. - AIRPORT AUTHORITY ATTORNEY

3 CHAIRMAN GREEN: Mr. Burnett?

4 MR. BURNETT: No report from the attorneys.

5 CHAIRMAN GREEN: No report.

6 MR. COX: Wow.

7 CHAIRMAN GREEN: All right. We are ahead of

8 schedule. That doesn't mean more time.

9 7. - CONSULTATION SELECTION SHORTLIST

10 CHAIRMAN GREEN: All right. Mr. Wuellner,

11 unless you want me to -- or Mr. Gorman, if it's

12 item number 7, the consultant selection

13 shortlist, I understand you've put together some

14 presentations or we have some people here for

15 presentations?

16 MR. GORMAN: It should -- we have --

17 MR. WUELLNER: Yes.

18 MR. GORMAN: -- three groups that are one at  
19 4:15, one at 4:40, and one at 5:05. Mr. Wuellner  
20 and -- and his staff have coordinated the  
21 presentations, and so they're going to carry on  
22 with that.

23 CHAIRMAN GREEN: Okay. Well, if we are now  
24 at approximately 4:10, we can move those up five  
25 minutes to make sure every group has the same

11

1 amount. Then the LPA Group, Inc. was scheduled  
2 first. And come on.

3 THE LPA GROUP, INC.

4 MR. GEORGE: Are those lightning rods you're  
5 putting up?

6 MR. MOHAMMADI: Sometimes they are.

7 (Whereupon, there was a pause in the proceedings.)

8 CHAIRMAN GREEN: Mr. Wuellner, would it  
9 be -- I think we should use the microphone. Is  
10 that --

11 MR. WUELLNER: Yeah, there's a lapel mic  
12 that's right there, if that's easier to use.

13 MR. MOHAMMADI: Oh, okay.

14 MR. WUELLNER: There's also a podium, but  
15 that has this cord.

16 CHAIRMAN GREEN: That's just to make sure  
17 the public can hear. And also, we have a court  
18 reporter, so that she can take it down.

19 MR. WUELLNER: And for those of you in the  
20 public, the boards will be available kind of  
21 toward the conclusion of the presentation.

22 MR. GORMAN: I suppose this doesn't do much  
23 for the public.

24 MR. WUELLNER: They get further away, you  
25 can't read, so it's --

12

1 MR. MOHAMMADI: If you wish, we could move  
2 them back a little bit, but that's your call.

3 CHAIRMAN GREEN: That's okay.

4 MR. MOHAMMADI: Good afternoon. My name is  
5 Mohsen Mohammadi. I'm with The LPA Group, the  
6 designated program manager for this project.

7 I'm very excited to be here, and we would  
8 like to thank you for giving us the opportunity  
9 to come here and do this final phase of the  
10 presentations, and hopefully we'll have an  
11 opportunity to work with you in the coming years.

12 Let me introduce the other two members of  
13 our team. Dave Rickerson, who will be taking  
14 charge of the master plan process, if selected.

15 And Lurise Bannister, our aviation planner, also  
16 located in Jacksonville office, will also be  
17 assisting Dave with the master plan throughout  
18 the whole phase.

19 You've read the proposals, and I'm sure  
20 you've also had the opportunity to see the  
21 answers to some of the questions you had asked.  
22 What I'd like to do is just spend a couple of  
23 minutes, give you a summary of what LPA is all  
24 about, and turn it over to Dave Rickerson to talk  
25 about -- a little bit about the master plan

13

1 process.

2 CHAIRMAN GREEN: I'm sorry. I just want to  
3 make sure -- and it's my fault for not saying  
4 earlier. If the public or the board has  
5 questions with each proposal, if you could write  
6 them down so that we allot them the appropriate  
7 amount of time. Then when we have public  
8 discussion and board discussion, we can bring our  
9 questions up. I'm sorry. Thank you.

10 MR. MOHAMMADI: What LPA brings to St.  
11 Augustine Airport is a full-service aviation  
12 firm. We've been in business for over 22 years,  
13 17 offices throughout the southeast. And

14 actually there's seven offices right here in --  
15 in Florida, including the Jacksonville and  
16 Orlando office.

17 When I mentioned the full service, the staff  
18 that we have right now in -- in Florida, we can  
19 provide you services all the way from conceptual  
20 design of any type of project, whether it's  
21 engineering or architectural, throughout the  
22 planning process, bidding phase, construction  
23 phase, closing out grants with the FAA.

24 We have had tremendous experience with -- in  
25 all phases, all aspects of aviation-related

14

1 projects, and we hope we can provide that service  
2 to you.

3 We're very proud of the experience that  
4 we've had with clients similar to you in -- in  
5 the southern region. This is the FAA southern  
6 region showing the airport, general aviation,  
7 commercial we've been involved with (indicating).  
8 And what we pride ourselves in is our tenure with  
9 our multi-air clients.

10 We've been in business for 22 years, and  
11 we've been working with clients all the way up to  
12 20 years. And we hope we can add St. Augustine

13 to this list in the very near future.

14 We have given you a handout. Hopefully you  
15 can refer to that. There are some reference  
16 letters that we have put in the handout just to  
17 give you an idea of not only what our clients  
18 think about LPA and our performance, but also the  
19 staff of the Florida DOT who have worked with us  
20 on master planning processes throughout this  
21 state.

22 And I'd like to just go ahead and turn it  
23 over to Dave Rickerson to continue with the  
24 presentation. And I can give you this.

25 MR. RICKERSON: Tell you what; I need to

15

1 break away from having the boards right up here  
2 in front a little bit. Can you take those down  
3 so some of the folks out in the audience can see?  
4 Particularly since some of you people are going  
5 to be -- possibly be asking questions.

6 One of the things that -- that we did want  
7 to stress was our general aviation experience,  
8 and we think that's particularly important.  
9 While I know that there's been some -- some  
10 interest in the past in the community and others  
11 about commuter service and that, this is a

12 general aviation airport. And it's a -- it's a  
13 very preeminent general aviation airport.

14 You've got a phenomenal mix of aircraft  
15 traffic coming in here. There are a number of  
16 interesting issues to deal with, certainly  
17 enhancing your role in -- in the Jacksonville  
18 area as a major reliever for Jacksonville. And  
19 securing additional business traffic in and out  
20 of here should be a key goal that any planning  
21 study should be looking at.

22 And one of the things, as Mohsen had  
23 indicated, is we've -- we've got an array of --  
24 of GA experience, both as a firm, as well as  
25 individually, the people on staff.

16

1 I've done -- I've been in this business for  
2 24 years and have worked on airports from  
3 DeKalb-Peachtree to Spirit of St. Louis, which is  
4 the home of Anheuser-Busch and Monsanto, and  
5 others, all -- and down to smaller GA airports.

6 You can't necessarily, when you go into this  
7 planning process, just focus on one component.  
8 You have to deal both with the upper-end  
9 component of GA, but you also have to deal with  
10 the -- with the individual pilot, the small

11 private pilot, and their needs as well.

12 We think that there are -- are some issues.

13 And if you look down, we've got some

14 representative experience. And they do tend to

15 run the gamut of -- of the general aviation

16 airports in the country and the size of them at

17 that.

18 In talking previously, we have been up here

19 before and have met with Staff on previous

20 submittals and that and also worked very closely

21 to try to identify some of the key issues. And

22 some of the ones that we began thinking about --

23 and, Lurise, could you grab that tripod? It's

24 kind of in the way. I'm going to move this over

25 for just a second, ladies and gentlemen. Miss,

17

1 if it's okay, could I just use this right -- just

2 set it up here? This way, some of the -- some of

3 the folks in the public can see as well.

4 But some of the key issues we think that the

5 planning study's going to have to be dealing with

6 is going to be such things as the development of

7 the property immediately south, just behind this

8 building, as a matter of fact.

9 Access in and out of that area is a little

10 bit complicated. You have a row of T-hangars  
11 along the entire stretch. Those are probably  
12 design group I. So, getting between those to get  
13 good movement in and out of this area to the  
14 south is going to be an interesting problem to --  
15 to have to address, particularly when you want to  
16 link that area to some degree with your GA  
17 terminal facility.

18 We also see that area as being key to  
19 another one, which is the -- the  
20 revenue-producing side. One of the things that  
21 we routinely do in planning studies, and I think  
22 it's been missed in the past in a lot of studies  
23 that have been done that I've reviewed, is we  
24 start looking at cost-benefit issues.

25 I've worked with a number of airports that

18

1 have gone out and looked at wanting to undertake  
2 massive, massive improvements. But the return on  
3 investment simply wasn't there. Why spend the  
4 money if it's going to be a losing proposition?

5 On a master plan at another airport, they  
6 were going to put in 25, 30, 40 feet of fill for  
7 a GA ramp. They're never going to be able to  
8 return on that investment, particularly when they

9 had other areas that could be developed that had  
10 proximity, that had access, that could be done  
11 far cheaper.

12 So, one of the things we incorporate into  
13 our planning studies is looking at the  
14 revenue-producing potential and comparing that to  
15 the cost of the improvement. We feel that gives  
16 you really a better basis to make decisions and  
17 to work off of that.

18 The intermodal facility tied to your  
19 terminal area facilities and expansions, we think  
20 is also a key area. We've been working on  
21 intermodal facilities at -- at several locations,  
22 not the least of which -- and I hate to bring up  
23 a bigger airport -- but is Baltimore, with a  
24 regional intermodal transportation center there.  
25 But we do understand those intermodal -- the

19

1 issues of intermodal connectivity. And we also  
2 understand that your existing terminal area is a  
3 tad tight.

4 So, there's going to have to be some --  
5 there's going to have to be some looking at the  
6 issues in that terminal so to see how it -- how  
7 it works, how you can expand ramp and not have

8 problems with tail heights penetrating into  
9 surfaces and things of that sort.

10 As I said, we've identified some of the --  
11 some of the actions or some of the items we think  
12 are going to be key. This certainly is not an  
13 exhaustive list. And we know that there will be  
14 others that we go through.

15 Could you all see this okay? Okay. Thanks.  
16 The -- kind of to summarize, because we did want  
17 to keep -- and you all wanted to keep the  
18 presentations fairly succinct and to the point,  
19 we kind of listed a few things that we felt were  
20 advantages of our firm. And I'm sure you're  
21 going to see two more of these boards before this  
22 day is over.

23 We feel we bring a very, very strong team.  
24 Again, I've got 24 years of experience. My  
25 background started in land-use planning. I've

20

1 got over 20 years of aviation-planning  
2 experience.

3 We also have a very good -- and -- and deep  
4 staff. It's not just one or two people. I've  
5 got a staff of 13 people in the Orlando office.

6 We have Lurise, who will be our local person, who

7 is in our Jacksonville office just up the road, I  
8 think approximately what, Lurise, 20 minutes, 25?  
9 So, if issues come up or if information is  
10 needed, we have somebody who can be here  
11 immediately, and certainly we can be here very  
12 quickly.

13 We do have a good rapport, an excellent  
14 rapport, not only with the Orlando ADO, but  
15 importantly with the southern region. I think  
16 you saw the board over here. When we refer to  
17 southern-region experience, we're referring to  
18 the FAA's southern region. And that comes in  
19 handy when you have to go beyond the ADO to deal  
20 with certain issues.

21 We have an extensive amount of experience  
22 working at GA airports. There's no point in my  
23 reading these off to you, but we also bring a lot  
24 of state-of-the-art tools, computer graphics, as  
25 well as -- as computerized planning tools.

21

1 We're committed to a very responsive  
2 service. And we certainly have the professional  
3 staff capability and depth to meet your needs,  
4 and we are committed to doing that.

5 And with that, I'm not sure if I'm exactly

6 on ten minutes, but we certainly are available

7 for question and answer. Sir?

8 CHAIRMAN GREEN: Excuse me. And -- I wanted

9 to make sure reading through what was presented

10 by Mr. Gorman, who put this together for us so

11 wonderfully, the initial period was a ten-minute

12 for presentation, followed by a ten-minute window

13 for Authority members to ask questions. But we

14 need to open it to the public.

15 So, what I'd like to do is take all of their

16 presentations, then open it to the public, and

17 then have the Authority members be able to ask

18 their questions in our discussions. Because if

19 we do it the other way, then we have to open it

20 to public again and then back to the board again.

21 So, with that --

22 MR. RICKERSON: You'd like us to step out?

23 CHAIRMAN GREEN: That would be great. And

24 the ten minutes was wonderful. Thank you very

25 much.

22

1 Mr. Wuellner, did you want us to put these

2 around the side or --

3 MR. WUELLNER: Mr. Cooper is going to figure

4 it out.

5 MR. COOPER: You want these put out after  
6 the other presentations or --

7 MR. WUELLNER: Store them in the back. If I  
8 understand, you want to do all three  
9 presentations and then follow with questions? Is  
10 that --

11 CHAIRMAN GREEN: That's what I think,  
12 because the way it was presented, is a ten-minute  
13 presentation, but then ten more minutes of  
14 questions by the board. But I need to open it to  
15 public and then back to the board again.

16 MR. WUELLNER: I guess that's really up to  
17 you, but I don't know why you would need to open  
18 that to public for purposes of consultant  
19 questions. Certainly on the agenda item,  
20 relative to when you get to the ranking process  
21 and -- and moving through what you've seen, it's  
22 really up to you, but that wasn't envisioned in  
23 the time format we gave you, so...

24 CHAIRMAN GREEN: If that's the case, we  
25 can -- we can do it the way it was scheduled, but

23

1 then I'd just ask our board, that when it comes  
2 to discussion and action, our questions are  
3 asked. They will have been asked of the parties.

4 So...

5 MR. WUELLNER: Yeah. The Authority's  
6 questions will have been asked. And then at that  
7 point, if there are public questions to the  
8 consultants or to the board relative to matters,  
9 then that would -- that keeps it all on schedule  
10 and in the format everyone's expecting.

11 CHAIRMAN GREEN: That's fine. I just didn't  
12 want -- we went back to Authority action and  
13 discussion, that we again start asking questions  
14 of the presenters.

15 MR. GORMAN: Ten minutes is very quick. And  
16 if the public's got questions, they do need to be  
17 able to ask them. But I understand --

18 CHAIRMAN GREEN: Okay. Well, then let's --

19 MR. GORMAN: -- what you're trying to do.

20 CHAIRMAN GREEN: Let's go back then. As  
21 long as the board knows when it comes to action  
22 and discussion, it's discussion amongst ourselves  
23 and action amongst ourselves. So then I  
24 misspoke. If you want to stay and the board  
25 members have their questions now, let's go ahead

24

1 and do it with these people. Then we'll close  
2 after each presentation, and then we'll open it

3 to public. Mr. George?

4 MR. GEORGE: What day -- what are you --

5 you're going to be the primary contact for this

6 project plan, right?

7 MR. RICKERSON: Yes, sir, I am.

8 MR. GEORGE: Where do you live?

9 MR. RICKERSON: I'm in Orlando.

10 MR. GEORGE: Orlando.

11 MR. RICKERSON: Yes, sir.

12 MR. GEORGE: All right. Is that most --

13 then most of your support staff will be in

14 Orlando, also, to help you with the project?

15 MR. RICKERSON: With the exception of -- of

16 Lurise, yes.

17 MR. GEORGE: Okay. I noticed on one of your

18 things, it said you were identified as the top 15

19 aviation firms in the USA. By who? By the wives

20 or --

21 MR. RICKERSON: Engineering -- no, actually

22 I don't think my wife would put us that high,

23 but -- unfortunately. But -- but no, by

24 Engineering News-Record. It's a -- an industry

25 publication that ranks the design and other --

25

1 other firms nationally, and they do it on an

2 annual basis.

3 MR. GEORGE: Yeah? Well, congratulations.

4 MR. RICKERSON: Thank you, sir.

5 MR. GEORGE: That's fine.

6 CHAIRMAN GREEN: Mr. Cox?

7 MR. COX: You said Lurise would be a point

8 of contact here in -- she's in Jacksonville,

9 so...

10 MR. RICKERSON: Yes.

11 MR. COX: And, Lurise, what's your

12 background?

13 MS. BANNISTER: I'm an aviation planner,

14 also.

15 MR. COX: Okay. And -- and you've been in

16 this for how long?

17 MS. BANNISTER: This is my sixth year in

18 aviation.

19 MR. COX: Yeah? Okay. Very good.

20 MR. RICKERSON: Lurise served as the -- as

21 an on -- on-site planner for -- for Jacksonville

22 within her previous employment. And we have

23 opened an office in Jacksonville because we

24 didn't have anything up in this area. And

25 she's -- she's serving as the planner in that

1 office.

2 MR. GORMAN: And just because of our  
3 previous experiences just recently, how many  
4 people do you have on staff that have hands-on  
5 construction superintendent experience?

6 MR. RICKERSON: I better turn that to him.

7 MR. GORMAN: In other words, that are  
8 actually -- have their hands in it.

9 MR. MOHAMMADI: I'll talk about Florida  
10 first. We have one professional engineer who is  
11 the overall construction manager that handles all  
12 construction issues that come in from different  
13 airports.

14 MR. GORMAN: He's an ex-private construction  
15 engineer --

16 MR. MOHAMMADI: He works for -- yeah, a  
17 full-time employee of LPA. And then we have two  
18 full-time inspectors who also basically are at  
19 the job site handling the inspection. I'm not  
20 sure if that answers your question or if I  
21 understood it. Is that --

22 MR. GORMAN: I was just concerned with the  
23 background of the actual individual, whether they  
24 actually were in construction and then went into  
25 your firm or whether or not they were an

1 engineer.

2 MR. MOHAMMADI: Okay. The -- the engineer,  
3 the P.E., was in construction, worked for a  
4 testing firm for many years. And the other two  
5 have been in construction for 20 or 30 years.

6 MR. GORMAN: Okay.

7 CHAIRMAN GREEN: Mr. Ciriello?

8 MR. CIRIELLO: Yeah. I'm not sure if I can  
9 get this question to you so you'll understand  
10 what I'm saying but, you know, the FAA has a lot  
11 of safety rules and spacing between runways,  
12 taxiways and all.

13 Has your company ever had to, let's say  
14 petition the FAA for a particular airport that  
15 was maybe strapped for space that wanted to do  
16 something that was against their rules and you  
17 got them to change their mind?

18 MR. RICKERSON: The answer to that is yes.  
19 Kalamazoo/Battle Creek International Airport, I  
20 was the project manager on that project. They  
21 have a 300-foot taxiway to runway center line  
22 separation, which was a violation for aircraft in  
23 design group -- well, approach reference code C,  
24 design group III. It should have been 400 feet.  
25 We went through a process of evaluating, also

1 from a cost-benefit standpoint, and received an  
2 adaptation to standard for operations on that.

3 We have submitted 47 adaptations to standard  
4 in the last three months relative to -- and this  
5 is -- this is a bigger issue, but it's relative  
6 to the operations by the Airbus A-380, the new  
7 double-decker aircraft that's coming online  
8 that's bigger than the 747. And we have  
9 submitted that in a -- in a detailed report on  
10 A-380 compatibility for Miami International  
11 Airport.

12 I am dealing with issues of runway safety  
13 area determinations of practicability at  
14 Lexington, Kentucky, and we have gotten a  
15 600-foot safety area versus the full  
16 thousand-foot safety area.

17 And we are also dealing with standards  
18 issues at Augusta Regional. We have a 30-day  
19 time frame for a full airport layout plan update,  
20 and we've already met with FAA in Atlanta to  
21 discuss the -- the mitigation of runway safety  
22 area issues at Augusta and have tentative  
23 approval, sir.

24 MR. CIRIELLO: Thank you.

25 MR. GORMAN: Do you -- who do you have on

1 staff that has any familiarity with navigational  
2 aids and their standards?

3 MR. RICKERSON: Well, I'm -- I'm on staff  
4 with that. We also have a gentleman by the name  
5 of Sebastian Carou (phonetic) who handles a lot  
6 of our airspace modeling, as well as the -- the  
7 analysis of -- of standards and the analysis of  
8 nav aids. Doug DiCarlo has also been heavily  
9 involved in that. All these people -- well,  
10 those two gentlemen are in the Orlando office.

11 MR. GORMAN: You have modeling capability,  
12 computer-modeling capability yourself within your  
13 firm?

14 MR. RICKERSON: Yes, sir, we do.

15 MR. GORMAN: Thank you.

16 CHAIRMAN GREEN: Any more board questions?

17 (No further questions.)

18 CHAIRMAN GREEN: Thank you very much.

19 MR. COX: Thank you, gentleman.

20 MR. GEORGE: Thanks.

21 PASSERO ASSOCIATES

22 CHAIRMAN GREEN: The next group would be  
23 Passero Associates.

24 (Whereupon, there was a pause in the proceedings.)

25 CHAIRMAN GREEN: Mr. Wuellner?

30

1 MR. WUELLNER: Yes, ma'am.

2 CHAIRMAN GREEN: One of the board members  
3 had suggested, for the use of our time while the  
4 presenters are -- are setting up, he had some  
5 comments that he would have put in his comment  
6 section that just deal with the conference and  
7 just what he felt what the good part of the  
8 conference was that he attended.

9 MR. WUELLNER: That's fine. You have five  
10 minutes between the two, so...

11 CHAIRMAN GREEN: Right. So, we thought we'd  
12 use that time. So, Mr. George?

13 MR. GEORGE: Good. I don't know if many of  
14 you remember, but I went out to Los Angeles for  
15 the American Association of Airport Executives,  
16 and went out primarily to see what other types of  
17 national -- what types of national organizations  
18 were there that we could get guidance and  
19 direction and pull information from.

20 And I was very pleasantly surprised in two  
21 aspects of it. One, the -- the AAAE is a going  
22 concern, and there were a lot of airport  
23 executives there that picked up a lot of

24 information. It's a conference that disseminated  
25 a lot of information about things that are

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1 happening in the future and security issues and  
2 also funding. And if anybody gets a chance to go  
3 to it, I would strongly suggest that you do.

4 The second comment I have to make about it  
5 is to compliment our staff. I went out with Ed  
6 and Bryan. And, you know, I've been to  
7 conventions when I used to be with IBM and stuff,  
8 but I'd go play golf with the guys on Tuesday  
9 afternoon or whatnot. But these two guys, you'd  
10 have been proud of them. They -- they met a lot  
11 of people out there and a lot of people sought  
12 them out, asking their opinions on everything.

13 And I went behind them and picked up all the  
14 resum,s they turned in and threw them in the  
15 trash cans, so... But they -- they did us well,  
16 and it was -- it was a good trip.

17 One of the things that was most important  
18 was the camaraderie about the airports in  
19 Florida. You know, the -- their counterparts at  
20 other airports were all dealing with similar  
21 types of issues and everything.

22 Anyway, there is a -- also a conference that

23 is done just for the Florida Airports Council,  
24 and that's August the 3rd to the 6th, and I would  
25 strongly recommend that somebody go to it. A lot

32

1 of good information.

2 MR. COX: Where is that at?

3 MR. GEORGE: Fort Lauderdale.

4 (Whereupon, there was a pause in the proceedings.)

5 CHAIRMAN GREEN: Okay. All set?

6 MR. COX: How are you doing?

7 MR. GEORGE: Hi. Wayne George.

8 MR. HOLESKO: Andrew Holesko.

9 MR. GEORGE: Andrew, nice to see you.

10 CHAIRMAN GREEN: Thank you. Suzanne. You  
11 can either speak at the podium, or there's a hand  
12 mic right here if you need to walk around.

13 MR. HOLESKO: Actually, I will -- okay.

14 Good afternoon. My name is Andrew Holesko, and I  
15 am the program manager with Passero Associates.

16 I manage the Fernandina Beach, Florida office.

17 With me this afternoon is Wayne Wegman of Passero  
18 Associates and Dawn Blackledge from Aerostar  
19 Environmental.

20 Thank you very much for having us.

21 Basically, what we're going to do this afternoon

22 is -- is talk about the triangle that you see  
23 over here to your right of experience, service,  
24 and commitment. We thank you for this  
25 opportunity. And I'd like to let you know a

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1 little bit more about myself before I introduce  
2 Wayne and Dawn.

3 I live in Orange Park, Florida, and I  
4 commute 61 miles one way to Amelia Island every  
5 day. I have lived in Northeast Florida for seven  
6 years.

7 I started off my aviation career as a flight  
8 crew chief in the United States Army in 1983,  
9 which ended up leading me to Embry-Riddle  
10 Aeronautical University and the Florida Army  
11 National Guard and into the field of airport  
12 consulting, where I am today. Been doing this  
13 for about fourteen and a half years. With  
14 Passero Associates, I've been with the company  
15 about seven years.

16 Wayne Wegman is the vice-president of  
17 aviation for Passero Associates. Wayne and I  
18 have been working together very actively for nine  
19 years. Wayne has been with the company over 25  
20 years, and he is currently serving as the

21 vice-president responsible for work at 14 general  
22 aviation airports.

23 Dawn Blackledge is the president of Aerostar  
24 Environmental. Dawn and I met about six years  
25 ago. And I have worked with several

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1 subconsultants that have provided environmental  
2 services and other related services since I've  
3 been here in Northeast Florida, and Dawn is the  
4 one that I enjoy working with the most.

5 Not only does she provide quality service,  
6 but we get along very well, and she shares the  
7 same corporate philosophy as Passero Associates,  
8 and that, frankly, is that the client comes first  
9 and whatever we need to do to make sure that  
10 their project and scoping issues are addressed,  
11 that they're all taken care of.

12 I'm just going to turn it over to Wayne  
13 Wegman for a few minutes and let him talk about  
14 the triangle over there to your right.

15 MR. WEGMAN: Do I need a microphone if I  
16 talk at this level?

17 MR. GEORGE: Not for me.

18 CHAIRMAN GREEN: Is it okay?

19 MR. WEGMAN: Okay. Thank you, Andrew. You

20 know, to be honest with you, preparing for this  
21 presentation was a little difficult for us.

22 Typically, we like to spend time talking  
23 about our experience, our qualifications, talking  
24 about your needs and how we would address those  
25 needs, what we've done for other airports similar

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1 to your need.

2 But quite frankly, ten minutes, it's not  
3 enough time. So, we sort of stepped back and we  
4 said, what's important? What should we talk  
5 about? And as Andrew pointed out, we think  
6 what's important is this triangle. And this  
7 triangle, actually, of experience, service, and  
8 commitment has become our firm's -- the basis of  
9 our firm and the way we practice.

10 We've been doing aviation work for over 20  
11 years, and we've been pretty successful at it.  
12 As a matter of fact, we haven't lost a client  
13 yet. Of course, over half of our airports have  
14 been gained from other consultants and, you know,  
15 they've selected us. So, we have asked our  
16 airport sponsors, you know, why do you like  
17 working with us and what's important to you? And  
18 pretty consistently, it's come down to these

19 three factors.  
20 Now, experience -- again, we don't have time  
21 to go through all our experience. What we want  
22 to do -- and Andrew will talk about our  
23 experience. Our experience are in our people.  
24 You know, I can tell you of a hundred projects  
25 we've done. But really, it's in the staff we

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1 have that is going to work on your projects. But  
2 the service and commitment is where we believe  
3 we're different.

4 To be honest with you, Andrew introduced  
5 himself, gave you a little background. I think  
6 in your handout, it may talk about, you know, all  
7 of the 19 years of experience. I think he's  
8 worked at 50 different airports in 11 different  
9 states, has done over a hundred projects. But  
10 what should be important to you is Andrew is  
11 going to be your program manager.

12 Now, that's a term we use. It's the client  
13 manager, the project manager. Andrew is going to  
14 handle every project that we do with you. He is  
15 going to be at the Authority meetings to make  
16 sure that he has a finger on the pulse of what's  
17 important to you. He is responsible to manage

18 every project that we do with you. Not only we  
19 have Andrew as the program manager, he'd be the  
20 project manager for the master plan.

21 Andrew is -- he's an adjunct professor for  
22 nine years for Embry-Riddle. He's -- he's got --  
23 I believe, without question, Andrew's the most  
24 qualified person to fill not only the project  
25 manager role or the -- for the master plan, but

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1 certainly to service you. And we believe that's  
2 the most important part of it.

3 MR. HOLESKO: Next up is what I call our  
4 scary board. I know preparing this with our  
5 graphic production staff, they said, "Andrew, are  
6 you crazy? What are you doing? You can't -- no  
7 one's ever done that before, put all of those  
8 faces of all those people on there." I said,  
9 "Tara, we're putting all the faces on there,  
10 okay? We're letting the Airport Authority see  
11 the exact people that will be dedicated to their  
12 projects."

13 And that's our report group. That's our  
14 airport planning and engineering group. It's not  
15 the support services of environmental; it's not  
16 architecture. This is the hard-core planning and

17 engineering for our company that serves our 16 or  
18 17 aviation clients right now, averaging 16 years  
19 of experience per professional, currently serving  
20 14 general aviation airports, some of which are  
21 very comparable here to St. Augustine, and a  
22 30-year corporate history.

23 Our company's been in business 30 --  
24 actually, now, 31 years. We've had a presence in  
25 the State of Florida for 20 years and in

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1 Northeast Florida for the past five. Those are  
2 the exact people with the exact titles that we're  
3 offering to you. So, those are the faces,  
4 whether that's good or bad. At least you didn't  
5 laugh too badly at me. I'll tell Tara that;  
6 she'll be happy.

7 The next part of our triangle is that of  
8 service. Your initial qualifications package  
9 asked us to document our integrity. And Wayne  
10 and I sat there and discussed that. I mean, how  
11 do you document integrity, that you provide good  
12 service with integrity?

13 And we really both sat back to what we've  
14 been talking about, the founding partner of our  
15 company, and this is true, his name is Gary

16 Passero. Gary has very strong religious and  
17 moral values. And that is placed inside the  
18 company from Gary into our corporate culture.

19 We are very pleased that our own clients --  
20 if any of you bothered to look at the CD or the  
21 video that we put inside our package, we're very  
22 flattered that our clients would actually offer  
23 to be videoed just for you to talk about the  
24 issue of the integrity and quality of our  
25 services. We don't take that lightly. That is

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1 something that is inherent in everything we do to  
2 serve you.

3 The on-time performance, to us, that's a  
4 standard inside our projects. You're dealing  
5 with funding cycles with the DOT and the FAA.  
6 There are times when something has to be done by  
7 a certain date. And if you hire us, we'll do the  
8 best to get those things done.

9 Direct communication, Wayne mentioned I will  
10 be the program manager. For the duration, if you  
11 select Passero Associates the assignment, I will  
12 be the person that stands at your podium and  
13 talks with you about coordination and production  
14 on your projects.

15 One of the other questions I thought was  
16 very interesting inside your additional ten  
17 questions that you sent out was the issue of  
18 attending Airport Authority meetings. We expect  
19 to attend your Airport Authority meetings  
20 monthly, if not more frequent, or special  
21 workshops.

22 We attend all city council, airport advisory  
23 commission meetings for all of our clients.  
24 Somebody from Passero is always there, and in  
25 most cases, that's normally me. That's what I

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1 do. And I think that's important to bring that  
2 up.

3 Finally, the issue of quality deliverables.  
4 Obviously there was some research in there in  
5 some of your questions about the cost estimating  
6 and projects being over budget and things like  
7 that. And, actually, we enjoyed going back and  
8 doing the research and looking at our cost  
9 estimating and found out that only one of the  
10 last 40 projects that we worked on, where we  
11 opened up a bid, it was over our -- over our  
12 engineering estimate.

13 Quality deliverables and value engineering.

14 Some people are looking at value engineering as  
15 after the fact: How are we going to fix the  
16 project and make it work now? Well, we try to do  
17 that before you even get that deliverable. We  
18 have different people looking at the products  
19 before you even see them to make sure that  
20 hopefully we don't open up that bid and find out  
21 that it is \$500,000 above the budget that you  
22 have.

23 The question of commitment. I don't even  
24 put it on my business card that I'm a principal  
25 or a vice-president inside the company. That's

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1 my own personal preference.

2 Wayne and I are two of the seven partners  
3 inside the company. All seven of our  
4 vice-presidents are still technicians. We are  
5 not a 500-person company. We're a 75-person  
6 company. We all still work and we all have  
7 personal commitments with our clients, and that's  
8 what we're here to offer you today. And that's  
9 my personal commitment to you.

10 I also have a personal commitment and a  
11 professional commitment to the north -- Northeast  
12 Florida aviation community. You know, Wayne

13 mentioned a minute ago about the working as a  
14 professor for Embry-Riddle. I've been teaching  
15 for them for nine years now.

16 As you know, they opened up an office right  
17 here with Northrop Grumman about 12 to 18 months  
18 ago. I was very honored and flattered, because  
19 I'm sure you don't know this, but they asked me  
20 to be the very first professor for the very first  
21 course taught. I know that it was a time frame  
22 issue, too, but I was the first person to teach  
23 over at Northrop Grumman.

24 I also teach at JIA, I teach at Craig, and  
25 I'm going to be teaching in Fernandina shortly.

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1 But it's that dedication and work with the other  
2 people inside the Northeast Florida aviation  
3 community, as well as the regional planning  
4 people, that's the part of the commitment to the  
5 entire system itself.

6 The early and proper scoping. Some of  
7 that's where Dawn and I have had quite a history  
8 together. Dawn works on a lot of environmental  
9 issues. When we have a project that you -- that  
10 you assign to us, Passero Associates is going to  
11 look at our issues. We're going to give it to

12 Dawn and say, "Dawn, based on everything we know  
13 about the environment in this area, what are we  
14 going to do?"

15 We're not going to come in later in the  
16 project and say, "Oh, we didn't know we were  
17 going through a wetland," or whatever the case  
18 may be. Early project scoping specifically with  
19 environmental issues obviously are very close  
20 related to the success of your project.

21 Start-to-finish mentality. We're not  
22 thinking of this as a project assignment. If we  
23 are working on a planning project or an  
24 engineering project, do you really want an  
25 engineering design? The answer is no. You want

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1 a taxiway. You want a hangar. That's the finish  
2 of the project. It's not when you open those  
3 bids; it's actually getting the final product.  
4 We are always thinking about the start-to-finish  
5 mentality.

6 Respond to the airport community. You've  
7 got the general public here and members of your  
8 aviation community, fixed-base operator, Pilots  
9 Association. You've got the FAA and Florida DOT,  
10 the general public. I put inside our initial

11 proposal to you what we deal with in Fernandina.

12 I think there are some certain cultural  
13 ideas and review and involvement with -- with the  
14 community that -- that come with being an airport  
15 consultant at these types of airports in this  
16 type of community where history and environment  
17 and quality of life are important issues. And  
18 they are definitely pressed by development  
19 issues.

20 And finally, addressing project challenges.

21 Can I stand here and tell you that every project  
22 Passero Associates does is perfect and goes  
23 wonderfully from start to finish? No, I can't  
24 say that.

25 But it's how we deal with those project

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1 challenges, whether they be environmental with  
2 Dawn when something does come up, or whether we  
3 find out that the FAA didn't give you a  
4 discretionary funded grant when you do, and how  
5 you work within a project budget that has been  
6 reduced, or you have a contractor claim or you  
7 have contractor problems. We are going to stand  
8 by you. That is what we stand for.

9 And the final issue on that, on addressing

10 project challenges, we don't like to do what we  
11 call nickel-and-dime invoices and things like  
12 that. If you invite me to a meeting or you  
13 invite me out somewhere one day, we don't follow  
14 up with an invoice for \$400 because you're  
15 invited to a meeting. That's part of our  
16 assignment and part of our commitment to you, to  
17 attend those things and realize that, "Andrew, we  
18 just needed your help for an hour. We just  
19 wanted you to review the airport budget to see  
20 what made sense."

21 Our -- we are committed to you and all the  
22 things that you do.

23 Our final board is why Passero? We've added  
24 a few words to our experience and service and  
25 commitment to now read "proven experience,

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1 exceptional service, and total commitment."

2 How can I stand there and say that? Well,  
3 the first thing I refer back to is a testimony  
4 that we've put inside your qualifications  
5 packages from our clients. We are very flattered  
6 that our clients would give us video testimony,  
7 as well as letters to put inside our packages.  
8 We think they are a good test of why we provide

9 proven experience, exceptional service, and total  
10 commitment.

11 What is the final test? Really two things.

12 First of all, you are the final test. We are not  
13 the final test. It's the questions that you're  
14 about to ask us and really the next five years of  
15 the final test.

16 And the last item is you may question  
17 whether or not we're ready. Are we ready to come  
18 up there and --

19 (Distributing handout.)

20 MR. HOLESKO: You just need to fill in the  
21 middle now. You may be asking yourself: Are we  
22 really ready to serve as your airport consultant  
23 for engineering and planning?

24 This is a workbook that we create for all of  
25 our airport master plans. This is the document

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1 that becomes a living, breathing work. Inside  
2 it, what you'll see is a workflow diagram of the  
3 steps of an airport master plan that you will  
4 follow because the FAA and the DOT say these are  
5 the standard workflow bullets.

6 Obviously, you can tailor them to your needs  
7 inside it. You also see a project schedule

8 beginning on August 1st of 2003. We're ready to  
9 begin your project in July and August of 2003.

10 The last two advisory committee issue  
11 questionnaires that I have put inside there, in  
12 some ways, the first master plan meeting is one  
13 of the most interesting. I ask people, you know,  
14 what's broke on the airport right now and where  
15 do they think the outcome should be 12 months in  
16 the future.

17 And we put that together in the very first  
18 meeting. Then what we do is set that aside, and  
19 we review that when we get to the very end with  
20 the draft final report. And then I bring the  
21 same list out and say, "Hey, look, this is what  
22 you said we had to look at from the very  
23 beginning."

24 We better have those issues addressed at the  
25 end of the master plan if they are the items that

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1 were broke at the beginning and the outcomes that  
2 everybody was looking for. Those better be the  
3 same items or else your master plan is not doing  
4 what you want.

5 So, I hope we get to fill this book with you  
6 and create the contents with you, because we're

7 ready.

8 Now, the final test, I guess, is your  
9 questions and where we go from here. Hope -- we  
10 sincerely thank you for the opportunity.

11 CHAIRMAN GREEN: Thank you. Open the board  
12 up briefly for some questions. Mr. Gorman?

13 MR. GORMAN: How many of your staff are in  
14 the North Florida area that could respond within  
15 a several-hour period of time?

16 MR. HOLESKO: Well, the Fernandina office is  
17 also a project-related office. The -- it depends  
18 very much on -- on exactly what we're doing.

19 We have between four and ten people in our  
20 office at any time, depending on the work load.  
21 But the residents of Florida, there are four of  
22 us full time. We have other contract employees,  
23 but four of us live in Northeast Florida.

24 MR. GORMAN: And your main office is --  
25 again, I've forgotten.

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1 MR. HOLESKO: Our main office is -- main  
2 office is in Rochester, New York.

3 MR. GORMAN: Rochester, New York.

4 MR. HOLESKO: Rochester, New York, right.

5 MR. WEGMAN: You should point them out --

6 MR. HOLESKO: We're back to the scary board  
7 again, but you have me serving as your project  
8 manager, your program manager, and your senior  
9 player (indicating). David Harris is senior  
10 construction inspector (indicating). Jonathan  
11 Page is our project engineer (indicating). And  
12 Diane Hogue (phonetic) is our office manager  
13 (indicating). Pete has been here for several  
14 months (indicating). Actually, every person on  
15 this board has spent time in Florida.

16 MR. WEGMAN: Except for Fran --

17 MR. HOLESKO: I'm sorry. Except for Fran,  
18 who's been our grants administrator has not been  
19 in Florida.

20 MR. GORMAN: I see Mr. David Harris, the  
21 senior construction inspector.

22 MR. HOLESKO: Yes.

23 MR. GORMAN: He is an ex-construction,  
24 again, similar to the previous question I asked  
25 the other firm? He is a previous construction

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1 superintendent?

2 MR. HOLESKO: Yes.

3 MR. GORMAN: He is in Florida?

4 MR. HOLESKO: He is active right now. Yes.

5 He lives in Yulee, Florida. Yes.

6 MR. CIRIELLO: Yes. You know, the FAA has a  
7 lot of rules and everything for all the airports,  
8 and I don't believe all airports are the same for  
9 distances between runways, taxiways, and whatnot.

10 Has your company ever approached the problem  
11 to help benefit an airport and got the FAA to  
12 change or relax some of their rules in favor of  
13 the airport?

14 MR. HOLESKO: Well, that's -- yes, we have.  
15 We call that a modification of standard. And  
16 there are -- there are modification to material  
17 standards, modification of design standards. And  
18 yes, we have.

19 We've also done that at the Orlando ADO  
20 right here, your same project manager. But yes,  
21 we have gone to them and said, "This doesn't  
22 apply."

23 In many cases, it ends up being a cost  
24 benefit analysis to show them why something else  
25 would work better. And actually we've been very

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1 successful in Fernandina and Rochester at getting  
2 modifications of standards in actually several  
3 different areas. And we have done that in --

4 frankly in the last six months on a major issue  
5 in another airport here in Northeast Florida.

6 MR. CIRIELLO: Okay. Thank you.

7 MR. GEORGE: You mentioned that you had 14  
8 general aviation airports and there were 75  
9 people in the firm.

10 MR. HOLESKO: Yes.

11 MR. GEORGE: What do you do other than  
12 general aviation airports?

13 MR. HOLESKO: Well, we also -- we are  
14 working on a -- on a new airport site. We also  
15 work for a commercial service airport. And we  
16 have a 12-person surveying crew. We also work  
17 with state DOT, roads and highways. We have an  
18 environmental branch. We have six-person  
19 architecture. Wayne, what else?

20 MR. WEGMAN: We have -- we do site  
21 engineering as well --

22 MR. HOLESKO: Yes.

23 MR. WEGMAN: -- for development work.

24 MR. GEORGE: What percentage of the business  
25 is aviation?

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1 MR. WEGMAN: Twenty-five percent.

2 MR. HOLESKO: It's the largest single

3 market.

4 MR. GEORGE: Twenty-five?

5 MR. HOLESKO: And the largest single market  
6 in the company.

7 MR. WEGMAN: I'd like to point out the 14  
8 individuals on this board are our airport group.  
9 They exclusively work on airports. As Andrew  
10 mentioned, you know, we have architects that work  
11 on airports. We have environmental engineers.  
12 We didn't miss them. We wanted to show you the  
13 people who are exclusively in the airport group.

14 MR. HOLESKO: But it is our largest market.

15 MR. GEORGE: What is a realistic time frame,  
16 if we did get started in July, to have a master  
17 plan published?

18 MR. HOLESKO: Accepted by the -- the  
19 document that we give to the FAA or the final  
20 stamp of the airport layout plan by the FAA?

21 MR. GEORGE: I'll take both.

22 MR. HOLESKO: Okay. I would tell you that a  
23 realistic time frame to get you the draft final  
24 document that we all agree on to be submitted to  
25 the DOT and FAA would be 12 to 15 months, and

52

1 then, depending on where you are with the FAA

2 after that, we would expect them to approve it in  
3 as little as 30, but within 60 days that they  
4 have that document.

5 MR. GEORGE: Here's a dilemma that I think  
6 we have. We've been acquiring land in  
7 anticipation of growth. We've got 95 people on  
8 the waiting list for hangars. We're looking for  
9 a master plan to give us the direction, you know,  
10 on where to put the next facilities and stuff.

11 If we have to wait 12 to 15 months to get  
12 that direction, I think we are unable --

13 MR. HOLESKO: If that was the case, the  
14 recommendation that I would give to you right now  
15 is to find another location that is an absolute  
16 low-risk -- low-risk location, do a revision to  
17 your existing airport layout plan, and  
18 immediately send it to the FAA and immediately  
19 start.

20 You don't have to have the full revised  
21 airport layout plan and airport master plan, as  
22 long as you have a low-risk location that you  
23 know is going to be a good choice. Otherwise, it  
24 isn't a good choice.

25 But if you know somewhere that this is

1 definitely what we want to do, this is where  
2 we're going to head in the master plan, and you  
3 can prove that to the FAA and frankly go see  
4 them, go meet with them, and even have them come  
5 here, if it's that important, but you can find a  
6 location and make it work. That's not a risk.

7 MR. GEORGE: Thanks.

8 CHAIRMAN GREEN: Mr. Cox?

9 MR. COX: We've got a serious number of  
10 environmental decisions to make due to our  
11 proximity to the ocean, the marsh, and the -- a  
12 lot of that area up there (indicating). So, some  
13 of my -- my questions are going to be directed  
14 towards Ms. Blackledge. What is -- just out of  
15 curiosity, what's S-J-R-W-M-D stand for? I see  
16 this S-J --

17 MS. BLACKLEDGE: St. Johns River Water  
18 Management District.

19 MR. COX: Okay. Good. You consult for the  
20 firm, or you're a permanent employee of the firm?  
21 What --

22 MS. BLACKLEDGE: I'm a permanent employee of  
23 the firm.

24 MR. COX: Okay. It said "work with." Very  
25 good. Okay. Serious number.

1       So, in the planning of the master plan, you  
2       would be available right away, because I know  
3       these issues take a tremendous amount of time to  
4       get over the humps with the EPA and whatnot, or  
5       the --

6       MS. BLACKLEDGE: Yeah, we actually are in  
7       Jacksonville. We're 20 minutes from here, right  
8       up by UNF, right by the college. And we have 35  
9       people locally here in Jacksonville --

10      MR. COX: Oh, good. All right.

11      MS. BLACKLEDGE: -- that would be available  
12     to get started immediately on any projects.

13      MR. COX: So, any -- any road bumps we came  
14     over would be hopefully resolved fairly quickly.

15     All right. Very good. Thank you.

16      CHAIRMAN GREEN: Any other questions from  
17     the board?

18      MR. GORMAN: Yeah. I apologize for just the  
19     ten minutes. We've gone through a pretty  
20     exhaustive selection committee just to pare it  
21     down to you three firms, so -- but I do apologize  
22     for ten minutes and the short questions and  
23     answers. What should we do, open it up? One of  
24     the public --

25      CHAIRMAN GREEN: Yeah. I think we have one

1 more. We have one more.

2 MR. GORMAN: I know we have one more, but I  
3 know -- yeah, I'm sure the public has questions.

4 MR. WEGMAN: Mr. Gorman, there's no reason  
5 to apologize.

6 MR. GORMAN: Well, it's quite quick. I knew  
7 you were a bit frustrated, so...

8 CHAIRMAN GREEN: Thank you very much.

9 MR. WEGMAN: Thank you very much.

10 CHAIRMAN GREEN: I have a question for you  
11 when they pack up. Mr. Gorman -- sorry about  
12 that.

13 MR. WUELLNER: That's all right.

14 CHAIRMAN GREEN: Mr. Gorman, when we opened  
15 up to public discussion, did you want the  
16 representatives present, or is that --

17 MR. COX: Thanks a lot.

18 CHAIRMAN GREEN: -- or is that public  
19 comment to the board? I wasn't sure how you  
20 wanted to present it. Thank you.

21 MR. GORMAN: Well, I want it to be the most  
22 fair possible. What do you think? You know, do  
23 you think that the representatives need to be  
24 here so the public can query them as to  
25 specific -- something specific? We'll have to

1 make it fairly short.

2 MR. COX: I'm not so sure that the public is  
3 that --

4 MR. CIRIELLO: They may feel that they --

5 CHAIRMAN GREEN: We need a speaker. Yeah.  
6 I think the best avenue might be to just open up  
7 for public comment.

8 MR. WUELLNER: Right.

9 CHAIRMAN GREEN: Since they've heard  
10 everything, let the public comment on what  
11 they've heard.

12 MR. COX: And just to us.

13 CHAIRMAN GREEN: And then just to the board  
14 so we can let the presenters leave, and then  
15 we'll have our panel discussion.

16 MR. GEORGE: Mr. Gorman can answer most of  
17 the questions personally.

18 MR. GORMAN: What's that?

19 MR. GEORGE: You're so knowledgeable, you  
20 can answer the questions.

21 MR. GORMAN: You put me up to it.

22 (Whereupon, there was a pause in the proceedings.)

23 PROSSER HALLOCK

24 CHAIRMAN GREEN: There's a mic up here, sir,

25 if -- if you'd like. There's the podium, but

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1 there's also a standup mic that you can attach to  
2 your tie right on the countertop right here, if  
3 you need that.

4 Our next presenter is Prosser Hallock,  
5 and -- we'll have a ten-minute presentation  
6 followed by some questions by the board.

7 MR. HALLOCK: Okay. Can you hear in this?

8 CHAIRMAN GREEN: Yes, sir. I think so.

9 MR. HALLOCK: Okay. Good. Good afternoon.

10 My name is Pete Hallock of Prosser Hallock. We  
11 appreciate the opportunity to present our  
12 qualifications to you today.

13 We've got a long history in Jacksonville. I  
14 hope we're a familiar name. And I hope before  
15 our presentation is over, we've demonstrated that  
16 our qualifications are -- are fairly deep and  
17 that we do have a desire for this job. And I'll  
18 probably figure out how to get totally wound up  
19 in this cord before it's over, too.

20 Very briefly, I wanted to go through our  
21 organization chart. Again, we work as a team.  
22 You-all are head of the head of that team. I am  
23 the principal of Prosser Hallock. Dick Prosser

24 is my partner. We do our projects traditionally  
25 with an overall project manager or portfolio

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1 manager.

2 In this case, for aviation work, that's  
3 George, or "Buster" Brown. And Buster is a  
4 retired Navy captain, currently holds a  
5 commercial license in both fixed and rotary, so  
6 very, very familiar with airports, a lot of good  
7 airport experience, and he's been managing  
8 airport work for us now for over three years.

9 With me also, if you'll hold your hand up,  
10 is Bill Cranford. Bill is a licensed engineer  
11 and handles all of our -- what I call bread and  
12 butter, civil engineering.

13 We also have, not with us, but a full  
14 complement of transportation engineers, landscape  
15 architects, and utility engineers. We're located  
16 35 minutes up the road in Jacksonville. We've  
17 been there since 1984. It's our only office.  
18 So, we are your local -- your local provider.

19 Rounding out our team includes  
20 subconsultants, including DRMP Surveyors here in  
21 St. Augustine.

22 With me today, I have Juan Nunez with T.Y.

23 Lin. He's providing the -- the specific aviation  
24 expertise. Also in aviation planning, Montgomery  
25 Consulting, represented by Monty Gettys.

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1 Our geotech service is not represented  
2 today, but is Bill Price with Civil Services,  
3 Inc. And in the interest of time, lastly, the  
4 architectural design is being provided by Rob  
5 Overly with Design Works.

6 What I thought would be most meaningful  
7 would be to go through several projects that are  
8 actually completed projects of a type which we  
9 think have a high probability of being the type  
10 services that you would require here at this  
11 airport, again, to demonstrate our familiarity  
12 and to show that we not only start projects, we  
13 complete projects. So, each one of these is a --  
14 is an actual reproduction from a set of plans.  
15 It's got our name on the title block, Real Deal  
16 Completed Project.

17 And the first is in the area of planning,  
18 it's the ALP, or airport layout plan, for Craig  
19 Airport in Jacksonville. I wanted to go ahead  
20 and turn it over to Monty and let her discuss our  
21 approach to planning.

22 MS. GETTYS: Thanks, Pete. It's a pleasure  
23 to be here today. I just wanted to touch on a  
24 couple issues, because we know that one of the  
25 first projects that you have is a master plan

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1 update.

2 Our concept really for a master plan update  
3 is to do a visioning session to get all of the  
4 stakeholders together and work through a  
5 strategic process of where you think the airport  
6 should go within the next 20 years.

7 We are experienced master planners, airport  
8 master planners, and we've found that this is the  
9 best way to develop consensus. It's a way of  
10 balancing community issues, economic demand  
11 within the St. Johns County area, as well as the  
12 needs for your tenants and your aviation needs.

13 We would want to certainly integrate the  
14 goals of St. Johns County. We're aware that they  
15 are going through a visioning process right now  
16 and think this will be a good timing to merge  
17 some of the information from both planning  
18 studies.

19 We know there is a number of issues,  
20 particularly in the economic development area.

21 One of the -- the benefits I think with working  
22 with Prosser Hallock is their experience in  
23 economic development in St. Johns County.

24 I think we bring an aviation bent to that,  
25 looking at both developing aviation, as well as

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1 nonaviation economic development, so that we can  
2 increase the economic revenue to the airport.

3 Security is an issue in general aviation  
4 that is -- is changing. TSA is going to be  
5 coming out with requirements for general aviation  
6 airports, and we certainly will need to take a  
7 hard look at some of the security issues in this  
8 master planning process, because again, one of  
9 the goals is not only the planning process  
10 itself, but is to develop dynamic tools and  
11 usable tools that the staff can use in  
12 implementing the capital improvement program.

13 There are a number of different issues, and  
14 I don't think we have time to go into all of  
15 them. But one of the -- I guess the resounding  
16 elements of our master plans is to make them  
17 fiscally sound. We think that is a big -- a big  
18 effort.

19 So with that, Pete, I'll turn it back over.

20 MR. HALLOCK: Thank you. Okay. Continuing,  
21 I'll -- I'll roll through these fairly quickly,  
22 but again, back to demonstrating some of the  
23 completed projects that Prosser Hallock has from  
24 its 12-year association with the Jacksonville  
25 Aviation Authority, we have completed the

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1 airfield electrical vault improvements at Cecil  
2 Field. That took a military facility and brought  
3 it up to today's standards, both in terms of  
4 safety and local code.

5 At JIA, we completed the design and  
6 installation of a PAPI or Precision Approach Path  
7 Indicator system.

8 At Craig Airport, we've had the, I guess I  
9 would say pleasure of dealing between airport and  
10 users in -- in jointly determining what the best  
11 facility would be for corporate hangars and FBO  
12 facilities. So again, challenging -- challenging  
13 project dealing between users and -- and the  
14 actual Authority.

15 Okay. At Herlong Airport, we remodeled the  
16 terminal, or the FBO facility, and actually  
17 received an FAA award for that final outcome.

18 And the last project I'll describe, which

19 really I think highlights how we work in  
20 partnership with you to help you achieve your  
21 goals, this was a fairly recent taxiway project  
22 at Craig, a very, very demanding project, very  
23 demanding soils, a tough project from the  
24 standpoint of Water Management District.

25 When this project was bid, it actually

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1 exceeded the capital improvement program budget.  
2 We went back with the Authority, interviewed the  
3 contractor, found out what items exceeded our  
4 expectations in terms of cost. And it turned out  
5 it was simply the phasing plan required the  
6 contract to build haul roads, which were  
7 expensive.

8 So, we resequenced the project so that  
9 taxiways could be used as haul routes in certain  
10 cases to try and get the cost back down within  
11 budget. So, again, team approach.

12 I wanted to talk a little bit about our  
13 program management and communication. Again, we  
14 feel like we're working in partnership with the  
15 Airport Authority. And in Jacksonville -- and  
16 you probably don't like to hear that phrase "in  
17 Jacksonville," but that's where our experience

18 was. In Jacksonville, we would meet with the  
19 Authority prior to the beginning of the fiscal  
20 year and outline their entire capital improvement  
21 program.

22 We would not only list the act -- the  
23 projects, but list the activities and then  
24 schedule when they would occur to build smooth  
25 cash -- smooth cash flow for the Authority, to

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1 minimize having a bunching of construction and  
2 too much disruption in either air traffic or  
3 air -- or landside activities at one time. And  
4 it also, frankly, was in our best interest,  
5 because it smoothed our workload as well. So,  
6 again, overall project scheduling.

7 Once we had completed that, we would then  
8 report to the client monthly each project, what  
9 its funding source was, the status of the  
10 project, how much had been spent to date versus  
11 what the budget was.

12 And in conclusion, why should Prosser  
13 Hallock be selected? We have over 13 years of  
14 experience in working on airports and aviation  
15 facilities. We have over \$85 million of  
16 completed projects on airports.

17 As a company, we have over 19 years of  
18 experience working in St. Johns County. As an  
19 individual, I have over 30 years of experience  
20 working here in St. Johns County with development  
21 in this entire corridor from St. Augustine up  
22 U.S. 1 to Jacksonville.

23 We have excellent working relationship with  
24 Richard Owen at FAA, Roland Luster at the DOT.  
25 And again, to repeat, we have over 50 engineers,

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1 planners, and resource people in Jacksonville  
2 within 35 minutes of the airport. We're not a  
3 satellite office. It's the only operation we  
4 run. So, our full focus and attention is here.

5 And we do have -- and I haven't described  
6 this in detail, but we have a very, very  
7 comprehensive and effective in-house construction  
8 management team. We're currently managing all  
9 the construction activities in Palencia, which is  
10 just up the road. So again, very familiar with  
11 local permitting, local contractors, and local  
12 policies.

13 So, with that, I would open it up to any  
14 questions that you may have.

15 CHAIRMAN GREEN: Mr. Ciriello?

16 MR. CIRIELLO: Yes. You know, general  
17 aviation airports sometimes have problems that  
18 are, oh, different than what the FAA's standard  
19 rules are. And our airport's somewhat locked in,  
20 and I have a problem or a project in mind.

21 But has your organization ever had to go  
22 head to head with the FAA and convince them to  
23 relax some of their stringent rules to benefit a  
24 particular airport so they could grow?

25 MR. HALLOCK: Absolutely. Perhaps not so

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1 they could grow, but -- but in order to give an  
2 economic benefit to the airport, we absolutely  
3 have.

4 At Jacksonville International, FAA  
5 guidelines required the construction activities,  
6 earthwork in particular, be done on a unit-cost  
7 basis. So, the contractor was paid per cubic  
8 yard for what he excavated.

9 There had been overruns historically for 20  
10 years at that airport, and when we went to  
11 rebuild their primary runway, 7/25, we went and  
12 petitioned FAA to be able to put that under a  
13 lump-sum earthwork contract to actually lock the  
14 contractor in.

15       We closed the runway for two days to allow  
16       the contractors to go out and drill and do all  
17       the investigation they needed to so it would be  
18       an absolutely bulletproof bid and could not be  
19       contested.

20       In the end, we delivered the largest single  
21       project that they had ever done, \$24 million  
22       budget. It got finished three months early and  
23       it came in at \$22 million. And it was primarily  
24       attributed to the fact that that earthwork was  
25       pulled back to a fixed fee.

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1       So again, we take the same approach,  
2       whether -- whether -- regardless of what the  
3       rules or criteria is, in certain cases, for your  
4       benefit, it just needs to be looked at another  
5       way.

6       MR. CIRIELLO: Okay. Thank you.

7       MR. HALLOCK: Sir?

8       MR. GORMAN: You've done a lot of work in  
9       the North Florida area. I notice a lot of the  
10       work has been with J -- with the Jacksonville  
11       Authority?

12       MR. HALLOCK: That's correct.

13       MR. GORMAN: It's -- now, this is not trying

14 to pick on you here, but how would you preserve a  
15 client privilege, I mean, discussions? Because,  
16 of course, airports do compete to some extent,  
17 especially for, you know, corporate fuel  
18 business, things like that.

19 How can you -- how could you preserve that  
20 particular discussion so that it wouldn't be so  
21 much --

22 MR. HALLOCK: That's a good question. Our  
23 contract with the JAA expired in December 31st of  
24 2001. We've spent -- and we left that contract  
25 with purchase orders, or SPOs, in hand for work

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1 underway.

2 With the exception of maybe one project  
3 right now, that work's all completed, closed out,  
4 and delivered. So, I'd say within four months --  
5 correct me if I'm wrong -- but we literally will  
6 have no -- no further contractual arrangements  
7 with anything going on up the road.

8 MR. GORMAN: A second question real quick.  
9 How many five -- how many master plan updates  
10 have you done in the last five years, your firm?

11 MR. HALLOCK: Three.

12 MR. GORMAN: Three.

13 MR. HALLOCK: Herlong --

14 MR. GORMAN: In the last five years,

15 correct?

16 MR. HALLOCK: Yeah. Herlong, Craig, and

17 JIA.

18 MR. GORMAN: And that's -- any others

19 outside of this immediate region?

20 MR. HALLOCK: No, sir.

21 CHAIRMAN GREEN: Mr. Cox?

22 MR. COX: You don't have any?

23 MR. GEORGE: She asked you.

24 MR. COX: Thought she was going down the

25 line. We talked about security. I think,

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1 Monty -- is that right? What kind of rapport do  
2 y'all have with TSA? You've got pretty good  
3 connections and work pretty well with them, TSA,  
4 so far?

5 MS. GETTYS: So far.

6 MR. COX: I mean, because it's a short track  
7 record with the TSA.

8 MS. GETTYS: Exactly. And a lot of the  
9 general aviation development is -- is really  
10 ongoing. So, we have been monitoring the -- the  
11 discussions that have gone on between the TSA and

12 actually our -- our industry counsel, to -- to  
13 see what suggestions are being made on general  
14 aviation security and when those need to come  
15 out.

16 MR. COX: What -- what do you perceive for  
17 an airport of this size in general aviation for  
18 the TSA requirements for security?

19 MS. GETTYS: Well, I -- I think there are  
20 definitely going to be some changes. I think  
21 there's going to be, you know, certainly stricter  
22 access control.

23 MR. COX: Right.

24 MS. GETTYS: I think training is going to be  
25 an issue --

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1 MR. COX: True. Yeah.

2 MS. GETTYS: -- and background checks for  
3 training. And I think it's -- it's really going  
4 to be up to TSA to sort of set those standards --

5 MR. COX: Right.

6 MS. GETTYS: -- and we're going to have to  
7 find a way to economically live with that.

8 MR. COX: Thanks. How much of your work is  
9 aviation oriented, companywide, for Prosser  
10 Hallock?

11 MR. HALLOCK: I'd say at the high point --  
12 MR. COX: Yeah.  
13 MR. HALLOCK: -- probably between 30 and 35  
14 percent, was. At this point, probably it's less  
15 than three percent.  
16 MR. COX: Okay. Thanks very much.  
17 MR. GEORGE: You got mine.  
18 CHAIRMAN GREEN: Is that because of the end  
19 of the contract with JIA?  
20 MR. HALLOCK: Yes, it is. Yes.  
21 CHAIRMAN GREEN: Anybody else?  
22 MR. COX: That's it for me.  
23 CHAIRMAN GREEN: Okay. Thank you very much.  
24 MR. HALLOCK: Thank you.  
25 CHAIRMAN GREEN: I have been requested to

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1 take a short break from some of the staff members  
2 before we open to public comment and board  
3 discussion. So, I would just ask the board to  
4 return three or four -- I mean, just four or five  
5 minutes, very quickly.

6 Okay. So, we're adjourned for four or five  
7 minutes to come right back.

8 (Whereupon, a recess was had.)

9 CHAIRMAN GREEN: Call the meeting back to

10 order after the short recess. I want to thank  
11 all of the presenters for a very informative and  
12 professional presentation.

13 At this point in time, the public, I'll open  
14 up for public comment. It's not a time for  
15 questions, but if any of the public has a comment  
16 on what they heard that they would like the board  
17 to hear or -- or understand, we'll open it to  
18 public comment at this point in time.

19 (No public comment.)

20 CHAIRMAN GREEN: Okay. If there's no public  
21 comment, then we'll close that and open it to the  
22 Authority for discussion and whatever action that  
23 we'll be taking. And I'd ask -- actually turn to  
24 Mr. Gorman, because you're the one that chaired  
25 this committee up and did such a good job of

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1 narrowing it down for us.

2 MR. GORMAN: I'd like to explain how that  
3 worked. We had ten submissions from ten  
4 different companies. And out of the ten  
5 different companies, then we convened a  
6 committee, and of that -- there were some people  
7 in all walks of life. We had planners, we had  
8 pilots, we had people in air traffic control.

9 And out of that committee, we pared that down to  
10 five firms. And then we had input, of course,  
11 from Staff and Mr. Wuellner about things that he  
12 had -- had experienced.

13 From those five firms, we reconvened the  
14 committee and then actually made each of those  
15 firms respond to ten more questions. And these  
16 were incisive questions, made to draw out from  
17 each of the firms things we wanted to know.

18 And out -- then from the response from those  
19 ten questions submitted to the five firms, we  
20 came to these three. These three are the ringer  
21 firms, because we really want to not make a  
22 mistake here. And so, these are three highly  
23 qualified firms. I just wanted the public to  
24 know that so they'd have an idea of what the  
25 process has been.

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1 CHAIRMAN GREEN: Okay. Any discussion as  
2 far as what we've heard? Or, actually, I should  
3 ask Mr. Gorman, are we to take action on this  
4 or -- as far as ranking or just discussion today?  
5 I wasn't sure. Mr. Wuellner, do you know what --

6 MR. WUELLNER: I think it was a general  
7 intent to -- to attempt to rank the three firms

8 at this point and begin contractual negotiations,  
9 with an aim toward having a base contract  
10 agreement at your July meeting.

11 CHAIRMAN GREEN: Okay. Mr. Ciriello?

12 MR. CIRIELLO: Madam Chair, did the public  
13 speak already while I was gone?

14 CHAIRMAN GREEN: They sure did, and there  
15 was no comment.

16 MR. CIRIELLO: Okay. I've -- I want to  
17 apologize to the board, and especially Mr. Gorman  
18 right off the bat. I was under the  
19 misunderstanding that the committee was going to  
20 be appointed -- and they did a good job. They  
21 put in a lot of time and effort. I'm not -- not  
22 complaining that way.

23 What I thought, that when the committee was  
24 finished with their job, they was going to come  
25 back to us and give us their ranking so we could

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1 discuss it and either agree or add to or  
2 disagree. And then I'm only one voice, but in my  
3 personal rankings, there was two firms that were  
4 left off. The committee only chose to listen to  
5 three. And I have two other firms listed in my  
6 personal rankings that, you know, we didn't get

7 to hear.

8 And if we're not going to make a decision  
9 today on who we're going to pick, whether it's  
10 one, two, or three of these companies, and  
11 there's going to be more discussions, I would  
12 like to have -- or at least ask that the two  
13 firms that I had tied and ranked for number-three  
14 position be heard, if we're not going to make a  
15 final decision today. I have no idea what the  
16 board's got on their mind.

17 CHAIRMAN GREEN: From what I just discussed  
18 and asked Mr. Wuellner and Mr. Gorman from all of  
19 the wealth of work that the committee's done, I  
20 think it was the intention that we present a  
21 ranking today so that we can start negotiations  
22 so that we can stay within the time frame of  
23 presenting a master plan, because we're already  
24 kind of behind, at least from what our agenda was  
25 earlier this year.

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1 MR. CIRIELLO: Well, how does that appease  
2 me, so to speak, on my two choices not being  
3 heard?

4 MR. COX: It doesn't.

5 MR. CIRIELLO: Okay. It all depends on what

6 you guys say and whether I amend it or not.

7 MR. GORMAN: I'm going to look for  
8 Mr. Wuellner's direction on that. Do you -- at  
9 this point in time, do you feel we should just  
10 rank -- rank right now?

11 MR. WUELLNER: I think you -- you have two  
12 core questions I see out there. One is ranking,  
13 and -- and I think appropriately this is probably  
14 your best time to do that, in that everything's  
15 relatively fresh and it would be, you know, a  
16 good sense to have a feel of where everybody's  
17 going.

18 The other core question is that -- that has  
19 been brought up along the way -- well, actually,  
20 it's maybe two questions. One is, what are you  
21 doing relative to, are you hiring a single firm  
22 or are you considering multiple firms? That's a  
23 question for you.

24 The other, I see, is, what are you doing  
25 with Earth Tech? They're under -- we did not

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1 terminate. This board did not terminate that  
2 contract. You've deferred till after consultant  
3 selection to even discuss what that was going to  
4 be. That question is still out there. You may

5 or may not choose to deal with that one today,  
6 but...

7 MR. CIRIELLO: Well, when you guys talk  
8 about ranking tonight, are you saying that the  
9 way they're ranked, one, two, and three, that  
10 they could be called on if we -- we want to use  
11 them, or they --

12 MR. WUELLNER: No.

13 MR. CIRIELLO: -- a motion actually is going  
14 to be made that they're --

15 MR. WUELLNER: Not entirely.

16 MR. CIRIELLO: -- part of the team?

17 MR. WUELLNER: Not entirely. The -- the  
18 ranking would -- would go -- from this point  
19 forward, we would begin contractual negotiations  
20 for the base consulting agreement with the  
21 number-one ranked firm, absent any direction to  
22 do that with two firms. You would do that with  
23 the single firm.

24 In the event you could not come to  
25 contractual terms, you would move to the

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1 number-two firm on your list and do the same.

2 And -- and likewise, if -- if required.

3 Typically, that doesn't happen, but that's --

4 that's the process.

5 That contract would come back to the Airport  
6 Authority. It's still really not money-based at  
7 that point because you're not assigning work  
8 items yet, at which point, any work that you had  
9 to have -- wanted to have done, would take the  
10 form of either supplemental agreement, a task  
11 order, some vernacular along that way.

12 MR. GORMAN: Thank you. Because that does  
13 organize and expedite it. That really does.

14 Can I make a suggestion that we just simply,  
15 each one of us down the round table, rank --  
16 number one, rank each firm in their own personal  
17 opinion? They're all very good firms. Two,  
18 answer the question whether or not we're going to  
19 hire multiple firms, their own opinion. And  
20 three, whether or not they would terminate Earth  
21 Tech or not terminate Earth Tech.

22 MR. WUELLNER: That's --

23 MR. GORMAN: That would be my suggestion,  
24 just to get it done.

25 CHAIRMAN GREEN: Mr. Cox?

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1 MR. COX: Yes. Just as comment for -- for  
2 the board to consider is, as I understand it,

3 Earth Tech is not really on a contract basis for  
4 us, and right now, we -- we pay them by the job;  
5 is that --

6 MR. WUELLNER: Well, you -- you have a  
7 continuing contract with Earth Tech that you have  
8 not terminated --

9 MR. COX: Right.

10 MR. WUELLNER: -- okay? Appended to that  
11 are many specific jobs items that have specific  
12 work items attached to it that will go on,  
13 regardless of any action you do today.

14 MR. COX: Right.

15 MR. WUELLNER: My suggestion relative to  
16 Earth Tech is that you not take specific contract  
17 action today. And the reason I say that is that  
18 you have a period of time here still of, perhaps  
19 as much as 30 to 60 days, where you would not  
20 have a general consultant on retainer and would  
21 not have the ability to move anything out and  
22 forward, other than finishing up some work that  
23 Earth Tech might have under contract.

24 So, if that's the -- even if it's not the  
25 intention -- and maybe you don't want to decide

1 that today. But you -- you probably wouldn't

2 want to make that action until --

3 MR. COX: Well, what I was going --

4 MR. WUELLNER: -- you have another guy on  
5 the line, so the speak.

6 MR. COX: What I was going to suggest is if  
7 we simply do nothing with Earth Tech, it just  
8 sits there and -- and they still are consultants  
9 for us. So, we don't have to do anything, and we  
10 can let that contract run out.

11 MR. WUELLNER: Correct. You have -- you  
12 have no obligation to assign additional work to  
13 Earth Tech.

14 MR. COX: So --

15 CHAIRMAN GREEN: And it doesn't -- we're not  
16 in any jeopardy, is my concern. We're not  
17 jeopardizing the contract. There's no provisions  
18 in there --

19 MR. COX: So we really need to take no  
20 action, if you will, on Earth Tech today, if  
21 that's what we want to do, and just consider how  
22 we want to rank --

23 MR. WUELLNER: Yeah.

24 MR. COX: -- the --

25 MR. WUELLNER: I was simply reminding the

1 board that -- that you had deferred that  
2 decision, rather than forcing a decision down  
3 your throat today. But that -- that decision  
4 just got caught up in the consultant selection  
5 process.

6 CHAIRMAN GREEN: Mr. Burnett?

7 MR. BURNETT: If -- if I may offer a couple  
8 of things very briefly.

9 The Florida Statutes is -- part of this  
10 process is governed by the Florida Statutes, and  
11 it does speak to having three firms ranked -- you  
12 could have more, but three firms ranked in the  
13 exact process which was discussed earlier, where  
14 you'd have a number-one firm and if you couldn't  
15 successfully negotiate a contract with the  
16 number-one firm, you'd go to the number two, and  
17 then to the number three.

18 And if there's no -- if you couldn't work it  
19 out with the number three, you'd go back through  
20 the bidding process to bid it out. But that's  
21 sort of the process when you have ongoing  
22 contracts, and it provides for this type of  
23 ongoing contracts with three firms that you would  
24 then rank and select. You typically go to the  
25 first -- you would go to the first one every

1 time, and typically that's who you would contract  
2 for.

3 MR. CIRIELLO: Well, what about --

4 MR. GORMAN: I'm sorry. Go ahead.

5 MR. CIRIELLO: What about Mr. Wuellner's  
6 idea of having more than one on board, not just  
7 talk to the first ranked one for a contract, and  
8 if that doesn't go through, talk to the second  
9 one? Why can't we have multiple, like the first  
10 and second? Actually, to appease me -- which I  
11 have a big ego; if I don't get appeased sometimes  
12 from this board, I get ticked off.

13 Rather than just pick one of these three, or  
14 two out of the three, why can't we allow all  
15 three of them to be a part of our team, and then  
16 whenever it comes time to give them a job, then  
17 the board can say, well, we want to give the job  
18 to this one or that one?

19 And I agree with Mr. Cox about doing nothing  
20 with Earth Tech, that they're still there in case  
21 somebody does want to use them. We're not saying  
22 we're not going to use you and we're not going to  
23 fire you, but we may not pick you.

24 But if -- if we can -- can I make a motion  
25 that we choose all three of these as part of our

1 team and negotiate with them, as you say, rather  
2 than just pick rank and make one better than the  
3 other?

4 MR. WUELLNER: Well -- well, I'm not the  
5 airport attorney. I don't believe there's any  
6 statutory prohibition to selecting more than one  
7 firm.

8 At that point, when you -- when you got to  
9 the point of -- of awarding specific work,  
10 essentially you'd prepare some sort of document  
11 that let the firms submit a, quote, unquote, bid,  
12 at that point, or whatever you want to call it,  
13 or an estimate of what their -- what they intend  
14 to do and how they intend to do it. And the  
15 Authority would then have to make some --

16 MR. CIRIELLO: In other words, they would be  
17 competing --

18 MR. WUELLNER: -- selection as to who you  
19 think's best.

20 MR. CIRIELLO: -- amongst themselves for our  
21 favor.

22 MR. WUELLNER: Right. But only those firms  
23 could compete at that point.

24 MR. CIRIELLO: Yeah.

25 MR. GEORGE: So then the board could again

1 micromanage the operation.

2 CHAIRMAN GREEN: I have a question, Mr.  
3 Wuellner. In your expertise, when you have more  
4 than one firm available or maybe two operating at  
5 the same time, how much conflict in your  
6 experience has that created? Because sometimes  
7 with continuity, you want that within the flow or  
8 master plan of the airport.

9 And I have concerns over two or three firms  
10 piecemealing something without the continuity of  
11 our master plan being followed.

12 MR. WUELLNER: There are -- there are  
13 certainly pros and cons to -- to single-firm  
14 versus multiple-firm arrangements. The -- the  
15 positives, you know, in my opinion, probably  
16 outweigh the negatives to having -- two, to me,  
17 would be plenty. And -- and it's reasonable  
18 to -- to work and develop projects with multiple  
19 firms.

20 The single most important issue -- while  
21 financial is certainly a key factor in looking at  
22 project by project, probably the single most  
23 important is, when you -- when you start looking  
24 at workload of these individual consulting firms

25 and their actual response to jobs. And it's very

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1 often the case that we tend to dump two, three,  
2 four jobs out there in a relatively short period  
3 of time, temporarily overloading staff at the  
4 consultant and nothing making real great progress  
5 and things taking a lot of time.

6 Multiple firms would allow you the ability  
7 to award some of these jobs to -- to various  
8 firms and allow perhaps that loading to -- to be  
9 dissipated to some degree. And there's no  
10 obligation to use either firm again. Those  
11 things, you know, become sorted out by the board.

12 MR. BURNETT: And if I might add, one thing  
13 to that concept is that even if you have firms  
14 ranked one, two, three, the competitive contract  
15 part of that is -- part of it could be, when you  
16 go to the first firm, they may not be able to  
17 meet your time deadline. None of the three may  
18 be able to meet your time deadline. And so, you  
19 negotiate the best contract that you can with the  
20 first firm, and then the rest of the services  
21 that you need to meet your contract, maybe you  
22 need the second or the third to complete. Not to  
23 say that you couldn't accomplish the same thing

24 and still have the ranking.

25 If you do not rank the firms in a

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1 one-two-three order, I think you will wind up  
2 being in a position to have to rebid the  
3 project -- every project that comes through in  
4 order to find out what the most competitive bid  
5 is for these three or other consultants.

6 MR. WUELLNER: And nowhere are we suggesting  
7 you would separate an individual project among  
8 consultants. That -- that simply doesn't work.

9 MR. CIRIELLO: Well, if -- the way you're  
10 saying it, ranking one, two, and three with these  
11 three companies that came before us, if we rank  
12 one number one, another number two and number  
13 three, that doesn't mean necessarily that number  
14 three is walking away without a chance at a job  
15 or anything, that they've wasted their time. In  
16 other words, they're still --

17 MR. WUELLNER: No. If you elected --

18 MR. CIRIELLO: -- still in the playbook.

19 MR. WUELLNER: -- to, you could have all  
20 three firms. If you -- if you elected to issue a  
21 contract or negotiate a contract with all three  
22 firms, you would have the ability to essentially

23 choose who got what. It's going to be  
24 somewhat -- you've got to develop your own  
25 walking policy here over the next month or two as

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1 to how you intend to go through that process.

2 MR. CIRIELLO: Well, that's what I'd like to  
3 see. I'd put that in the favor -- in the form of  
4 a motion.

5 CHAIRMAN GREEN: I think there was one  
6 pending. Your motion was to --

7 MR. CIRIELLO: Well, we never did get a  
8 second on it. We shouldn't have even been  
9 discussing it. But -- but I'll put it out there  
10 again.

11 CHAIRMAN GREEN: Do you want to withdraw  
12 your first motion?

13 MR. CIRIELLO: Yeah. And I'll make a motion  
14 to what Ed just described about having the three  
15 potentials on board.

16 MR. WUELLNER: I think mine was geared  
17 toward two, no more than two, but -- mine was  
18 anything I discussed --

19 MR. CIRIELLO: Well, I thought I heard you  
20 say three.

21 MR. WUELLNER: No, you did. That's where

22 you heard it.

23 MR. GORMAN: I'll make a motion that we --  
24 that we rank -- each one of us in turn rank each  
25 of the firms right now, and that will answer one

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1 question. And along with that, answer that  
2 question, whether or not you're going to hire  
3 multiple firms. In other words, you're going to  
4 go one, two, three, and yes multiple firms, or no  
5 multiple firms, and each one of them. And I  
6 would start if you'd like. I'll make that  
7 motion.

8 CHAIRMAN GREEN: Sounds fine. Go ahead.

9 MR. GORMAN: Do I have a second, please?

10 CHAIRMAN GREEN: There's a second?

11 MR. GEORGE: Who's keeping records?

12 CHAIRMAN GREEN: Is there a second on the  
13 motion?

14 MR. GEORGE: I second that motion.

15 CHAIRMAN GREEN: Any further discussion with  
16 regards to Mr. Gorman's motion about ranking the  
17 firms individually and then answering the  
18 question of --

19 MR. GORMAN: Multiple firms --

20 MR. WUELLNER: -- multiple firms or single

21 firms? All in favor of proceeding on that

22 motion?

23 MR. CIRIELLO: Aye.

24 CHAIRMAN GREEN: Aye.

25 MR. GEORGE: Aye.

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1 MR. COX: Aye.

2 MR. GORMAN: Aye.

3 CHAIRMAN GREEN: All opposed?

4 (No opposition.)

5 CHAIRMAN GREEN: Motion's carried.

6 Mr. Gorman?

7 MR. GORMAN: I have number one. Are you

8 ready?

9 MR. GEORGE: Who is -- who is going to do

10 the tally?

11 MR. WUELLNER: We'll try to do it here

12 quick. You go first.

13 MR. GORMAN: Christine is ready to go.

14 MS. OCHKIE: I've got it.

15 MR. GEORGE: All right.

16 MR. GORMAN: Okay. I had number one, LPA.

17 Number two, I had Prosser & Hallock. And number

18 three, I had Passero & Associates. And I would

19 certainly answer yes to multiple firms.

20 CHAIRMAN GREEN: Could we clarify that, if  
21 you need to, two or three, or do you -- does it  
22 matter?

23 MR. GORMAN: I would go with Mr. Wuellner's  
24 recommendation of two firms, only because I would  
25 go with his recommendation.

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1 CHAIRMAN GREEN: Mr. Ciriello?

2 MR. CIRIELLO: Hmm. Okay. I got Passero,  
3 number one; LPA, number two; Prosser Hallock,  
4 number three. And I want more than one firm.

5 CHAIRMAN GREEN: Mr. Cox?

6 MR. COX: Multiple firms. LPA Group, number  
7 one. Passero, number two.

8 CHAIRMAN GREEN: And we're ranking three.

9 MR. COX: Well --

10 CHAIRMAN GREEN: Just making sure.

11 MR. WUELLNER: We'll let you do the math on  
12 that one.

13 MR. COX: Have to negotiate it.

14 CHAIRMAN GREEN: Just checking.

15 MR. WUELLNER: Two firms.

16 MR. COX: We're ranking three?

17 CHAIRMAN GREEN: In order.

18 MR. WUELLNER: I think he did.

19 CHAIRMAN GREEN: I think by process of  
20 elimination, you did.

21 MR. COX: Earth Tech, number three.

22 MR. GEORGE: Now you know why we take so  
23 long. LPA Group, one; Passero, two; and Prosser  
24 Hallock, three. And I would go along with  
25 multiple, but no more than two.

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1 CHAIRMAN GREEN: Also, I would go along with  
2 multiple, definitely no more than two for  
3 continuity purposes. I'd rank LPA, one; Passero,  
4 two; Prosser Hallock, number three.

5 So, I guess by those votes, we could have  
6 a -- Christine, did you -- or Ed, did you go  
7 ahead and --

8 MR. WUELLNER: Yeah. Unless Christine ends  
9 up with a different math than I do, but it looks  
10 like LPA, Passero, and Prosser in that order.

11 MS. OCHKIE: That's what I got.

12 CHAIRMAN GREEN: And what about the  
13 multiple?

14 MR. GEORGE: Just say yes.

15 MR. COX: The multiples.

16 MR. WUELLNER: Uh-huh. And all five of you  
17 were unanimous in the yes to multiple. Two of

18 you indicated a preference -- well, actually,

19 three of you, to no more than two.

20 CHAIRMAN GREEN: Okay. Do we need to --

21 I'll entertain a motion on a vote if we need to

22 vote on the no more than two, or three, as far as

23 multiple firms.

24 MR. BURNETT: And I'm sorry to be -- I'm

25 sorry to be the stickler. I just need to raise

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1 one issue with you. We can have two contracts

2 and -- and only two consultants on board.

3 The problem is -- is we could get into a

4 problem with not having a third one under the

5 competitive bid statute. It specifically speaks

6 of no -- no less than three. And so, I would --

7 MR. WUELLNER: And I -- hang on a second.

8 Come here.

9 MR. GORMAN: Well, it's somewhat solved

10 either way.

11 MR. WUELLNER: Give us one moment.

12 CHAIRMAN GREEN: Yeah. That kind of answers

13 our question.

14 (Short pause.)

15 CHAIRMAN GREEN: Mr. Gorman, you may --

16 since there's no motions pending, are -- if you

17 even know, the fee schedule or pay schedule, was  
18 it all similar from all of the bids you heard?  
19 It's either hourly or -- or project based, or was  
20 there any major difference?

21 MR. GORMAN: The fees are actually separate  
22 from the qualifications, in other words, so that  
23 what we're going to do is then negotiate --

24 CHAIRMAN GREEN: Okay.

25 MR. GORMAN: -- the fees completely

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1 separate. And that's really the simplest way  
2 that it's been presented.

3 CHAIRMAN GREEN: Okay.

4 MR. GORMAN: And that's why you rank them  
5 one, two, three. If the fees can't be met, then  
6 you have to go to number two.

7 CHAIRMAN GREEN: I didn't -- so, it's up to  
8 us, then, if we do hourly, if we do projectwise,  
9 if -- however we want to do it.

10 MR. GORMAN: I think it's just a matter of  
11 negotiations.

12 CHAIRMAN GREEN: Okay.

13 MR. GORMAN: I would like to -- I've got  
14 some time, and I'd like to thank the committee  
15 members that had to serve with me to do this,

16 just profusely, because they did work pretty hard  
17 at it. We put out a lot of letters. I know  
18 everybody that's in the firms nodding their heads  
19 at me had to answer a lot of questions. Thank  
20 you.

21 MR. GEORGE: Who are they on the -- who was  
22 on your committee?

23 MR. GORMAN: I don't have that sheet of  
24 paper with me, so you've put me in the hot seat.  
25 I don't want to leave anybody out, but...

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1 MR. COX: How many did you have? You had  
2 about ten people?

3 MR. GORMAN: We had ten people initially.

4 MR. GEORGE: Vic knows who they are.

5 MR. MARTINELLI: No, I'm just -- I'm only  
6 one of many. That's all.

7 MR. WUELLNER: All he's trying to point out  
8 is that in the event you -- you were unsuccessful  
9 negotiating a contract with the first two firms,  
10 the third firm's still on your list here --

11 CHAIRMAN GREEN: Yes.

12 MR. WUELLNER: -- as -- would become your  
13 next number two and three -- or number one and  
14 two.

15 MR. GORMAN: Thanks. That clarifies it.

16 CHAIRMAN GREEN: That's right.

17 MR. BURNETT: Yeah, that's the only issue

18 I'm trying to point out. I wanted to make sure

19 that we didn't tell the third person to go home,

20 that we definitely won't contract with them. I

21 want to make sure we keep the three firms

22 available.

23 CHAIRMAN GREEN: No, I think as the motion

24 was presented and then voted on --

25 MR. WUELLNER: Through the contractual part.

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1 CHAIRMAN GREEN: -- from what the

2 tabulations tell me, then our ranking would be

3 one, LPA; two, Passero; three, Prosser Hallock,

4 in that order, one, two, three. But then when

5 contract negotiations come up with Mr. Wuellner

6 and then presented to the board, then we at that

7 point in time can award one project to -- however

8 we want to do it. We could have two on it at the

9 same time.

10 MR. WUELLNER: But that's --

11 CHAIRMAN GREEN: Down the road.

12 MR. WUELLNER: Yes. But that's after.

13 CHAIRMAN GREEN: Exactly. Okay.

14 MR. GORMAN: That's fine.

15 CHAIRMAN GREEN: Does that conclude the  
16 business with the consultant short-list  
17 selection? I believe so. Thank you so much for  
18 all your efforts and time, very, very much.

19 MR. GEORGE: Thank you.

20 CHAIRMAN GREEN: Next on the agenda are  
21 action items by Mr. Wuellner.

22 8.A. - RATIFICATION OF SELF-FUEL PRICING POLICY

23 MR. WUELLNER: Okay. First item I have is  
24 ratification of the self-fuel policy.

25 As the board left it at their April meeting,

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1 you had tentatively adopted a policy to stand in  
2 a place until the next Airport Authority meeting,  
3 at which point, because we had a couple of  
4 members missing, you would either ratify, modify,  
5 or can the proposed policy and let the existing  
6 one stand.

7 The policy basically changed the frequency  
8 in which we review the wholesale -- or the retail  
9 pricing of Northeast Florida to weekly. It also  
10 provided for a floor of 25 cents a gallon margin.  
11 And that's -- that's it. We've implemented it,  
12 and it's ongoing until you tell us otherwise.

13 And it does require ratification, because that  
14 was your preference.

15 CHAIRMAN GREEN: Okay.

16 MR. WUELLNER: This may be the only easy one  
17 today.

18 CHAIRMAN GREEN: Okay. I'd open it up --

19 MR. GEORGE: I'm going to make it difficult.

20 CHAIRMAN GREEN: Open it up to public  
21 comment on the ratification of the self-fuel  
22 policy.

23 (No public comment.)

24 CHAIRMAN GREEN: Not seeing any public  
25 comment, Airport Authority discussion?

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1 Mr. George?

2 MR. GEORGE: We eliminated two airports we  
3 were using in the average, Palatka -- Kay Larkin  
4 and Fernandina. Any particular reason?

5 MR. WUELLNER: I think they were  
6 disproportionately out of the both distance and  
7 overall retail pricing.

8 MR. COOPER: One of them was because it  
9 didn't have --

10 MR. WUELLNER: Oh, it didn't have --

11 MR. COOPER: -- self-fuel.

12 MR. WUELLNER: -- self-fuel too. That  
13 was --  
14 MR. COOPER: We were only comparing -- that  
15 was Palatka, Kay Larkin.  
16 MR. WUELLNER: Right.  
17 MR. COX: Doesn't have self-fuel.  
18 MR. COOPER: We were only comparing against  
19 self-service fuel.  
20 MR. GEORGE: Okay. And Palatka does not  
21 have a self-service fuel? But Fernandina does.  
22 MR. WUELLNER: Fernandina does.  
23 MR. GEORGE: As a reason they --  
24 MR. WUELLNER: Distance, and it was always  
25 off the scale in terms of price, and probably

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1 didn't represent a fair average in what they --  
2 MR. GEORGE: What direction was it off the  
3 scale?  
4 MR. GORMAN: So, your total -- your total is  
5 only three airports now that you're --  
6 MR. WUELLNER: No, it's four.  
7 MR. GORMAN: Four.  
8 MR. WUELLNER: Flagler --  
9 MR. GEORGE: Herlong, Flagler, Keystone  
10 Heights, and Ormond. Second question: Is it

11 significant at all by which day of the week  
12 you're going to make the weekly adjustment, and  
13 if so, I'd like for you to calculate it on Friday  
14 so that it will be done on the weekend.

15 MR. WUELLNER: We can do that.

16 CHAIRMAN GREEN: Other comment, discussion?

17 Mr. Ciriello?

18 MR. CIRIELLO: Yeah. Ed, this new  
19 ratification and everything you have, does that  
20 answer my very first question that I ever had on  
21 starting all this baloney, which I thought was  
22 just a simple thing, that between loads of gas,  
23 when we pay more for it, we raise the price of  
24 the gas proportionately just to get that few  
25 dollars more, rather than keep the price the same

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1 two or three loads like we did originally? And  
2 that was all I was really after.

3 So, does this new ratification do that? In  
4 other words, if we pay more between loads, the  
5 gas is going to go up a couple of pennies or  
6 something?

7 MR. WUELLNER: It -- it allows that to  
8 happen. It is not automatic that that happens,  
9 but it allows -- the policy now allows you to

10 adjust it weekly. So, if the average retail  
11 price in the area has gone up, we have the  
12 ability to -- we adjust upward.

13 It really has no -- I go back to this again.  
14 You and I have had this conversation about 150  
15 times.

16 MR. CIRIELLO: We're going to have it  
17 another 150.

18 MR. WUELLNER: Probably. But it really has  
19 no direct basis in the wholesale price, other  
20 than to establish a minimum retail price off of  
21 that, should that be constricted to a point where  
22 it becomes questionable whether we'd be  
23 profitable in selling it. And that's that 25  
24 cents per gallon minimum disparity.

25 MR. CIRIELLO: See, that's not answering my

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1 question: If we pay more, we're going to raise  
2 it. You say, well, we can if we want, and we  
3 don't have to. And I don't want that. I want it  
4 done.

5 It -- and I'm -- I think simpler. I said  
6 between loads. Not weekly. If you get a load at  
7 7,000 gallons, and it takes you two weeks to sell  
8 it, you're going to have a few hundred gallons

9 left when you get your next load. And then you  
10 change the price so that the changeover from load  
11 to load to load is going to catch up with the --  
12 either raising or lowering of the price.

13 I -- when we pay for it, I want the price  
14 set so that we pay -- or get our money back for  
15 what we paid for, and we're not giving any \$200  
16 away to the customers.

17 I mean, the gas price is already  
18 ridiculously low. We don't have to keep giving  
19 it away. We are making money, yes, but we're not  
20 making what we should. I'm sorry if I take a  
21 hardheaded stand that way, but that's just the  
22 way I feel.

23 CHAIRMAN GREEN: Mr. George?

24 MR. GEORGE: I have a hypothetical  
25 situation. With the fluctuation of fuel today,

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1 we get the first load of fuel that is a higher  
2 price and it goes up by 50 cents a gallon, nobody  
3 else in the area has gotten their fuel reloaded,  
4 so they did not experience the 50 cents a gallon.  
5 You are suggesting that we raise ours to 50,  
6 thereby ensuring that nobody is going to buy gas  
7 here until the other guys raise theirs.

8 This is a compromised proposal that says we  
9 are never going to make less than 25 cents a  
10 gallon. Joe, we're making 16 percent profit  
11 right now. We've done \$60,000 in revenue and  
12 \$50,000 in costs. That's 10 grand, 16 percent.  
13 That's a pretty good percent.

14 MR. CIRIELLO: Your hypothetical question is  
15 like if we got our gas today and nobody else is  
16 going to get it for a month from now.

17 MR. GEORGE: Right.

18 MR. CIRIELLO: But these -- these people,  
19 they buy gas just about as frequently as we do.

20 And so, just like these gas stations, I go  
21 past Owens every day and their gas is a certain  
22 price, and another gas station next to them is a  
23 certain price. The next day, they both have it  
24 changed, because, you know, they -- they -- but  
25 that's -- cars is a little different but...

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1 CHAIRMAN GREEN: Yeah.

2 MR. CIRIELLO: -- your example is a little  
3 extreme.

4 MR. WUELLNER: Well, the other thing that's  
5 important to understand here is that in this  
6 airport's case, the quickest we've reordered fuel

7 is on a five-week time line. So, you're not  
8 looking at every-other-day deliveries or weekly  
9 or even monthly deliveries so far. I mean, I  
10 can't wait for that day, but that's not what it  
11 is right now. And more average is along the  
12 eight-, nine-week time line.

13 So, all you're -- all you're saying is  
14 you're going to continue to adjust for market out  
15 there. Somewhere in that time line, somebody's  
16 gotten new fuel. And -- and if they're getting  
17 squeezed, you should be seeing the retail price  
18 moving.

19 MR. GORMAN: You're never losing money, Joe.  
20 You're always making some. Sometimes you make  
21 less margin; sometimes you make more to stay  
22 competitive. That's all it is. But you end up  
23 making money.

24 MR. GEORGE: Madam Chair, I'd like to make a  
25 motion that we vote on the fuel policy -- we

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1 accept the fuel policy as it is written and  
2 drawn.

3 CHAIRMAN GREEN: Second the motion?

4 MR. GORMAN: Second.

5 MR. COX: Second.

6 CHAIRMAN GREEN: Discussion?

7 (No discussion.)

8 CHAIRMAN GREEN: All in favor of accepting

9 the staff recommendation, which is what I

10 understood Mr. George's --

11 MR. GEORGE: Right.

12 CHAIRMAN GREEN: -- motion to be, all in

13 favor?

14 MR. GEORGE: Aye.

15 CHAIRMAN GREEN: Aye.

16 MR. COX: Aye.

17 MR. GORMAN: Aye.

18 CHAIRMAN GREEN: All opposed?

19 MR. CIRIELLO: No.

20 CHAIRMAN GREEN: Motion will pass. We

21 accept Staff recommendation.

22 Next on the agenda is Taxiway B.

23 8.B. - TAXIWAY "B" HARDSTAND ADD-ON

24 ENGINEERING AGREEMENT

25 MR. WUELLNER: Okay. Taxiway B, hardstand

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1 and add-on engineering agreement.

2 As you recall, I mean, we talked about it

3 earlier today, but the Airport Authority entered

4 into an agreement with Earth Tech Consulting --

5 at that time, it was probably Kaiser  
6 Engineering -- to develop the plans and  
7 specifications for Taxiway Bravo.

8 Since that time, the project's needed to be  
9 rebid, as you're all aware of. We also are being  
10 asked by FAA to include the -- the small project  
11 for the aircraft hardstand into that design, and  
12 we have to additionally address an access issue  
13 to the construction site on this job.

14 As a result, Earth Tech has modified their  
15 engineering agreement with us or suggested a  
16 modification of that to include that additional  
17 work.

18 Now, the spinoff of this -- one thing I did  
19 want to explain is that the piece of crossing  
20 that we're proposing for the culvert over there  
21 also would serve then later, could be improved  
22 with just lime rock and asphalt to serve as a  
23 second entrance to the self-fuel, so that it  
24 would be flow-through or drive-through, if you  
25 will, instead of having to turn around and go

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1 back out.

2 So, that could be improved to that point, or  
3 in the event you expanded the fuel farm, it could

4 just serve as an alternate entrance. So, it has  
5 a secondary benefit after it's done. It's not  
6 something that's put in place and dug out later,  
7 or at least short term.

8 The total requested is 57,820 -- \$57,820,  
9 and it would be our recommendation you do that in  
10 order to meet the grant time lines that are  
11 rapidly approaching us.

12 MR. GORMAN: Does this reengineering include  
13 the continuation of Taxiway B into Taxiway C,  
14 which is desperately needed? Because when  
15 someone is on Charlie now -- which should become  
16 Bravo, Charlie now, it actually shuts down the  
17 end of that runway. So, is this new engineering  
18 complete with this -- let me get up and just show  
19 you.

20 In other words, when you connect here  
21 (indicating), and you go across here  
22 (indicating), and you do not connect this piece  
23 in there (indicating), now this separation is --  
24 is such that, under FAA guidelines, according to  
25 Dave -- I've got Dave Knight in the audience

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1 here -- when an airplane comes in here  
2 (indicating), if you've got a taxi -- an airplane

3 on Taxiway Charlie right here (indicating), this  
4 runway is not operable (indicating).

5 My attitude is engineer this whole thing in  
6 concert. You've got a new engineering firm  
7 coming here. When the whole thing is engineered,  
8 bid it, fund it, and go with it. That's my --

9 MR. WUELLNER: Yeah. Well, I don't  
10 disagree, but that's not the way the funding  
11 cycle works, unfortunately.

12 MR. GORMAN: Well, the funding cycle is not  
13 use -- not available later?

14 MR. WUELLNER: Well, you take your risk  
15 with -- you get no improvement versus waiting on  
16 some improvement. I mean --

17 MR. COX: So, the grant's available now, and  
18 we can --

19 MR. WUELLNER: For a portion of it.

20 MR. GEORGE: At 95 percent.

21 MR. WUELLNER: At 95 percent. And it would  
22 take you from the existing terminus of Taxiway  
23 Bravo and would end at Taxiway Delta.

24 The portion that goes out, continuing to the  
25 south, the extension of Bravo, if you will, is

1 ongoing with the environmental permitting. You

2 don't even have environmental permits to go down  
3 that road yet. That environmental assessment is  
4 being reviewed by FAA right now. Once we get an  
5 EA determination, we begin the permitting process  
6 and eventually construction.

7 MR. GORMAN: Let me, just as a point of  
8 discussion, say I have interviewed all of the  
9 major -- all the major tenants on this field.

10 I've had none of them feel that there was  
11 any crying need to build Taxiway Bravo, that it  
12 did not -- it did not alleviate any immediate  
13 congestion, and that they didn't -- in other  
14 words, I have been to Northrop Grumman. I've  
15 been to Aero Sport. I've been to the flight  
16 school. And I've been to a few other people  
17 including the -- none of them saw a tremendous  
18 need for it.

19 What they -- what they wanted was apron  
20 space, you know, and an apron study so that they  
21 could know what to put the airplanes on. There  
22 was also some consideration about the runway  
23 lights on Tax -- on 2.

24 So, myself, as a point of discussion, I  
25 don't see why we're building that until we get

1 the environmental permits to finally finish a  
2 Taxiway Bravo so it's fixed. Because right now,  
3 we've got a taxiway that we do cryingly need, we  
4 don't have. I know we need environmental issues  
5 on it. I know they're hard to get. But we don't  
6 need that one now. We need the other one.

7 MR. WUELLNER: Well --

8 MR. GORMAN: I don't get it.

9 MR. WUELLNER: -- in the whacky world of FAA  
10 funding, you take what they give you when you get  
11 it.

12 And it's -- that's kind of the way it --  
13 they have a, lack of better terms, a rather  
14 interesting matrix that they plug your airport  
15 information and the type of project it is in, and  
16 it gets a ranking of some sort that they use to  
17 plug in the numbers and see whether you get --  
18 there's available money to get to that level of  
19 project.

20 Taxiway projects, for whatever reason, fund  
21 earlier. They're more priority with FAA than  
22 apron projects are. We do have an FAA project  
23 programmed with them. Probably show up next  
24 fiscal year, if not shortly thereafter, to do an  
25 apron project that will be FAA. And it looks

1 like they've accepted it based on the JACIP data  
2 we're getting back, the Joint Automated Capital  
3 Improvement Program with the state and the  
4 federal government. Looks like that will get  
5 funded later.

6 The Taxiway Bravo extension is in the works.  
7 Once we have environmental, you can -- you can  
8 press for priority funding.

9 MR. GORMAN: And my second question: Do we  
10 have a permit now to relocate the TVOR? Because  
11 the TVOR was in the space that you're getting  
12 ready to pave over. And there have --

13 MR. WUELLNER: A permit --

14 MR. GORMAN: -- been no attempts to just  
15 raise the TVOR and make it work again in the  
16 original spot.

17 MR. WUELLNER: Well, I think we had those  
18 discussions with both FAA and Thales, and it just  
19 simply can't be done in that location.

20 MR. GORMAN: That's Thales' opinion?

21 MR. WUELLNER: And FAA.

22 MR. GORMAN: This is an opinion that could  
23 be -- could be argued exhaustively, because  
24 they're -- they've had three studies. One said  
25 no, one said yes, and one had data that even the

1 experts couldn't read. So, their credibility is  
2 somewhat shaky.

3 MR. COX: We're getting kind of off the  
4 track, though, and the TVOR is in the agenda.

5 MR. GORMAN: Well, because the TVOR is part  
6 of the Bravo. Because if you finally do Bravo,  
7 you can never get your -- your already certified  
8 spot back for the TVOR. That's why I bring it  
9 up. That TVOR spot is gone. And that is now a  
10 certified spot, without all of the hocus-pocus  
11 that goes on.

12 MR. WUELLNER: Well, it's a certified spot,  
13 but it's a noncommissionable spot.

14 MR. GORMAN: How do you --

15 MR. WUELLNER: FAA won't -- they've  
16 already -- they've told you.

17 MR. GORMAN: And the Thales study does  
18 include the raising of that TVOR in that spot to  
19 the maximum allowable --

20 MR. WUELLNER: It was their opinion you  
21 cannot raise the TVOR enough at that location and  
22 stay within the design critical surfaces under  
23 Part 77 to allow a proper transmission for your  
24 VOR.

25 MR. GORMAN: Have you had any other opinion

1 from any other firm other than Thales on that  
2 position?

3 MR. WUELLNER: We decided a while back that  
4 there are only two experts in this -- in this  
5 area of --

6 MR. GORMAN: We just talked to LPA. They  
7 have computer modeling capability.

8 MR. WUELLNER: Not to what you're asking.  
9 This is not the kind of modeling.

10 They're doing three-dimensional modeling  
11 which will show you what the airspace  
12 configuration issues are under Part 77, which is  
13 entirely different than radio spectrum analysis  
14 that you're talking about, whether the signal  
15 will work at a specific height and clear the  
16 obstructions that are out there. That's where  
17 the problem is with the TVOR site. The  
18 obstruction siting comes to be a problem.

19 MR. GORMAN: Can I ask something of the  
20 public right now?

21 CHAIRMAN GREEN: Well, we kind of jumped  
22 into panel discussion, so if we want, we can --

23 MR. GORMAN: I'm trying to get this -- get  
24 reason -- my -- that's my reasoning behind the

25 funding or not funding of Bravo, because it puts

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1 to rest something that seems to be wanted by the  
2 pilot community.

3 CHAIRMAN GREEN: No, I understand. But what  
4 I'm saying is you jumped in with panel  
5 discussion. I should have opened it up to the  
6 public first.

7 MR. GORMAN: Okay. Sorry.

8 CHAIRMAN GREEN: So, let's do that. And  
9 let's do --

10 MR. WUELLNER: I would think, too -- I mean,  
11 we made -- you made the comment that there's  
12 no -- you know, that there's no outcry for  
13 Taxiway Bravo, but, you know, the people that  
14 control that day in and day out, I'm sure David  
15 has a different opinion of that.

16 I know we've observed, you know, varying  
17 scenarios out there that have created the  
18 problem. What got the project off the books in  
19 the first place, was the previous master plan.  
20 It's not something that, you know, that Staff  
21 dreamed up and decided was a priority project.  
22 It just so happens it falls out of the FAA matrix  
23 that way as a priority project.

24 MR. GORMAN: You won't be able to fund it  
25 later, you're saying.

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1 MR. WUELLNER: I'm not saying you can't fund  
2 it later. What I'm saying is the money's  
3 available to do that section right now. It  
4 doesn't in any way jeopardize completing the  
5 project later on.

6 What does jeopardize the project is if you  
7 come in there with a \$4-, \$5-, \$6 million project  
8 with FAA. As a GA airport, you can forget it.  
9 They just simply don't fund GA airport projects  
10 to that level. So, you take the pieces and make  
11 the whole.

12 MR. GEORGE: The tendencies now seem to be  
13 that if the money is here, you better use it,  
14 because it could change.

15 For instance, one of the organizations I'm  
16 with went to the State of Florida for a grant to  
17 do something. There was plenty of money there.  
18 But after the voters changed on the -- or voted  
19 the classrooms size, now the money's not there.

20 And now Homeland Security is -- they've made  
21 the comment to us in L.A. that, okay, we've got  
22 the commercial airports; now we're going after

23 the general aviation. So, how much of FAA's  
24 money is going to be diverted to putting in  
25 security systems at the airport?

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1 CHAIRMAN GREEN: Dave, I think we opened up  
2 to public discussion.

3 MR. GEORGE: I think it's a gamble.

4 MR. KNIGHT: May I address?

5 CHAIRMAN GREEN: Yes, sir.

6 MR. KNIGHT: I take a moment. I would have  
7 to disagree with Mr. Gorman in terms of delays.

8 May I?

9 CHAIRMAN GREEN: Yeah, sure.

10 David, I just informally introduced you. If  
11 you'd just state your name for the record.

12 MR. KNIGHT: I'm David Knight, the manager  
13 of the St. Augustine tower. We have several  
14 delays that take place here routinely, especially  
15 if we're on runway 13. For example, aircraft  
16 taxiing out from the ramp area to runway 13, and  
17 aircraft exiting, coming in, central area  
18 (indicating). Basically one aircraft can go  
19 through at a time.

20 You can see that aircraft are delayed  
21 frequently, sitting here (indicating) when they

22 come off the runway, waiting for an aircraft  
23 taxiing out. In most cases or vice versa, you've  
24 got aircraft holding in the ramp areas.

25 Number two, the Grumman aircraft, Fi's,

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1 EA-6s, must utilize this area right here  
2 (indicating), hardstand, which is inside the  
3 runway safety area.

4 The aircraft are there for about roughly  
5 five, seven, sometimes ten minutes. Before they  
6 can take off, they have to do a run-up. That  
7 shuts down this runway (indicating), which  
8 impacts the FBO.

9 Your air taxis; sometimes they have to be  
10 delayed out because they can't come in and land  
11 with that engine run-up going on (indicating).  
12 Okay?

13 MR. GEORGE: How is Taxiway B going to solve  
14 that?

15 MR. KNIGHT: Taxiway B, when it's extended  
16 down this way (indicating), it has a run-up area  
17 whereby the Grumman aircraft can use that run-up  
18 area as well. Okay?

19 Number two, it eliminates the blockage here  
20 (indicating), because now aircraft can come here,

21 turn this way (indicating), come down while  
22 others are taxiing out.  
23 MR. GORMAN: How often does that happen,  
24 Dave?  
25 MR. KNIGHT: Routinely.

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1 MR. GORMAN: "Routinely," meaning weekly,  
2 daily, hourly?  
3 MR. KNIGHT: If we're on runway 13, it  
4 happens all day long.  
5 MR. GORMAN: "All day long," meaning a  
6 couple of times a day?  
7 MR. KNIGHT: All day long. Several times a  
8 day.  
9 MR. GORMAN: During Grumman operations?  
10 MR. KNIGHT: Grumman operations is a little  
11 bit different. They will launch an E-5 almost  
12 daily. Not quite, but almost.  
13 MR. GORMAN: A separate question for you:  
14 In the engineering, would you recommend --  
15 because I'd defer to what you're saying. Would  
16 you -- would you recommend any high-speed  
17 turnoffs, or are there any high-speed turnoffs in  
18 the engineering plan as it is presented now? If  
19 you're going to build it, you might as well build

20 it right.

21 MR. KNIGHT: To me, all that's really  
22 necessary is intermediate taxiway.

23 MR. GORMAN: You don't need three  
24 turnoffs --

25 MR. KNIGHT: No, you don't need them here.

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1 MR. WUELLNER: It's my recollection, there's  
2 only one additional taxiway exit provided, and  
3 that actually is to service the seaplane ramp, so  
4 that the parallel taxiway would provide just a  
5 direct crossing of the runway to the seaplane  
6 ramp, rather than still requiring back-taxiing.

7 MR. GORMAN: You can see my point, though,  
8 how it --

9 MR. WUELLNER: Oh, I do. I do.

10 CHAIRMAN GREEN: Is there any other public  
11 comment? I'm going to close it to public  
12 comment. And I think we need to direct what is  
13 proposed to us, which is kind of two-fold, what  
14 Mr. Gorman said.

15 One, are we going to vote on -- we need to  
16 vote on the project bid, but also it deals with  
17 Earth Tech as it's bid right now. So, what's  
18 proposed before us is to -- to go ahead and

19 discuss and vote on authorizing Mr. Wuellner's  
20 signature to complete the Taxiway B as bid with  
21 Earth Tech.

22 And I have one question about --

23 MR. WUELLNER: Rebid.

24 CHAIRMAN GREEN: Rebid. Excuse me.

25 MR. WUELLNER: Yeah.

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1 CHAIRMAN GREEN: Because of our time frame,  
2 the funding that we're going to lose it by  
3 August, to even -- what I'm going back to, even  
4 bid it out again, it's -- that's impossible.

5 MR. WUELLNER: Well, you've got to think  
6 that the work is 90 percent done when you look at  
7 the big picture. It's a hundred percent done  
8 from the first piece, because it was already bid  
9 once.

10 CHAIRMAN GREEN: And our exposure --

11 MR. WUELLNER: But you're modifying that.

12 CHAIRMAN GREEN: -- on this is just the five  
13 percent. Our exposure on this monetarily is just  
14 the five percent, because we're 95 percent  
15 funded.

16 MR. WUELLNER: Correct.

17 CHAIRMAN GREEN: Even if it is Earth Tech,

18 whom we all know we have some --

19 MR. WUELLNER: Correct.

20 CHAIRMAN GREEN: -- discussions with right

21 now. Okay. I entertain a motion as to Taxiway

22 B.

23 MR. GEORGE: Discussion?

24 CHAIRMAN GREEN: Yes, sir. Discussion will

25 come first.

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1 MR. GEORGE: The -- the apron hardstand,

2 Boeing 727, why was that picked as opposed to

3 737?

4 MR. WUELLNER: Because it is the most

5 difficult in terms of pavement strength design.

6 The pavement -- because it's a two-wheeler, a

7 dual-wheel design on the aircraft --

8 MR. GEORGE: In the 7 series of Boeings,

9 what will this not take?

10 MR. WUELLNER: It is the hardest paved -- it

11 is the most difficult pavement section to design.

12 So, it will allow those other aircraft in terms

13 of weightbearing capabilities.

14 MR. GEORGE: Up to -- yeah, which one, up to

15 757?

16 MR. WUELLNER: -57, -67, because you

17 distribute the load over many, many more wheels.

18 That's why.

19 MR. GEORGE: Okay.

20 MR. COX: 72- has the highest tire loading,

21 wheel loading.

22 MR. WUELLNER: In the entire airline fleet.

23 MR. COX: Yeah.

24 MR. GEORGE: I knew that. I just wanted to

25 make sure you guys did.

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1 CHAIRMAN GREEN: I'm glad one of you guys

2 do.

3 Okay. Back to a motion.

4 MR. COX: I'll move that we accept Staff's

5 proposal and allow the director to move forward

6 with the Earth Tech rebid as -- as presented to

7 the board.

8 MR. GEORGE: I second that.

9 CHAIRMAN GREEN: Discussion?

10 (No discussion.)

11 CHAIRMAN GREEN: All in favor?

12 MR. CIRIELLO: Aye.

13 CHAIRMAN GREEN: Aye.

14 MR. GEORGE: Aye.

15 MR. COX: Aye.

16 CHAIRMAN GREEN: All opposed?  
17 MR. GORMAN: Nay.  
18 CHAIRMAN GREEN: Motion will carry.  
19 8.C. - AUTHORITY MAINTENANCE BUILDING  
20 MR. WUELLNER: Okay. Next item I have is  
21 the revised Airport Authority maintenance  
22 building proposal from Danis, Fannin Danis.  
23 They're now called Danis. They just simply  
24 simplified their name, lest you think we've come  
25 up with another firm in here.

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1 Previously, the Authority, we brought  
2 proposals to the Authority back in January to  
3 begin the design/build process for the Airport  
4 Authority airport maintenance building.  
5 The maintenance building at that time came  
6 in with a proposal on a design/build contract to  
7 \$730- -- \$731,450 back in January. The Authority  
8 authorized us to authorize them to proceed with  
9 design with the intent of value engineering this  
10 project back to -- to something. There were a  
11 lot of variables out there relative to site work  
12 in this project.  
13 We have since done that with them. I did  
14 want to point out that the proposal, as we're

15 recommending approval, does include an additional  
16 \$35,000 in there for a parking lot, a small  
17 parking lot that would be located approximately  
18 at the corner of Pine Ridge and Estrella Avenue,  
19 directly across from the entrance to the Top Gun  
20 facility and catty-corner then to the airport  
21 maintenance facility.

22 There is always an ongoing parking issue in  
23 that general vicinity, and we've long promised  
24 the tenant we'd deal with it. And the county  
25 would like us to solve this problem, too.

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1 We have reduced the project down to a new  
2 total, including the parking lot, of \$534,660  
3 after all that engineering was done and some site  
4 adjustments made.

5 The facility is a 4,000 square foot building  
6 with approximately 8,000 -- 800 square foot of  
7 office space, if you want -- want to call it with  
8 it, which is just a single office and break room  
9 and restrooms that are finished space in the  
10 building.

11 And it would be our recommendation that you  
12 go ahead and award the design/build contract --  
13 or actually build contract at this point under

14 it, because you've already done design, in the  
15 amount of \$534,660.

16 CHAIRMAN GREEN: Public comment? Yes, sir.

17 MR. WUELLNER: It was a budgeted project for  
18 you, too.

19 CHAIRMAN GREEN: Right.

20 MR. WUELLNER: Would point that out.

21 MR. MARTINELLI: Victor Martinelli, Ponte

22 Vedra Beach. I think it's an excellent project.

23 My question is: What happens to the old

24 maintenance facility?

25 And -- and here I think the Pilots

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1 Association has some interest in perhaps renting  
2 that building under some arrangement and using it  
3 as our clubhouse, which is a larger clubhouse  
4 than what we have now and gives us the  
5 opportunity to have fly-ins, which are good for  
6 the airport, if we put an apron in front. And  
7 also, continue a roadway so that we can get from  
8 the north end of -- I guess this is north -- or  
9 west end, I guess -- of -- of the hangar areas  
10 without getting onto the active taxiway to get  
11 down to the newer hangar areas.

12 So, I would just like the board maybe to

13 consider that, if possible.

14 CHAIRMAN GREEN: Further public comment?

15 (No further comment.)

16 CHAIRMAN GREEN: Close public comment.

17 Board discussion? Mr. Cox?

18 MR. COX: I think it's an excellent idea,

19 and I think once we move forward with this,

20 whichever way the board decides to go, assuming

21 that we vote positively on Staff's

22 recommendation, that we move that idea to an

23 agenda item, say for a future meeting, and talk

24 about it.

25 CHAIRMAN GREEN: I have a question,

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1 Mr. Wuellner. What's the time frame on if we

2 were to accept Staff's recommendation as best as

3 can be told from the contract terms of

4 completion?

5 MR. WUELLNER: Six months from notice --

6 from notice to proceed, which is from the

7 issuance of the building permit.

8 CHAIRMAN GREEN: So, six months from the

9 issuance of the building permit, which in St.

10 Johns County might be another 60 days?

11 MR. WUELLNER: Thirty to forty-five days

12 from -- if you submit it this week.

13 CHAIRMAN GREEN: Okay. So, let's say eight  
14 months on the outside.

15 MR. WUELLNER: Yes.

16 CHAIRMAN GREEN: And the reason I'm bringing  
17 this up is I'm trying to weigh this against using  
18 our capital expenditure, which we have pending  
19 any results from our litigation. And -- in other  
20 words, reimbursement, to fill our capital  
21 expenditure back.

22 MR. WUELLNER: No, we're -- I'm not asking  
23 to use reserve funds. What I'm saying is we've  
24 had some projects that we didn't do this year  
25 that are already budgeted as capital items. And

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1 since they are unlikely to be done this year, you  
2 would reallocate those funds to this project.  
3 And it will carry forward with the project in the  
4 next fiscal year. I'm not saying go into  
5 reserves. So, that --

6 CHAIRMAN GREEN: Okay.

7 MR. WUELLNER: -- that same fund is not  
8 being tapped twice.

9 CHAIRMAN GREEN: Well, but what I'm saying  
10 is rather than put this on hold to wait for the

11 results of litigation to fund it, which in my

12 opinion would take two years or a year --

13 MR. WUELLNER: Well, that -- that's a

14 different -- that's not the same money.

15 CHAIRMAN GREEN: Okay.

16 MR. WUELLNER: That's what I'm trying to

17 say.

18 MR. COX: For all practical purposes --

19 MR. GEORGE: She's saying it could be.

20 MR. COX: -- this is funded already.

21 CHAIRMAN GREEN: Right.

22 MR. WUELLNER: This is funded already.

23 MR. GEORGE: This is in the bank account,

24 right.

25 CHAIRMAN GREEN: Right. It's in the --

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1 MR. COX: It's already funded. This is

2 already funded.

3 CHAIRMAN GREEN: It would just come back to

4 us as more surplus if we didn't.

5 MR. WUELLNER: Correct.

6 CHAIRMAN GREEN: Okay.

7 MR. WUELLNER: It would be cash forward at

8 the end of this fiscal year.

9 CHAIRMAN GREEN: Mr. George.

10 MR. WUELLNER: This way, it'll go through  
11 with an appropriated item.

12 MR. GEORGE: We're talking about putting  
13 this maintenance facility -- here's Pine Street  
14 and Estrella (indicating). We're talking about  
15 putting it right here; is that correct?

16 MR. WUELLNER: Yeah. Essentially where we  
17 have the existing facility.

18 MR. GEORGE: I think we're making a  
19 mistake --

20 MR. WUELLNER: Okay.

21 MR. GEORGE: -- from this standpoint: This  
22 is our prime expansion area that we've been  
23 talking about getting the master plan updated,  
24 and I learned today that we can amend the old  
25 master plan to include this.

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1 We've got corporate hangars to go in here,  
2 possibly another FBO to go in there, and  
3 additional T-hangars to go in. Putting that  
4 maintenance facility right in the middle is  
5 really going to disrupt what we can do with that  
6 piece of property. Would it -- would it be  
7 terribly inconvenient to move it over to the next  
8 block?

9 MR. GORMAN: Or put it on the end somewhere?

10 MR. GEORGE: Yeah, right, or put it on the  
11 end.

12 MR. GORMAN: Put it on the end, yeah.

13 MR. WUELLNER: Actually, we did -- many of  
14 you are familiar with the two iterations we did  
15 specifically for that purpose, was to assure that  
16 that site was not going to be in the way when we  
17 laid out the development in that neighborhood,  
18 and that -- we did that, what, a year ago.

19 MR. GEORGE: Okay.

20 MR. WUELLNER: We don't see it as being  
21 problematic in going to be in the way, because  
22 there are physical limitations of that in that  
23 area with elevation that are going to probably  
24 prevent it from being used any other way.

25 MR. GORMAN: How about the aesthetics of the

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1 airport if you're going to develop the airport  
2 with corporate hangars there? Would the  
3 maintenance facility detract to the, you know,  
4 the overall --

5 MR. WUELLNER: Yeah, we're not really trying  
6 to build something that's an outdoors, you  
7 know --

8 MR. COX: What's proposed is much better

9 than what's there --

10 MR. GEORGE: Absolutely.

11 MR. COX: -- if you're talking about

12 aesthetics.

13 MR. GEORGE: Yeah.

14 MR. GORMAN: I'm -- I'm concerned along

15 with -- with Mr. George about the location. I

16 mean, I'm sure you need another one; I've looked

17 at the old one. But just the location only

18 because you're going to develop that.

19 You know, post-development, it's going to

20 have to -- you know, a corporate hangar and then

21 you've got a maintenance facility with the

22 tractors and the -- you know, and the equipment

23 and everything else. You're going to run the

24 maintenance facility.

25 MR. WUELLNER: Well, actually, we aren't

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1 intending to bring the tractors, that heavy

2 equipment on -- into that site. That was going

3 to remain out, similar area to where it is. It

4 just doesn't --

5 MR. GEORGE: The tractors would remain where

6 they are now?

7 MR. WUELLNER: Generally staged airside.

8 Generally staged airside, yeah. That's where

9 they're utilized. Doesn't make much sense to

10 haul them, you know, another block and a half.

11 It's wear and tear on equipment, as well as just

12 it's exposed then to the public for theft and

13 other things. It's well secured inside the

14 airport periphery now.

15 MR. GORMAN: Do you have any funding issues

16 about putting that off a bit without letting the

17 other --

18 MR. WUELLNER: I know we're close on the --

19 MR. GORMAN: -- letting the other new

20 engineering firm take a look at this whole thing?

21 MR. WUELLNER: This is one we've already

22 requested because of the time line. It was

23 pretty close. It was deferred by the previous

24 board about a year for budget reasons.

25 I know we've already -- I'm almost a hundred

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1 percent sure we asked FDOT already to extend the

2 grant time line, the additional time. So,

3 there's probably a little more time.

4 Problem is I don't know that you end up with

5 a definitive answer for 18 months. If you're

6 going to use the master plan as your layout, you  
7 know, which would be the mechanism I would  
8 suggest --

9 MR. GEORGE: Well, if the --

10 MR. WUELLNER: -- to determine it.

11 MR. GEORGE: If the board looked at all of  
12 the different options for using that area there  
13 and extensively looked at it, then I guess we'll  
14 rely on Joe, you know. You were on the board at  
15 that time. You're in occurrence -- concurrence  
16 that that would be fine where it is? Sorry, Joe.

17 MR. WUELLNER: Talk about put on the spot,  
18 huh?

19 MR. COX: The maintenance facility where  
20 it's at.

21 MR. GEORGE: Do you remember, Suzanne?

22 CHAIRMAN GREEN: That was --

23 MR. WUELLNER: Would you like me to get the  
24 two boards that showed --

25 MS. OCHKIE: Do you want me to get it?

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1 MR. WUELLNER: Yeah, whatever.

2 MR. GORMAN: They want to put another one,  
3 Joe, right across the street kind of from the  
4 second gate.

5 MR. CIRIELLO: Well, if you want to --

6 MR. GEORGE: Have you looked at it?

7 MR. COX: Absolutely. And it fits right in.

8 And it -- and it incorporates that space and it

9 incorporates the corporate hangars and the new

10 T-hangars, and you've got two or three different

11 iterations of that.

12 MR. WUELLNER: There's at least two there.

13 MR. GEORGE: If they've already looked at it

14 and you've looked at it, too --

15 MR. WUELLNER: It's -- it's not -- I want --

16 you know, I just want to make clear, it's not a

17 layout plan that was adopted by the board in the

18 sense that that's how the development's proposed

19 to the neighborhood.

20 It was -- there were iterations looking at

21 that whole neighborhood property, how it might

22 lay out, to assure ourselves that the maintenance

23 facility being built there didn't mess it all up.

24 CHAIRMAN GREEN: Right.

25 MR. CIRIELLO: Originally, when you talk --

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1 MR. WUELLNER: Just to avoid exactly what

2 you're all concerned about.

3 MR. CIRIELLO: When you talked about the

4 maintenance facility, I was always under the  
5 impression it was going to be inside our fence.  
6 But now I find out it's going to be over in where  
7 all the homes and everything are, which are --

8 MR. WUELLNER: It's where our maintenance  
9 facility has always been.

10 MR. CIRIELLO: Oh, I meant that you was  
11 going to build one to house all of our material  
12 and -- and parts and things like that. I always  
13 thought it was going to be in the area down by  
14 the tower inside the fence.

15 MR. GEORGE: The same --

16 MR. WUELLNER: It will be inside the fence.

17 MR. CIRIELLO: Now, what you're talking  
18 about is --

19 CHAIRMAN GREEN: Excuse me. Excuse me. Our  
20 poor court reporter can't take down everything  
21 that's going on.

22 MR. COX: Show us where the maintenance  
23 facility is, Bryan, the proposed new facility  
24 there.

25 MR. COOPER: The facility, as it stands

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1 today, is right where this green block is  
2 (indicating), where the new one's going to be.

3 Here's the paint shop (indicating). Top Gun  
4 (indicating). This is the parking lot we were  
5 talking about (indicating). And in this  
6 configuration (indicating), this is one of two,  
7 it's located here (indicating).

8 That one's located in the same location  
9 (indicating). What's different is how this is  
10 laid out back in here (indicating). You have to  
11 have the access, the street access to get down  
12 all the way to the tower. So, that affects both  
13 of those. And in this one, you don't have the  
14 taxiway crossing here (indicating); you have a  
15 taxiway coming in from the other side.

16 MR. CIRIELLO: Well, what is right in there  
17 right now? Where you've got --

18 MR. COOPER: The green?

19 MR. GEORGE: Where you've got that angle,  
20 the taxiway --

21 MR. COOPER: The green?

22 MR. CIRIELLO: No, the blue. Right in there  
23 (indicating). What's in there right now?

24 MR. COOPER: All those houses.

25 MR. CIRIELLO: Oh. So, what you're showing

1 is in the future where all those houses have been

2 torn down and the airport's expanded.

3 But right now, if you build the maintenance  
4 facility right where it's at, it is going to be  
5 mixed in with houses, even though we own them.

6 MR. WUELLNER: Yeah. Just like it is now.

7 MR. CIRIELLO: Yeah, but right now, it's a  
8 what, a double-wide or something? It's not a  
9 great big 35-foot storage building.

10 MR. WUELLNER: Well, this is, you know,  
11 4,800 square foot, which isn't particularly  
12 large.

13 MR. CIRIELLO: Right now, a building over  
14 there that -- the maintenance facility? What is  
15 it right now?

16 MR. WUELLNER: It's a maintenance facility.

17 CHAIRMAN GREEN: What size?

18 MR. CIRIELLO: But what is it? Is it a --

19 MR. WUELLNER: It's -- it is an old -- well,  
20 was an old single-wide trailer.

21 MR. GEORGE: It's an old concrete thing with  
22 two double doors you drive straight through it.

23 MR. WUELLNER: It's gone now.

24 MR. COOPER: The building there today, Joe,  
25 is bigger than this building. It's taller. It's

1 concrete --

2 MR. CIRIELLO: In other words, it's not a  
3 house that was used for --

4 CHAIRMAN GREEN: Huh-uh.

5 MR. CIRIELLO: Okay. Okay. All right.  
6 That's what I was picturing, an old house that  
7 was revamped.

8 MR. WUELLNER: The building itself, the  
9 mobile that was there and destroyed during the  
10 tropical storm, which started this whole thing  
11 three years ago, it was -- is removed from the  
12 property. It's gone now.

13 MR. GORMAN: Can I say something just a bit  
14 smart? I don't mean to --

15 MR. WUELLNER: Could use a little of that.

16 MR. GORMAN: -- get going at times. I mean,  
17 I hate to build anything without a new  
18 engineering firm in place, though.

19 MR. WUELLNER: This is -- this is  
20 design/build. It -- the engineering's literally  
21 done.

22 MR. GORMAN: Yeah. So, you don't anticipate  
23 any problems.

24 MR. WUELLNER: It was done by -- Gresham  
25 Smith was their architect, civil guy.

1 CHAIRMAN GREEN: And we've been through a  
2 lot of prior discussions with the board on that.

3 MR. CIRIELLO: Could I interject an idea  
4 here? I don't see it in the writing right now,  
5 but I did when I originally looked at this, that  
6 we're going to be taking two homes out of there  
7 to do this project, right?

8 MR. WUELLNER: No.

9 CHAIRMAN GREEN: No.

10 MR. WUELLNER: It is --

11 MR. CIRIELLO: Where did I get that idea,  
12 Bryan?

13 MR. WUELLNER: It's our --

14 MR. CIRIELLO: About the two homes that were  
15 going to be moved?

16 MR. WUELLNER: No, the area for the parking  
17 lot is vacant.

18 MR. COOPER: That was different. I think it  
19 was for the parking lot.

20 MR. WUELLNER: Actually the parking --

21 MR. CIRIELLO: For this project, though.

22 MR. WUELLNER: No. Actually, the parking  
23 lot is -- is in two vacant lots. It's on vacant  
24 property. It's property owned by the Authority  
25 but is not currently developed. The

1 maintenance --

2 MR. CIRIELLO: Well, where is that cement  
3 block building you was talking about and the  
4 mobile -- mobile home that's not savable?

5 MR. COOPER: (Indicating.)

6 MR. WUELLNER: The -- that mobile's gone.

7 MR. COOPER: It's right there where -- where  
8 the --

9 MR. CIRIELLO: It's literally gone right  
10 now?

11 MR. WUELLNER: Yeah, it's --

12 MR. CIRIELLO: Well, where is it -- what  
13 about the cement block house?

14 MR. WUELLNER: That's still there. It will  
15 be continued to be utilized. It --

16 MR. CIRIELLO: I thought it was going to be  
17 torn down to make the parking lot.

18 MR. WUELLNER: No, sir. No, it continues.

19 MR. COX: So this is design/build. Danis is  
20 going to take care of it.

21 MR. WUELLNER: You have sketches I think we  
22 attached as a part of this here --

23 CHAIRMAN GREEN: Yeah.

24 MR. WUELLNER: -- some idea of what the  
25 layout was going to be.

1 MR. CIRIELLO: Well, the idea I was thinking  
2 about, I talked to Bryan and the maintenance  
3 supervisor, Kevin. Maybe for right now what I'm  
4 saying isn't right, but what Bryan was telling me  
5 down the road in the future, there will be homes  
6 removed in there to do things.

7 MR. WUELLNER: Yes.

8 MR. CIRIELLO: And I was telling Bryan, I  
9 said if -- I thought we was going to remove two  
10 homes in there. If they were salvageable, if  
11 they were usable and livable, why couldn't we  
12 contact all of these different people in the  
13 community that -- like St. Francis House and  
14 Gerard House and that, who are looking for homes  
15 to help their people, that we could -- if the  
16 cost would be cost-effective, to donate these  
17 homes to them if they would want them.

18 And so since this is something to look at in  
19 the future, I was wondering could we direct the  
20 staff to write letters to all of these  
21 organizations that in the future, the airport may  
22 have some homes that are livable that could be  
23 moved to somebody else's property and utilized if  
24 they would be interested?

25 And then at that time, you'll have to figure

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1 out whether the expense is viable for not. But  
2 just to see if any of these organizations would  
3 want any of the homes that we're going to get rid  
4 of.

5 MR. WUELLNER: Well --

6 MR. CIRIELLO: That's -- that's the whole  
7 idea.

8 MR. WUELLNER: Sure. And assuming they're  
9 the high bidder at public auction for the  
10 facilities, they'd be welcome to it. But the  
11 problem is that, as a public entity, you have to  
12 dispose of that at public auction, if it's got  
13 value at all.

14 MR. CIRIELLO: You can't donate it to  
15 some --

16 MR. WUELLNER: If it's scrap, it's scrap; it  
17 goes in the dumpster, if somebody pulls it out of  
18 the dumpster, they can have it. But the reality  
19 is if it's got value, it has to be disposed of  
20 properly. It has to be offered to other  
21 governmental entities first. Then it goes to  
22 public auction in the event no one takes it.

23 MR. COX: Chair, accept a motion?

24 CHAIRMAN GREEN: Yes, sir.

25 MR. WUELLNER: That's Florida Statutes.

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1 CHAIRMAN GREEN: Entertain a motion on --

2 MR. COX: Motion to accept Staff's

3 recommendation on the Authority maintenance

4 building and move forward, give the Director

5 authority to move forward with that.

6 CHAIRMAN GREEN: With Danis?

7 MR. COX: Danis.

8 CHAIRMAN GREEN: Second?

9 MR. COX: Design/build maintenance building.

10 MR. CIRIELLO: Second.

11 CHAIRMAN GREEN: Any further discussion?

12 (No further discussion.)

13 CHAIRMAN GREEN: All in favor?

14 MR. CIRIELLO: Aye.

15 CHAIRMAN GREEN: Aye.

16 MR. GEORGE: Aye.

17 MR. COX: Aye.

18 MR. GORMAN: Aye.

19 CHAIRMAN GREEN: All opposed?

20 (No opposition.)

21 CHAIRMAN GREEN: Okay. We'll accept Staff

22 recommendation on agenda item 8.C.

23 MS. OCHKIE: Mr. Gorman, she didn't get a  
24 response.  
25 MR. WUELLNER: Okay.

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1 MR. GORMAN: It's a belated aye.

2 8.D. - EMBRY RIDDLE LEASE

3 MR. WUELLNER: Next item I've got is the  
4 long-awaited discussion on the Embry-Riddle  
5 leasehold, or proposed leasehold.

6 The project, as it stands now, we tried to  
7 provide you with as much as we could in the way  
8 of background information and cram as much into  
9 the agenda memorandum as possible just so you had  
10 a basis. But I'm sure there are always details  
11 that we either haven't handled or aren't  
12 sufficiently documented for you.

13 The project basically takes hangars, as we  
14 know them, 2 and 3, of the corporate area, which  
15 is the Sheriff's hangar and the old Future First  
16 facility in the northeast -- excuse me, in the  
17 eastside development area. Converts the old  
18 Future First facility into classroom space.  
19 Leaves largely untouched the -- the Sheriff's  
20 facility. Adds additional parking over there for  
21 automobiles, as well as ties the smaller pieces

22 of apron together in that same -- same vicinity.

23 It would also provide a self-fuel facility  
24 over there, that, board's decision if they did  
25 this, whether it would be open to the public or

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1 used as an ancillary to the self-fuel operation  
2 we have.

3 The investment to the Authority would be  
4 approximately -- from the Authority, by the  
5 Authority, would be approximately \$900,000,  
6 with -- I've got a typo in here -- but  
7 approximately \$300,000 of that would be shored up  
8 with some FDOT funds that I'm sure we can work  
9 with DOT and put together on the project.

10 The balance of the funding would be Airport  
11 Authority dollars, and would be, if you decided  
12 to do this and given the time frame, we would  
13 appropriate into the next budget year rather than  
14 attempt to do anything else.

15 In addition to recovering that \$600,000,  
16 there's approximately \$179,646 left as residual  
17 that was not paid in those buildings by the  
18 original tenants. The tenants have been in there  
19 approximately three years and have -- you know,  
20 have recovered the cost of those buildings with

21 the exception of \$179,000.

22 When you add that together and walk through  
23 the -- which we can do in a second -- but the  
24 cost benefit analysis, basically the lease is at  
25 \$4.50 per square foot, plus all of the self-fuel

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1 revenue.

2 Their estimates of self-fuel gallonage is  
3 that of approximately 250,000 gallons per year of  
4 self-fuel revenue. And I'll walk through that on  
5 the ROI in a second. It's a little easier to  
6 understand there.

7 The lease desired by them is seven years,  
8 with a seven-year option. The lease would  
9 appreciate normally at a CPI rate.

10 The economic impact, as estimated by the  
11 university, is that of about \$4.7 million  
12 annually to the local community from this  
13 facility.

14 We have discussed the -- we have tried to  
15 provide some terms and language within the lease  
16 document that addresses the scope of operation  
17 for this facility throughout the life of the  
18 lease. And we can detail those as you -- as you  
19 might have questions.

20 We have discussed the operation with the  
21 tower and solicited their impact -- or their  
22 feelings of what the impact of such a facility  
23 would be on the facility, and I'm sure Dave would  
24 comment on that if you ask him directly.

25 Walking through the ROI, you have a copy of

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1 the draft lease agreement which includes the  
2 language that -- that we're talking about here  
3 relative to the use of the demised premises.

4 And specifically, I call your attention to  
5 Sections 4.1 through 4.4, where we specifically  
6 detail the maximum number of aircraft in the  
7 traffic pattern, the routine access of their  
8 facility using the infrastructure of the airport,  
9 as well as how their primary launches would be  
10 accomplished in concert with the tower.

11 You have the layout in your packet of what  
12 they would envision that hangar complex, that  
13 hangar to look like. This is primarily the  
14 Future First layout, because that's the one being  
15 modified.

16 You have a copy of their economic impact  
17 study that was provided. And I'm sure they can  
18 discuss that. I know they're here to talk about

19 it. And you also have the information from  
20 Fannin Danis relative to the construction costs.  
21 Walking through the ROI with you, you have  
22 base rent again of \$40- -- \$4.50 per square foot,  
23 it's approximately 21,408 square foot to be  
24 involved in this leasehold, generating \$727,000  
25 and change for the first seven-year period.

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1 In addition to that, there's -- there's  
2 approximately \$614,000 of additional fuel-related  
3 revenue associated with this, doing the  
4 self-fuel, relating to a total of \$1,341,000 in  
5 gross revenue on the facility for the first seven  
6 years.

7 Subtracting out the \$779,000 in residual and  
8 the amount of construction the Authority would be  
9 committed to, provides a \$561,000 net return to  
10 the Airport Authority after paying off those  
11 facilities for the first seven-year term.

12 In the event they elect to take their option  
13 on the property, that adds another \$1. -- almost  
14 \$1.5 million of revenue to the Airport Authority  
15 for the next seven years, over the next seven  
16 years.

17 Obviously, using the -- using rent only in

18 this equation for the first seven-year period, it  
19 wouldn't make a lot of sense at that square  
20 footage. What makes this is an agreement within  
21 the lease -- within the lease that provides for  
22 exclusive self-fueling opportunity within it.  
23 That's what captures it for the first -- first  
24 seven years.

25 After that, you've -- you've amortized, if

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1 you will, all the debt service on it and all the  
2 residual lease or development cost of the  
3 original facility, and it's basically profit to  
4 the Airport Authority from that point on, which  
5 the second seven years is not a guarantee.

6 But it is a better rate of return, and it is  
7 more net dollars -- should -- let me say that  
8 again. It's not a better rate of return than  
9 just leasing the facility, but it is more net  
10 dollars to the Airport Authority in the first  
11 five years than it would be just leasing the  
12 facility to another corporate user.

13 With that, I'll try to answer questions.

14 Paul Woessner with Embry-Riddle is here to try  
15 and address any operating or other leasehold, or  
16 university-related questions.

17 CHAIRMAN GREEN: I'm going to open it to  
18 public comment first. So, if there's any public  
19 comment on this subject, entertain it now.

20 Mr. Martinelli?

21 MR. MARTINELLI: Yeah. Victor Martinelli,  
22 Ponte Vedra Beach. As you-all know, I had  
23 several questions regarding this project, which I  
24 brought before you earlier, and they're really in  
25 two categories. One, safety; and two, economics.

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1 And I guess there's a third one, and that's  
2 mission. I'll call it mission.

3 So, addressing the safety issue, we're  
4 talking about pattern traffic. We're talking  
5 about the issues that I think Ed has referred to  
6 as being in the lease somewhat, or in the  
7 proposed lease, so I won't talk about that. I'll  
8 let maybe somebody else talk about it, if they  
9 have some different ideas.

10 Excuse me. Talking about the economics --  
11 maybe I ought to talk about mission first. The  
12 mission of the airport in -- in my opinion is  
13 obviously to provide a place for airplanes to  
14 take off, land, and have, if you will, a friendly  
15 environment for conduct of aviation business.

16       If -- and then I'm stretching this, but if  
17       you were to take that area where those hangars  
18       are right now and build a manufacturing facility  
19       for a company that manufactured drug products,  
20       let's say, ethical drug products, you could  
21       probably get a square foot rental higher than the  
22       rental that's being proposed by Embry-Riddle.

23       And obviously, we would say, well, wait a  
24       minute; that's not aircraft related, it's not  
25       aircraft use, and that's not our mission. The

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1       mission of this airport is aircraft.

2       Well, when you come to a school, even though  
3       it's aircraft related, you're talking about  
4       hangar space, which is at a limited supply,  
5       space-wise, on our facility. There's a question  
6       of whether or not that's really the mission of  
7       the airport.

8       That leads me to the economic side of it.  
9       And the economic side of it is modification of a  
10       hangar for classroom space, which takes away that  
11       space from potential use as an aircraft hangar,  
12       and also the question of economics.

13       And I have two questions, Ed. One is, in  
14       your calculations, did you figure in removing the

15 classrooms and making it a hangar again when  
16 Embry-Riddle leaves? Because that's a cost that  
17 needs to be faced. Embry-Riddle may not be here  
18 forever. And after seven years, if they don't  
19 renew the lease, then it's a hangar. But you  
20 can't put an airplane in there until you take all  
21 of the classrooms out. So, I'm wondering whether  
22 that cost has been factored in.

23 And you also referred to revenue from the  
24 fuel, the self-fuel. And was that gross revenue  
25 or net?

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1 MR. WUELLNER: That's net to us.

2 MR. MARTINELLI: Net to you. Okay. And  
3 that's -- if it is what kind of a -- you  
4 mentioned --

5 MR. WUELLNER: It's -- that's 3 percent fuel  
6 flowage. In addition to that, that's using the  
7 ratio at -- we had prior to the recent price  
8 increase of 13.32 percent profit on top of that,  
9 which gives you \$87- -- almost \$88,000 a year in  
10 gross --

11 MR. MARTINELLI: Okay. So, they will --

12 MR. WUELLNER: -- I mean, net profit to the  
13 Airport Authority on that facility.

14 MR. MARTINELLI: They then would pay for the  
15 installation of the fuel farm.

16 MR. WUELLNER: Would be included in our  
17 capital development of the facility.

18 MR. MARTINELLI: Okay. Okay. Well, anyway,  
19 those are the questions that I have. And I'd  
20 submit those to the board.

21 CHAIRMAN GREEN: Thank you. Further public  
22 comment?

23 MR. OTTESEN: I'm Bjorn Otteson, with  
24 Florida Aviation, the flight school. Just one  
25 thought, what this is going to do to the traffic.

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1 Two hundred fifty thousand gallons of fuel  
2 was mentioned. That looks like 30,000 hours.  
3 Currently, the flight school is flying a third of  
4 that. So, if anybody thinks that the flight  
5 school is creating a lot of traffic out here,  
6 imagine what three times that traffic is going to  
7 do. Thank you.

8 CHAIRMAN GREEN: Thank you. Further public  
9 comment?

10 MR. HOLIDAY: Dan Holiday, St. Augustine,  
11 Florida. We've got an airport here that really  
12 basically, the footprint of the airport is very

13 small.

14 I've been flying out of here just one year  
15 shy of 30 years. And just the normal traffic  
16 here, with the control tower and the ILS, we're  
17 getting more and more traffic in here. I think  
18 that part of it is growing without us doing  
19 anything about it except trying to contain what  
20 traffic we have already normally building.

21 The criminal thing to me is, is not  
22 focussing on more hangar space. Just for  
23 instance, Bjorn is renting a couple of little  
24 hangars, trying to put something together for his  
25 maintenance facility. He's over there trying to

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1 make do with what he has.

2 We've got Dail Snyder and Patty Wagstaff;  
3 they've got two or three little hangars they're  
4 trying to -- they're renting themselves.  
5 Everyone around here is looking for additional  
6 hangar space, larger additional hangar space, et  
7 cetera, et cetera. Those are two hangars over  
8 there, one was for the -- the St. Johns County  
9 Sheriff's Department rented one of those hangars.  
10 Now they've moved out. And then this other one  
11 with the corporation that went belly up.

12 But it seems to me if you took this  
13 \$900,000, instead of backing -- Embry-Riddle's a  
14 private institution, isn't it -- helping them  
15 with their programs, build more hangars here so  
16 that you could rent more hangars; therefore,  
17 you'd have more aircraft. You'd have jet  
18 aircraft coming here buying more fuel.

19 I think we're kind of looking -- we're  
20 looking at this like we're hard up for revenue  
21 and we would do just about anything. When you  
22 talk to people that aren't pilots, they can see  
23 it. They can see it's ridiculous.

24 When we were talking here about control  
25 towers, I for one was not really wild over a

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1 control tower, quite frankly. But since the  
2 control tower's here, I like it. So, I'm open  
3 to -- I'm always open for criticism.

4 But the point of it is, we can find  
5 something else to do with the money, and that's  
6 build more hangars, not take the hangars we  
7 already have, make them into classrooms, and  
8 build more problem. We already have worked --  
9 we've got this problem going on. It's a small  
10 airport.

11 I was fifth in line to take off the other  
12 day, and I was sixth landing. And I could sit  
13 out there and monitor the -- the tower. And  
14 you're busy. Certain times you aren't, but other  
15 times, you know, you can't clear it up. You  
16 throw in 15 other aircraft that are -- that are  
17 students, and they're going to be running ILS  
18 approaches, right? They're going to be doing all  
19 that stuff. And it's not going to get pretty  
20 around here.

21 And I just -- I just think for safety and  
22 just simple -- I rent property myself. I'm a  
23 landlord. And for simple things -- find a need  
24 and fill it, and the need to me is more hangars.  
25 And they can go to Cecil Field. Thank you.

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1 CHAIRMAN GREEN: Any further public comment?

2 Close public discussion. Board discussion?

3 Mr. Gorman?

4 MR. GORMAN: Oh, my. Here we go. As a  
5 matter of practicality, we don't know yet whether  
6 or not Mr. Stokes is going to build that plant or  
7 development which is right next door. And until  
8 we know that, how can we in good conscience  
9 increase the noise level in this area?

10 That's a big problem, because I was -- I  
11 read or was told, I'm not sure which and I'm not  
12 sure whether it's accurate -- they weren't going  
13 to do touch-and-goes as part of their -- part of  
14 their curriculum. I don't believe that. Every  
15 flight school I've ever seen does touch-and-goes.  
16 I don't know.

17 But -- so, let's move on to the three.  
18 If -- to me, if you get mandatory noise abatement  
19 procedures that become mandatory -- now, Dave can  
20 help me. But if they become mandatory, then  
21 there are -- there's jet traffic that is not  
22 going to come to this airport for transient fuel,  
23 for overnights, because they won't deal with  
24 noise abatement procedures, because they don't  
25 want to land with reduced power and reduced

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1 takeoff settings and everything else. I --  
2 that's just my thoughts on it.

3 It -- I don't want noise abatement to become  
4 critical. And we don't know right now if it will  
5 become critical, because we don't know if they're  
6 going to build 350 condos right next door. And  
7 so, that's a great concern to me.

8 I almost feel like asking if -- you know, if

9 you do that and it got that bad, it would be very  
10 bad. So, can we make that decision yet?

11 The other thing I'm curious about, and I  
12 have to ask Mr. Wuellner about that; we'll have  
13 our next argument, but is there no private  
14 funding for this? Does -- does the municipality  
15 have to pay for everything? How about  
16 Embry-Riddle? They've got deep pockets. Ask  
17 them to pull their pockets out. Is that  
18 possible?

19 I know it is in the second phase of it,  
20 they -- they exercise an option and they do it.  
21 But how about if they -- I mean, that's just  
22 something to be thrown out for discussion.  
23 That's not whether to or not to. It's a matter  
24 of funding. That's just a concern of mine.

25 But the noise concern, because of this

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1 planned development right next door, is --  
2 bothers me. That's what I have.

3 CHAIRMAN GREEN: Thank you. Mr. Ciriello?

4 MR. CIRIELLO: I never thought about  
5 anything until Mr. Gorman just talked about this  
6 Ponce deal. Of course, I'm not against this  
7 Embry-Riddle thing maybe because I already stated

8 this is a public-use airport and we don't have  
9 any business telling anybody they can't come here  
10 and use this airport. Of course, it's more than  
11 them just coming and landing and taking off.

12 But is there -- Ed, would there be somewhere  
13 in this contract an escape clause? Let's say  
14 Embry-Riddle comes here, and in the next couple  
15 of years Stokes has got this half-million-dollar  
16 condo down here and the people, you know, the  
17 first condo built and occupied and before that  
18 day is over, you're going to get phone calls;  
19 maybe not you, but somebody.

20 Is there any such thing that if the noise  
21 problem becomes such a concern, that Embry-Riddle  
22 can leave before that seven years and then we end  
23 up being stuck with all this?

24 MR. WUELLNER: It is a seven-year lease.  
25 You have the ability to collect revenue for seven

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1 years, whether they're here or not, once the  
2 agreement's executed.

3 MR. CIRIELLO: All leases usually have  
4 escape clauses in them.

5 MR. WUELLNER: Not mine. I'm a mean guy.

6 MR. CIRIELLO: No, you're not mean. You and

7 I have had that discussion many a time. We're  
8 going to have it before the day's over, too.

9 But that was one of my concerns, whether or  
10 not if something went belly up on us, because of  
11 condos and that, if Embry-Riddle would leave us  
12 holding the bag. It's just a thought I had.

13 MR. WUELLNER: Just for clarification, the  
14 way the lease is written, there's a maximum  
15 aircraft impact in the traffic pattern, and they  
16 are only permitted to have two aircraft doing  
17 touch-and-goes at any time. So, the thought of  
18 having 15 airplanes in there doing that -- this  
19 is not uncontrolled -- is not an uncontrolled  
20 facility any longer. And that activity can be  
21 monitored continually through the tower.

22 It's not like it's -- it's not DeLand, and  
23 it's not Flagler County Airport in that they can  
24 literally -- could literally control all of those  
25 aspects. They can simply disapprove

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1 touch-and-goes, and they depart the area or land  
2 full stop.

3 Your tower has those kind of controls that  
4 those airports didn't have to assure that the  
5 public has access to the facility. You don't see

6 where -- and even in the case of Daytona Beach,  
7 while, yes, they entertain a whole lot of  
8 activity on that airport directly attributable to  
9 Embry-Riddle, but you don't see them not having  
10 scheduled airline service and other aviation  
11 activity at that facility. It's worked in and  
12 made to work.

13 We discussed in detail with David, to be  
14 sure that the peaks that are at this facility  
15 that we've identified over a year -- actually,  
16 he's identified over a year -- based on hour and  
17 the number of operations, that their flight mix  
18 fits very well with that. It basically covers  
19 shortfalls in days where the operation levels go  
20 down. That -- that's at the forefront.

21 They already have a corporate policy that  
22 limits five aircraft in a pattern at any time  
23 regardless of whether they're touch-and-go or  
24 full stop anyway. We further -- we have limited  
25 that in the lease also.

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1 Their access is designed, other than when  
2 weather simply prohibits it -- and that's not  
3 only just doing touch-and-goes, but a combination  
4 of that with simulated instrument. So you don't

5 have 15 airplane lined up doing simulated  
6 instrument also, in addition to two in the  
7 pattern and five trying to get in and out.

8 We've tried to take into consideration in  
9 developing the agreement and walking through it,  
10 we know what the impacts of Embry-Riddle are on  
11 two other airports. And we know that's a pain in  
12 the butt when you're trying to do that in an  
13 unmanaged air traffic control situation.  
14 Fortunately, we don't have that problem, that  
15 part of it.

16 Now, what you've got to consider is two  
17 things. You've got, you know, two different  
18 publics here that you're going to hear from that  
19 you've got to consider. And I'm not -- you know,  
20 this is a board decision, and I'm just throwing  
21 some things out on the table to you.

22 You've got a public out there that doesn't  
23 give a hoot about the airport. They give a hoot  
24 about one part of this airport, and that is  
25 getting it off the ad valorem receipts.

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1 And if you could put almost \$2 million of  
2 revenue in their pocket over 14 years that helps  
3 reduce the ad valorem requirement of this airport

4 over the 14-year period -- and hopefully, we'll  
5 be off it completely before then -- it's  
6 something this board needs to look at seriously.

7 When it makes more net dollars, which is  
8 what comes down to the bottom line in ad valorem,  
9 than just leasing it as a hangar, it makes sense  
10 to look at it as a project.

11 You also have some issues that you may need  
12 to reconcile with the federal government on  
13 unrestricted access by the public if you start  
14 limiting operations. There's currently nothing  
15 and no way for you to enforce that Embry-Riddle  
16 doesn't come up here every day and saturate this  
17 pattern with aircraft out of Daytona Beach and  
18 other facilities.

19 They can do that now. But they don't. My  
20 comments. They're yours.

21 CHAIRMAN GREEN: Mr. George?

22 MR. GEORGE: Several. You make a comment  
23 that there's \$150,000 over what could be realized  
24 if we did not rent to them under these criteria.  
25 That's a rough number --

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1 MR. WUELLNER: Yeah.

2 MR. GEORGE: -- okay? Seven years into

3 \$150,000 is \$21,000 a year that's always going to  
4 be to us. I don't know if the -- if the  
5 increased traffic --

6 MR. WUELLNER: In the first seven years,  
7 that's correct.

8 MR. GEORGE: Okay. Okay. You're right. In  
9 the first seven years. Trying to think of a  
10 tactful way of putting it.

11 I disagree with the terms of the lease. If  
12 the terms could be increased to cover my  
13 financial and safety concerns, then maybe we  
14 could go along with it. But --

15 MR. WUELLNER: Specifically what?

16 MR. GEORGE: -- \$21,000 a year -- to make  
17 \$600,000 investment to get \$21,000 a year --

18 MR. WUELLNER: For the first seven years.

19 MR. GEORGE: Okay. There is nothing in the  
20 contract, Ed, that says they must take the other  
21 seven. So, therefore, maybe that's one of the  
22 contingencies; it has to be a 14-year contract.

23 MR. WUELLNER: That's -- that would be up to  
24 you.

25 MR. GEORGE: We talk about the hangars over

1 there. They're going to need additional ramp

2 space to put their airplanes. Can we put a  
3 hangar on that ramp space and therefore get other  
4 revenue from --

5 MR. WUELLNER: What you're doing is  
6 connecting a very small apron that's in front of  
7 the hangars that exist. It's just connecting  
8 those together. It's not a massive apron.

9 MR. GEORGE: So, it does not --

10 MR. WUELLNER: There's still nothing to  
11 prevent you from placing probably up to two other  
12 hangars in the eastside corporate area.

13 MR. GEORGE: Okay. But the --

14 MR. WUELLNER: There are two vacant lots  
15 there.

16 MR. GEORGE: I'm trying to get an  
17 apples-to-apples of what resources they are  
18 taking of ours and what that has the ability to  
19 convert to revenue to us. If you're saying it's  
20 just the connecting of that, those two ramps --

21 MR. WUELLNER: They're already next to each  
22 other.

23 MR. GEORGE: -- then we would not get any  
24 other out of it. The fuel revenue is not  
25 guaranteed.

1 MR. WUELLNER: True.

2 MR. GEORGE: We use -- wait a minute. We  
3 use the revenue from the fuel, based on their  
4 number of airplanes. But what happens when their  
5 school doesn't go well and they only have five  
6 airplanes up here?

7 MR. WUELLNER: It will -- it will be a  
8 variable. I mean, there's no doubt about it.

9 MR. GEORGE: I guess what I'm saying is --

10 MR. WUELLNER: It won't hit 250 --

11 MR. GEORGE: -- that would be unacceptable  
12 for me to vote to spend \$600,000 to have a  
13 variable that is a negative --

14 MR. WUELLNER: Okay.

15 MR. GEORGE: -- okay? Some of the cost  
16 figures that we had, that we used, we used the  
17 book value of the present hangars, not their  
18 market value, because they are marketable. And I  
19 think, from my experience in dealing with real  
20 estate firms that are renting office buildings  
21 and the like, they take the market value of their  
22 raw space and, now, what is it you're going to  
23 have me put in for you, put in a rate of return  
24 on that, put it back in, and whatever the -- the  
25 smallest amount of term of the lease, seven

1 years, we've got to pay all that back, plus  
2 profit.

3 And if we can rent those other two hangars  
4 for \$419,000, I'd say that as they sit today,  
5 that's their market value. And we put the  
6 \$900,000 additions on top of that for the  
7 calculations.

8 But typically, they use -- I think they use  
9 the market value, you know, of that. And I was  
10 very interested in Bjorn's comment about the fuel  
11 consumption converts to 30,000 hours. That's a  
12 lot of flying time.

13 But -- but it looks to me like to make this  
14 so that it would be a significant contribution  
15 back to the tax roll, the rate would have to go  
16 up significantly and it'd have to be a 14-year  
17 deal, and it'd have to be a minimum on the fuel,  
18 because they're using the fuel to offset paying  
19 less rent, but there's no guarantee on the fuel.

20 CHAIRMAN GREEN: Mr. Cox?

21 MR. COX: I also have several comments.  
22 Bjorn, just off the top of your head, do you  
23 recall how you extrapolated those numbers out?

24 MR. OTTESEN: Well, eight gallons an hour.  
25 That's --

1 MR. COX: Per eight airplanes or what?

2 Over --

3 MR. OTTESEN: Well, I didn't say number of  
4 airplanes. Just --

5 MR. COX: Oh, just -- okay. Eight hours?

6 MR. WOESSNER: Actually, it works out to  
7 20,000 hours.

8 MR. COX: Okay. Twenty thousand hours per  
9 year, is what we're saying, right?

10 MR. WOESSNER: Twenty-one.

11 MR. COX: Okay. I have to agree with my  
12 distinguished colleague here, Mr. George, about  
13 the fact that I'd also have to insist on a  
14 14-year lease, just on one point, because there  
15 is absolutely no guarantee that Embry-Riddle  
16 would accept the second half of that option  
17 and -- and lease for another seven years.

18 I agree also that for the \$150,000 return  
19 that we get, we have to consider what Vic brought  
20 up, is if Embry-Riddle decided to leave at that  
21 point, we would have no option but to try to  
22 lease out that building as another school, or to  
23 tear that stuff out, which is going to cost us a  
24 pretty penny, I would -- I would -- there's no  
25 doubt in my mind, and also put the hangar back

1 into a position where another corporation would  
2 want to use it that way.

3 Another situation that I had to consider  
4 here and nobody's brought up, is I see that we're  
5 building -- or that the plan includes a 100-space  
6 parking lot?

7 MR. WUELLNER: Uh-huh.

8 MR. COX: Okay. Has anybody done anything  
9 with the traffic engineering on U.S. 1 concerning  
10 that? If we've got a hundred-space parking lot,  
11 that means -- let's just assume there's going to  
12 be 120 cars that are going to go there, visitors  
13 and everything else, and all of a sudden at 6:30  
14 in the morning, we've got a hundred cars coming  
15 into U.S. 1, that we've already got a stoplight  
16 down by Grumman.

17 And then when school's out -- and I don't  
18 know; that's probably going to be split up, but  
19 I'm saying we -- all of a sudden, we've got this  
20 tremendous impact, not only in the air and with  
21 the air traffic control facility; now we've got  
22 an automobile problem out on U.S. 1 at two  
23 different times in the day.

24 MR. WUELLNER: That part's very incremental

25 to what Grumman does on the same -- same street.

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1 MR. COX: Yeah. Yeah. I know. I'm just  
2 saying it's another -- it's another -- in my  
3 opinion, it's another negative as opposed to the  
4 positives for the deal.

5 Another situation, at least that I see that  
6 I -- that I don't like and I don't agree with is  
7 that E-Riddle has an ability to sublease the  
8 hangar. We spend \$900,000 to put Embry-Riddle  
9 into the -- into the hangar over there and then  
10 we give them the ability to sublease.

11 CHAIRMAN GREEN: To someone that may not  
12 fuel.

13 MR. COX: Pardon me?

14 CHAIRMAN GREEN: To someone that may not use  
15 the fuel.

16 MR. COX: Yeah. Right. Also, how -- how  
17 did you come about the economic impact of \$4.7  
18 million?

19 MR. WUELLNER: I'd defer to --

20 MR. COX: That's -- I was looking -- go  
21 ahead.

22 MR. WUELLNER: Oh, I'm sorry. Thought you  
23 were talking to me. You have the --

24 MR. WOESSNER: You should have a breakdown  
25 of it.

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1 MR. COX: Well, yeah. I saw the units. I  
2 saw the units. How are you arriving at that unit  
3 of \$20,000 per year per unit?

4 MR. WOESSNER: Per unit?

5 MR. COX: Well, that's what you guys put in  
6 there, is a unit is a person, I suspect. I  
7 mean -- and so, you've got 30 -- I think you used  
8 \$20,000 as --

9 MR. WOESSNER: Probably added up the annual  
10 salaries for the employee base, plus a spendable  
11 amount of money per student that would be coming  
12 into this community and living here for a year's  
13 time.

14 MR. COX: Is that \$4.7 million directly  
15 attributable to -- to St. Johns County?

16 MR. WOESSNER: Yeah.

17 MR. COX: You're assuming that everybody's  
18 going to spend \$20,000 in St. Johns County.

19 MR. WOESSNER: I'm --

20 MR. COX: Just ballpark issue. Okay. I'd  
21 have to --

22 MR. WOESSNER: Rent and groceries, things

23 like that.

24 MR. COX: Yeah. I'd have to -- well,

25 anyway, I'll just defer that. I would -- I'm not

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1 sure I'd agree with that economic impact.

2 You also may assign the lease to a  
3 successor. If Embry-Riddle leaves in four years  
4 or somebody buys out that particular school, we  
5 could get, you know, Acme Flight Training to come  
6 in to -- to take over the same deal and assign  
7 the lease to the successor, which may or may not  
8 be bad. I don't know if at that point they'd  
9 have to abide by the -- the parameters of the  
10 lease.

11 And the air traffic impact on St. Augustine,  
12 I -- I've just got some real problems with the  
13 whole situation. And that's all I have to say.

14 CHAIRMAN GREEN: Okay. Last but not least,  
15 since I'm not the pilot, I'm going to leave the  
16 air traffic to you all, but I do have some  
17 concerns over the lease.

18 There are terms in here that are not  
19 standard. One of them is passing all the -- all  
20 risk fire and all that kind of hazard damage to  
21 the Airport Authority on a commercial building.

22 Normally, that is passed off to the tenant and  
23 recouped. And that paragraph 13 -- or 12D.  
24 requires the Airport Authority to have all  
25 fire-extended coverage.

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1 It does pass off liability, but that's a  
2 huge amount of insurance that's budgeted in  
3 there. It also requires us to construct a  
4 self-serve fuel depot on the northeast side of  
5 the airport. That may be in the \$900,000, but  
6 that's another task to take on.

7 I'm not against Embry-Riddle coming in. I  
8 think it's a very good idea to encourage some  
9 revenues to come in to take us off the tax rolls,  
10 but waiting seven years for a basically zero rate  
11 of return or a minimal rate of return, if you  
12 factor in maybe whatever the self-fuel may be, is  
13 not in the public's interest.

14 And I think that the lease might work, but  
15 it's got to be revamped. Whether it's increasing  
16 the square footage rent or guaranteeing, as  
17 Mr. Cox or Mr. George may have said, a minimum  
18 amount of fuel being consumed or guaranteed per  
19 month. But some of the cost has to come off the  
20 landlord. Or maybe Embry-Riddle incurring more

21 of the buildout rather than the Airport Authority  
22 board. So, I would just like to see it revamped  
23 before any board action.

24 I'm not sure the noise is as much of an  
25 issue, and I'm going to defer to legal counsel on

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1 that, but there's a lot of coming to the nuisance  
2 things that Mr. Stokes has to deal with, with  
3 coming to an airport. But it's -- it's an issue  
4 out there. But I just don't see the revenues  
5 enough right now to help us get off the tax  
6 rolls.

7 Any further discussion?

8 MR. CIRIELLO: Yeah. Madam Chair, the way I  
9 hear the board members and yourself talking, I  
10 don't know how anxious Embry-Riddle is to come  
11 here or how anxious Ed thinks that we need to do  
12 this, but would it be possible to table this item  
13 until, say the next meeting, to give any of the  
14 board members who might want to ask more  
15 questions and investigate a little further, or  
16 they feel comfortable in making a decision now?  
17 I would just as soon see a tabling for another  
18 month.

19 CHAIRMAN GREEN: Well, I think what's --

20 what's up before the board right now is the  
21 recommendation to have Mr. Wuellner enter into a  
22 lease. We can say yea or nay on that.

23 And if we say nay, that doesn't necessarily  
24 preclude if we want to give Mr. Wuellner  
25 direction to rework the lease to whatever

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1 suggestions you may have to come back at the next  
2 meeting, if that suffices with what  
3 Embry-Riddle's time frame is. I don't know. We  
4 may put that at jeopardy if they want something  
5 yesterday. But I think for right now --

6 MR. WUELLNER: We would certainly appreciate  
7 the input on what is going to ultimately be  
8 acceptable. I mean, it may not be negotiable  
9 when it comes down to it.

10 MR. WOESSNER: I have a comment. Paul  
11 Woessner from Embry-Riddle. I'll be happy --  
12 I'll take back the message from this board back  
13 to my leadership, but I'm -- I'm feeling on a  
14 pretty solid ground, we're at a  
15 eleventh-hour-type position right now.

16 If you're not interested in us as a tenant,  
17 then I think we'll probably have to go somewhere  
18 else. It's not a "take it or leave it" type

19 message from us. It's -- it's a reality of our  
20 own delay and our own board making decisions to  
21 launch this particular program, and additional  
22 delays caused by other business ventures. We  
23 just -- maybe some of you know about this, maybe  
24 not, but we were successful in letting the U.S.  
25 Air Force Academy contract that's in Colorado

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1 Springs. We -- we were simultaneously doing this  
2 project when that one -- when that award was  
3 made.

4 So, we -- we diverted assets, people, and  
5 resources to go stand up that contract, which is  
6 a five-year contract with an option with us  
7 operating the -- the academy, 557th wing out  
8 there. And we've committed a tremendous amount  
9 of resources there, which has limited what I can  
10 direct in this project.

11 So, we're not -- what we're about, is we  
12 need roughly that kind of square footage. We can  
13 afford about \$95,000 a year. We're happy to buy  
14 fuel.

15 And to the extent that Ed and us have worked  
16 real well together, we can massage it and make  
17 numbers work one way or another. But I'm right

18 now accepting students who are looking to come  
19 here in August. And they're only going to come  
20 in at 6 to 12 a month.

21 We're not talking about a tremendous amount  
22 of people, but if I'm going to have to shift them  
23 to Craig or Cecil or some other place, then I  
24 need to have an idea whether you think it's worth  
25 us trying to work it out or whether it's just too

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1 much of a problem for this airport.

2 I mean, if you don't want the traffic and  
3 you don't want the money, I get the message and  
4 we'll go on down the road somewhere else.

5 MR. CIRIELLO: Madam Chair?

6 CHAIRMAN GREEN: Yes, sir.

7 MR. CIRIELLO: If I heard you correctly on  
8 your statements, and from what I'm reading here,  
9 unless I'm not reading it right, if we go along  
10 with Staff recommendation as it's listed there,  
11 it's a done deal.

12 CHAIRMAN GREEN: Correct.

13 MR. CIRIELLO: But I thought you said that  
14 they would be coming back after Ed and they tried  
15 to work the contract out, come back to us again.  
16 And I don't understand that part of it. Because

17 if we go along with the staff recommendation, it  
18 is a done deal and there's nobody needs to come  
19 back to us for anything.

20 CHAIRMAN GREEN: No, what I meant is if  
21 we -- if we do not go along with Staff  
22 recommendation, we could still give Mr. Wuellner  
23 direction --

24 MR. CIRIELLO: Yeah. Okay.

25 CHAIRMAN GREEN: -- to do what you're

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1 saying --

2 MR. CIRIELLO: Okay.

3 CHAIRMAN GREEN: -- if Embry-Riddle is  
4 even -- if it's negotiable. I don't -- I don't  
5 know if that's even viable.

6 But as it stands now, it's either accept it,  
7 enter into the contract at the \$900,000 figure,  
8 or not.

9 MR. CIRIELLO: Well, that's why I wanted to  
10 table this thing for another month, to give  
11 people more -- a better chance of forming an  
12 opinion on whether they will go with it or not.  
13 I have the feeling that if we put a motion on the  
14 floor right now to accept the staff's  
15 recommendation, then the answer would be no.

16 CHAIRMAN GREEN: Are you making a motion?

17 MR. CIRIELLO: Yeah, I'm making a motion

18 that we table it.

19 MR. COX: I think Embry-Riddle just --

20 MR. WUELLNER: I don't think you --

21 MR. COX: -- proposed -- I mean, gave you

22 what their answer was. They're not in a position

23 to wait for another month. Is that what I'm --

24 MR. WOESSNER: Like I said, I'm the

25 messenger here --

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1 MR. COX: Right.

2 MR. WOESSNER: -- not the decision maker.

3 MR. COX: Right.

4 MR. WOESSNER: I'll take the -- the answer

5 back. But I know the pressure behind us.

6 We're -- we have a date certain to start. And

7 we've announced and we've said St. Augustine,

8 because we've come along here believing --

9 MR. COX: Right.

10 MR. WOESSNER: -- that these terms were

11 reasonable and that there really hadn't been any

12 big hurdles. And apparently there are. So, I

13 guess we've kind of got ourselves in a tight spot

14 now.

15 And it's not meant to feel like or seem that  
16 we're making it a "take it or leave it" offer,  
17 but I'm -- I really am out of time to get  
18 started. And I -- that doesn't mean it's got to  
19 be \$900,000, maybe we can do something with the  
20 plan to lessen the pain. I don't know.

21 CHAIRMAN GREEN: That's -- with the board's  
22 indulgence, I'd like to make a motion that -- I  
23 do not recommend Staff's recommendation, that I  
24 would motion we reject it, but give Mr. Wuellner  
25 authority to -- if we need an emergency meeting,

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1 we need an emergency meeting -- to negotiate as  
2 best as possible our parameters, which are  
3 greater revenues coming in on a quicker yearly  
4 rate or a 14-year contract.

5 But I think Mr. Wuellner's heard our  
6 concerns. We want greater revenue on return for  
7 the airport. That doesn't mean tomorrow you  
8 can't come into some negotiations, call an  
9 emergency meeting, we vote on it. And I'm  
10 willing to do that.

11 MR. WUELLNER: Well, let me ask you this:  
12 If you had a 14-year agreement, when you consider  
13 the ROI over 14 years, does it become palatable

14 from a financial standpoint?

15 CHAIRMAN GREEN: I would like to see a

16 greater annual rate of return than what is

17 proposed, because --

18 MR. WUELLNER: Making it about five and a

19 quarter, roughly.

20 CHAIRMAN GREEN: Right. But the variable of

21 the self-fuel. I think if they're going to say

22 they're going to fly so many planes, I'd like to

23 see a minimum purchase.

24 MR. WUELLNER: Well, that's what I'm saying.

25 If you looked at rent only on a 14-year lease,

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1 you're making five and a quarter percent, which

2 is way better than we do at SBA currently, and

3 historically better. That's just rent alone.

4 Then the fuel becomes literally the --

5 CHAIRMAN GREEN: Profit.

6 MR. WUELLNER: Well, the icing on the cake.

7 I mean, it could dramatically affect the return.

8 I mean, is that -- I'm trying to get a

9 baseline feel for what is going to be acceptable.

10 It doesn't make any sense for me to go back and

11 waste this gentleman's time and waste my time

12 on -- we're not going to get there.

13 You know, if it's -- if it's something  
14 tangible that we can work on, we can try that.  
15 If it goes nowhere, it goes nowhere; we'll know  
16 that pretty quick.

17 CHAIRMAN GREEN: I'd like to see that, just  
18 speaking for myself, not for the board. I'd also  
19 like to see some of the incidental costs passed  
20 on to the tenant. Whether it's more of whatever  
21 improvements are put in, they're taken out upon  
22 the termination of the lease, or that the  
23 all-risk fire insurance is passed on to the  
24 tenant. Something that reduces the cost to the  
25 taxpayer. And if it's done incidentally, that's

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1 fine, rather than a square-footage rental  
2 increase.

3 MR. WUELLNER: We have historically insured  
4 all of our buildings, just so you know that. So,  
5 I mean, it's not -- this is not something new  
6 that we're doing. It's not something new to this  
7 project, so...

8 CHAIRMAN GREEN: Anybody else, direction  
9 from Mr. Wuellner?

10 MR. WUELLNER: That assures it is insured at  
11 all times.

12 MR. GEORGE: Well, you're looking at a  
13 million dollars or \$900,000 difference if we  
14 don't do anything for 14 years and just use those  
15 facilities as opposed to rent and get fuel.

16 CHAIRMAN GREEN: Uh-huh.

17 MR. WUELLNER: And that's substantial.

18 MR. GEORGE: Nine hundred thousand divided  
19 by fourteen throws it up to the --

20 MR. WUELLNER: Sixty --

21 MR. GEORGE: -- \$80,000 a year.

22 MR. WUELLNER: Above and beyond what you  
23 could get just renting it.

24 MR. GEORGE: Above and beyond what we could  
25 get for renting it in the event that we come up

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1 with \$900,000 so that we can get it. I mean,  
2 that's paying the \$900- back, too.

3 MR. WUELLNER: Sure. Absolutely.

4 MR. GEORGE: I kind of agree with Ms. Green.  
5 I'd like to see some -- some of their blood in  
6 the game.

7 CHAIRMAN GREEN: Well, there's a motion on  
8 the table, and I don't know if anyone wants to  
9 second it, amend it, further discuss it, but...

10 MR. COX: Repeat your motion, please.

11 MR. GEORGE: Repeat it, please.  
12 CHAIRMAN GREEN: The motion was to reject  
13 Staff's recommendation to go ahead and enter into  
14 the contract, but to give direction to  
15 Mr. Wuellner, which I think we've kind of been  
16 bantering around, to immediately, maybe not  
17 tonight, tomorrow morning, enter into some  
18 negotiations, considering what our proposals are  
19 or directions are for a new lease or a revised  
20 lease, and if it requires a special meeting to  
21 vote on it, we will do that.

22 MR. COX: I'll second that.

23 MR. WUELLNER: Any target on what investment  
24 you --

25 CHAIRMAN GREEN: Well, let's do discussion.

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1 Okay.

2 MR. WUELLNER: All right.

3 CHAIRMAN GREEN: You're asking for --

4 MR. WUELLNER: Some sort of guideline on  
5 what that acceptable investment from Embry into  
6 the project would be.

7 CHAIRMAN GREEN: Well, I made a couple of  
8 suggestions. I'm sorry, Mr. Martinelli; we  
9 closed public comment.

10 MR. MARTINELLI: I understand.

11 CHAIRMAN GREEN: Either a minimum purchase  
12 of fuel, a contribution to the capital

13 improvements or buildout, either one of those --

14 MR. COX: An absolute 14-year --

15 CHAIRMAN GREEN: -- which reduce some of the  
16 \$900,000.

17 MR. COX: -- 14-year lease.

18 CHAIRMAN GREEN: And the 14-year solid  
19 lease.

20 MR. WUELLNER: Yeah, I got that.

21 MR. GEORGE: My thought would be the --  
22 definitely the fuel guarantee. There's too much  
23 of a variable. The 14-year lease. And something  
24 toward this, you know, a hundred thousand or so  
25 toward the \$900,000.

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1 CHAIRMAN GREEN: Right. Because if we're  
2 building the shell building, the \$900,000,  
3 whatever the improvements are inside, the  
4 nonstructural walls, the whatever wiring --

5 MR. GEORGE: Nine hundred thousand is his  
6 improvements inside, his classroom space.

7 CHAIRMAN GREEN: Exactly. That's why I'm  
8 saying if you back out some of that so that

9 the -- a lot of time in construction contracts,  
10 you'll build the outside walls up to the Drywall,  
11 or not even that far, just the shell, and then  
12 the tenant will do the buildout inside. You may  
13 give a contribution to the buildout, but the  
14 tenant is eating some of those improvements  
15 because it's catered to their classroom, their  
16 school, whatever they need.

17 So, I think whatever that figure is,  
18 whatever you could negotiate to lessen some of  
19 the burden on the Authority or the taxpayers that  
20 way.

21 MR. WUELLNER: Uh-huh.

22 MR. COX: Is there -- is there some reason  
23 that they need to sublet any of that?

24 MR. WUELLNER: I don't think so. Not that  
25 I'm aware of.

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1 MR. GEORGE: Whoever they sublease to is  
2 going to be bound by the -- you know, the minimum  
3 fuel and all the other --

4 CHAIRMAN GREEN: You could always allow the  
5 sub --

6 MR. GEORGE: Why don't you just say allow  
7 them to sublease with -- with Authority approval

8 on the --

9 CHAIRMAN GREEN: Right.

10 MR. GEORGE: -- sublessee.

11 CHAIRMAN GREEN: That's what I'm saying. We

12 could always --

13 MR. COX: That's probably already in there.

14 CHAIRMAN GREEN: -- always allow it with

15 written approval. Does that give enough

16 direction?

17 MR. COX: They have to abide by the lease.

18 MR. WUELLNER: Yeah.

19 CHAIRMAN GREEN: That's in there.

20 MR. WUELLNER: Yeah. Whether we can get

21 there is another story, but we'll -- we'll see

22 what we can do.

23 MR. COX: All right.

24 MR. GEORGE: Do we need to vote on it?

25 CHAIRMAN GREEN: I think -- any further

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1 discussion on the motion and second?

2 MR. COX: I seconded it.

3 CHAIRMAN GREEN: No, any further discussion?

4 MR. COX: Oh, okay.

5 (No further discussion.)

6 CHAIRMAN GREEN: All in favor of the motion?

7 MR. GEORGE: Aye.

8 CHAIRMAN GREEN: Aye.

9 MR. COX: Aye.

10 CHAIRMAN GREEN: All opposed?

11 MR. CIRIELLO: No.

12 CHAIRMAN GREEN: Mr. Gorman?

13 MR. GORMAN: I am still not clear on it, but

14 I don't -- we're not going to move --

15 CHAIRMAN GREEN: The motion was that we

16 reject Staff's recommendation but give

17 Mr. Wuellner direction, which I think this

18 discussion has, as to as soon as possible

19 possibly renegotiate the lease with Embry-Riddle.

20 MR. GORMAN: But there's no binding

21 agreement.

22 CHAIRMAN GREEN: No, sir. It would have to

23 come back before the board.

24 MR. GORMAN: I'm going to go with Joe and go

25 nay.

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1 MR. GEORGE: Going to go with what?

2 MR. GORMAN: That's a nay. I don't want

3 to -- I'm not going to -- I don't want to

4 authorize any more agreement right now.

5 CHAIRMAN GREEN: The motion is that we do

6 not accept Staff recommendation, which means we  
7 do not enter into any contract at this point in  
8 time.

9 MR. GEORGE: That's an aye, not a nay. You  
10 agree that we should not accept Staff's  
11 recommendation and go forward with that lease.

12 MR. GORMAN: I'm not as dumb as I look.

13 CHAIRMAN GREEN: That's okay. That's a hard  
14 decision.

15 MR. GORMAN: I'll give you an aye for that,  
16 but I don't -- as long as we're not going to  
17 go --

18 MR. COX: The lease isn't going forward any  
19 farther, that lease.

20 MR. GORMAN: That's fine. That's an aye.

21 CHAIRMAN GREEN: So, four ayes, one nay.

22 The motion's carried. There will be no lease

23 entered into -- at this point in time, but

24 Mr. Wuellner's heard our directions to negotiate.

25 MR. WUELLNER: Last item I had --

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1 CHAIRMAN GREEN: If we'd take just a minute  
2 recess for her to change her paper.

3 MR. WUELLNER: Okay.

4 (Whereupon, there was a pause in the proceedings.)

5 MR. MARTINELLI: May I make a comment,  
6 please?

7 CHAIRMAN GREEN: No, sir. I can't. We have  
8 public comment at the end of the meeting, if  
9 you'd like to, but we have a huge agenda we need  
10 to get through.

11 MR. MARTINELLI: I know. And -- and my  
12 comment is very simple.

13 CHAIRMAN GREEN: No, sir. I'm sorry. I  
14 can't, or else I'd have to open up to everybody.  
15 I appreciate that.

16 All right. Mr. Wuellner? I'm just trying  
17 to be fair to everybody, sir.

18 MR. MARTINELLI: Well, you can be because  
19 nobody else is going to say anything. I can tell  
20 you that right now.

21 CHAIRMAN GREEN: Well, I'm just trying to be  
22 fair to everybody, Mr. Martinelli. Thank you.

23 MR. MARTINELLI: Okay. Up to everybody, you  
24 can do that.

25 MR. WUELLNER: All right.

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1 8.E. - TVOR DESIGN/BUILD WORK - THALES

2 MR. WUELLNER: What we have -- and again, I  
3 mentioned at the beginning, we may not want to

4 try and act on it, but I wanted to show you  
5 the -- what the proposal is from Thales to do the  
6 work related to the VOR. These numbers -- the  
7 last page of what you have as a handout, you  
8 can -- you're certainly free to peruse the  
9 contents of the -- the scope and all that stuff.

10 But the work consists of the shelt -- the  
11 setting up the VOR equipment in the shelter, a  
12 new shelter, VOR slot antenna. This particular  
13 quote includes replacement of the DME that was  
14 associated with it. There's no -- the old one  
15 can be reused, but there's no way to replace the  
16 power supply in the event it does goes out. So,  
17 this quote includes a new DME, which is about a  
18 \$40- to \$45,000 item. So, it is in there. So,  
19 it could be subtracted.

20 The site design project management's about  
21 \$53,000. Site civil work on there, which  
22 includes redoing all the grounding or whatever  
23 they call it, the ground plane development around  
24 the facility, site work development, all of that  
25 stuff, so at \$137-. Installation/tune-up of

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1 reinstalling and setting that up for flight  
2 check, including the flight check, looking at

3 about \$408,000.

4 Then we'll have some internal costs also,  
5 because a part of -- normally, our requirement is  
6 to extend the primary power to that site, which  
7 is not a particularly expensive endeavor. It's  
8 probably less than \$5,000. But we would have  
9 that responsibility. But otherwise, they would  
10 do the balance of the engineering and the like.

11 So, read that over. It's not imperative  
12 that it's accepted today. We're moving through  
13 with the environmental stuff. And there's -- you  
14 know, as I said, this doesn't have to be acted  
15 today. It's still got some time before it has to  
16 be --

17 MR. GORMAN: Comment. I --

18 CHAIRMAN GREEN: Could I open it to public  
19 comment first?

20 MR. GORMAN: Oh, sure.

21 CHAIRMAN GREEN: Mr. Martinelli left, but I  
22 want to make sure he knows we're opening it up to  
23 public comment. If there's any comment on the  
24 TVOR that's been presented now as the next agenda  
25 item.

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1 MR. COX: Are they just outside?

2 MS. McELROY: Yeah, he's right out there.

3 CHAIRMAN GREEN: It's on the TVOR.

4 MR. WUELLNER: Only.

5 CHAIRMAN GREEN: Only.

6 MR. GEORGE: We're not going to let him talk  
7 about what he wants to talk about.

8 CHAIRMAN GREEN: He can do it up there.

9 MR. BURNETT: He gets public comment at the  
10 end.  
11 (Whereupon, there was a pause in the proceedings.)

12 MR. COX: You're up.

13 CHAIRMAN GREEN: Public comment on the TVOR  
14 only.

15 MR. WUELLNER: Only.

16 MR. MARTINELLI: Forget it. That's not what  
17 I wanted to --

18 CHAIRMAN GREEN: Any further public comment  
19 on the TVOR?

20 (No public comment.)

21 CHAIRMAN GREEN: Okay. Public comment's  
22 closed. Mr. Gorman, you had some comments?

23 MR. GORMAN: Oh, I always have a comment.

24 CHAIRMAN GREEN: On the TVOR.

25 MR. GORMAN: Yes. Now, on the TVOR. Do

1 we -- of course, I have tried hard, because it's  
2 been the wishes of the pilot community, to get  
3 this thing back instated. However, do you think  
4 this company is actually going to be able to do  
5 this? Do we have the permits yet? Do we have  
6 all that -- are these people involved in the  
7 permitting process?

8 MR. WUELLNER: Yes, they will be.

9 MR. GORMAN: Okay. Do we need to get  
10 another quote? I must ask this.

11 MR. WUELLNER: No. You -- this board  
12 elected to assign them as a design/build  
13 contractor for this project back in November of  
14 last year.

15 MR. GORMAN: So, we do not need another --

16 MR. WUELLNER: You are -- you are good to  
17 go.

18 MR. GORMAN: Just checking.

19 MR. GEORGE: It's Joe's fault.

20 MR. WUELLNER: So, yes, you have the ability  
21 to just do it, as they say.

22 CHAIRMAN GREEN: Any other board discussion  
23 on the TVOR? We don't need to take -- oh, I'm  
24 sorry.

25 MR. GEORGE: I need to understand about this

1 solid-state power amplifier modification kit. It  
2 was a kit that was available and is no longer  
3 available?

4 MR. WUELLNER: Apparently years ago, when  
5 they first made the transition, I'm guessing  
6 that -- they didn't come right out and say it,  
7 but I'm guessing this thing must be like just  
8 past the generation of tubes, the power supply  
9 part of it.

10 MR. GEORGE: Okay.

11 MR. WUELLNER: And as a result, the  
12 interface that used to be available 20 years ago  
13 to make that conversion has -- they just don't do  
14 anymore, and they don't exist. So, it's  
15 primarily a power-supply issue.

16 Since they can't power -- you know, you  
17 can't -- if it goes out, you can't power the  
18 unit. So, you're looking at buying a DME at that  
19 point.

20 The question is, do you just replace it now  
21 and do it right and not have to worry about it  
22 again? What -- the VOR is still usable without  
23 DME; you just --

24 MR. GEORGE: Right.

25 MR. WUELLNER: -- clearly don't have that

1 function.

2 MR. GEORGE: What is the other --

3 MR. WUELLNER: You can do it and decide not

4 to do DME from this point forward. That's --

5 those are your options, too.

6 MR. GEORGE: Okay. Then the next statement

7 says, "Instead, we have quoted the new Thales

8 model, which is the same equipment that was

9 previously installed with the ILS project."

10 I know we had one ILS project, so what

11 previously installed --

12 MR. WUELLNER: With the new ILS, you bought

13 a new DME, because it's an ILS/DME approach. It

14 has its own discrete frequency. You can't tune

15 it to two frequencies and use it for two nav aids.

16 They just don't work that way. They're paired

17 with -- with the frequency.

18 MR. GORMAN: Direction of travel.

19 MR. GEORGE: Okay.

20 MR. WUELLNER: You automatically tune one

21 when you get the other.

22 CHAIRMAN GREEN: Mr. Ciriello?

23 MR. CIRIELLO: Madam Chair. Ed, this

24 \$408,728 --

25 MR. WUELLNER: Yes.

1 MR. CIRIELLO: -- that's the total cost of  
2 replacing the VOR.

3 MR. WUELLNER: Yes.

4 MR. CIRIELLO: And how much of that do we  
5 pay?

6 MR. WUELLNER: All of it.

7 MR. CIRIELLO: We pay all of it?

8 MR. WUELLNER: Yes. What we can do -- and  
9 no guarantee of success. I mean, we can approach  
10 DOT and see if they've got stuff laying around  
11 that can make it work.

12 MR. CIRIELLO: What about FAA?

13 MR. WUELLNER: Yeah, you get in line. This  
14 is not -- they are not -- they are not going to  
15 get involved in a -- in a VOR.

16 MR. CIRIELLO: Okay. The last thing, down  
17 here it says, "Preliminary flight inspection,  
18 \$18,500." Who does that?

19 MR. WUELLNER: We'll get -- they'll be  
20 flight-checking it for free. What's that?

21 MR. CIRIELLO: Oh, this last --

22 MR. WUELLNER: FAA will be flight-checking  
23 it.

24 MR. CIRIELLO: Huh?

25 MR. WUELLNER: What?

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1 MR. CIRIELLO: The last page. It says,

2 "Preliminary flight inspection, \$18,500."

3 MR. WUELLNER: Right. That's done with

4 non-FAA aircraft. Basically, the contractor

5 checks it out and tries to resolve any problems

6 before you call FAA to do a flight check.

7 MR. CIRIELLO: And then they're going to

8 inspect it and the FAA is going to inspect it,

9 too.

10 MR. WUELLNER: Yeah. The only one that

11 counts is FAA, but this allows you to get any --

12 MR. CIRIELLO: FAA won't do it without them

13 doing it.

14 MR. WUELLNER: Yes, FAA would, without them.

15 MR. COX: I'll do it for half that.

16 MR. CIRIELLO: So why pay another --

17 MR. WUELLNER: I don't think it's as

18 simple --

19 MR. CIRIELLO: -- \$18,5 --

20 MR. WUELLNER: I don't think it's as simple

21 as you think.

22 MR. CIRIELLO: -- if FAA will do it for

23 nothing? Why pay them to do something and then

24 have the FAA double do it?

25 CHAIRMAN GREEN: If we don't get it, we may

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1 not get them out there again.

2 MR. WUELLNER: You can save a lot of time.

3 If -- if the contractor has done the flight-check

4 work, preliminary flight-check work and

5 determined it looks like it meets all the FAA

6 parameters, you call FAA and, you know, you

7 generally get a slam dunk and you're done.

8 If you call FAA and it doesn't meet the

9 standards, then FAA leaves the facility and comes

10 back a month, two months, whenever they get back

11 around to do the flight check. And it may or may

12 not be right then.

13 MR. CIRIELLO: Well, if we have to foot the

14 whole \$408,728, we're going to get off the ad

15 valorem taxes pretty quick, right?

16 MR. GORMAN: Why don't we -- this board

17 decided for a design/build, but this board can

18 rescind the design/build idea.

19 MR. WUELLNER: You can.

20 MR. GORMAN: And the board can go out for

21 other bids on other quotes, because there's other

22 companies that make these things. Other

23 companies --

24 MR. WUELLNER: What could be done is you

25 could authorize -- because I think these guys are

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1 probably the only guys that I know of that would

2 be able to do the design part of it, to make it

3 work, is you can have plans and specs done.

4 That's how we did the ILS, is they did the

5 design/build -- or the design engineering. We

6 bid the project from that point forward, in which

7 case they were the low bidder.

8 MR. GORMAN: And have we -- I'm complicating

9 the issue, I know, and --

10 MR. WUELLNER: No.

11 MR. GORMAN: But I'm trying to get it done.

12 MR. WUELLNER: They're good questions.

13 MR. GORMAN: But, I mean, is there -- I

14 mean, has salvage been looked into? In other

15 words, because I called Oklahoma City; there are

16 units that are salvage that can be got.

17 MR. WUELLNER: But they're not TVORs.

18 They're VORs.

19 MR. GORMAN: But they can be turned down,

20 depending on what model you use. You've got to

21 have the right one. I just had an expert walk

22 out of the room.

23 MR. WUELLNER: Right. That may be done.

24 We -- we have not tried to look at the fact --

25 being able to power one down. I don't know

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1 what's involved in that.

2 MR. GORMAN: It depends on which one.

3 That's my information.

4 MR. WUELLNER: It may very well be.

5 MR. GORMAN: Just from a ship's radio  
6 officer, I asked the right questions, but I don't  
7 have the right model number for you.

8 MR. WUELLNER: Right.

9 MR. GEORGE: Ed, in the Taxiway B extension,  
10 that was on a scope of work defined as "relocate  
11 the VOR."

12 MR. WUELLNER: No, it was not. It's  
13 "remove." That was the direction the previous  
14 authorities had authorized --

15 MR. GEORGE: Okay.

16 MR. WUELLNER: -- relative to the VOR.

17 MR. GEORGE: So, all we did was just remove  
18 it in that --

19 MR. WUELLNER: That's --

20 MR. GEORGE: In that --

21 MR. WUELLNER: Correct.  
22 MR. GEORGE: But had we --  
23 MR. WUELLNER: Actually, it was to be  
24 removed by us. They were to be -- have a clean  
25 site to come through here. It's noted on the

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1 plans as to be removed by owner.

2 MR. GEORGE: But had we put it in to  
3 relocate it and this expense come up, then would  
4 it have been eligible for some FDOT grants?

5 MR. WUELLNER: I think you -- you could  
6 probably still do FDOT grants; you're just not  
7 going to be able to do it on the time you're  
8 trying to do it, you know, which is to get it  
9 done. You've just got to get in the cycle with  
10 DOT. I'm sure we can identify funds. It just  
11 may not be this year.

12 MR. GORMAN: Could we have identified those  
13 funds at the time we took it down in the first  
14 place?

15 MR. WUELLNER: It's the same year for this  
16 purpose.

17 CHAIRMAN GREEN: But we need not to take any  
18 direction on this?

19 MR. WUELLNER: You've got one shot at the

20 legislature. If it isn't in place in time, it

21 doesn't even --

22 CHAIRMAN GREEN: We don't need to take any

23 direction on this at this point?

24 MR. WUELLNER: It's entirely up to you. We

25 can --

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1 MR. GEORGE: Well, if there's one day --

2 MR. WUELLNER: If you want to give me

3 direction to go, we can go that direction. And

4 from this point, if you don't, this will be here

5 for you next month to talk about.

6 MR. COX: Oh, boy.

7 MR. GEORGE: Are they proceeding -- is the

8 engineering firm proceeding with the design of

9 it?

10 MR. WUELLNER: No one's proceeding with any

11 design until you decide --

12 MR. GEORGE: So, if we don't do anything for

13 30 days, we've got a 30-day slip from the time

14 we're actually going to have a TVOR operational.

15 MR. WUELLNER: Only from the engineering

16 standpoint. The balance of the work's being done

17 concurrently that's being internally -- you know,

18 working on frequencies, finish -- working with

19 the environmental stuff. That's -- that's all  
20 being done at --  
21 MR. GORMAN: Frequency? We're changing  
22 frequencies?  
23 MR. WUELLNER: No. You've got to go back  
24 through FCC submittals.  
25 MR. GORMAN: Oh. Resubmittal. That's why I

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1 didn't want to change the spot --  
2 MR. WUELLNER: You've got to change site on  
3 all your licenses --  
4 MR. GORMAN: -- because of certification.  
5 MR. WUELLNER: -- and everything. Yeah. I  
6 don't see a -- necessarily a schedule slip,  
7 because this is not -- there's nothing they're  
8 going to do -- there's no physical construction  
9 work that will occur till probably October,  
10 November at the earliest, as you get close to  
11 the --  
12 MR. GEORGE: If we -- if we take a "best can  
13 do" time --  
14 MR. WUELLNER: It's less than a two-week  
15 construction project.  
16 MR. GEORGE: If take a "best can do" time  
17 line, you're saying that time line will not be

18 impacted by us waiting till next month to take a  
19 look at this.

20 MR. WUELLNER: That's correct. It would be  
21 more expedient to have some direction as to what  
22 you want to see if there's something different  
23 between now and next month; otherwise, we'll have  
24 this same discussion next month.

25 CHAIRMAN GREEN: I'd probably like to see

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1 some of Mr. Gorman's suggestions, since he has --

2 MR. WUELLNER: You have a price --

3 CHAIRMAN GREEN: -- explored it a little  
4 bit --

5 MR. WUELLNER: You have a price within here  
6 to do the engineering. It's \$53,803.

7 MR. GORMAN: Just some other firms to do the  
8 same thing.

9 MR. WUELLNER: To do the other  
10 engineering -- to do engineering?

11 MR. GORMAN: There's other firms that put  
12 them up. I mean, obviously, there might be some  
13 other ones.

14 MR. WUELLNER: And that's an option. But  
15 this is the problem you've got: You either use a  
16 consultant that's on board, your selected

17 design/build alternative, or you go back out for  
18 consultant selection just like you did for this  
19 specific project. You don't have the latitude to  
20 just hand \$50,000 to a -- for professional  
21 services. That's --

22 MR. GORMAN: Right.

23 MR. WUELLNER: -- just not going to happen  
24 under Florida Statute.

25 MR. GORMAN: In other words, you've got a

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1 time line on the professional services because we  
2 have the engineering problem.

3 MR. WUELLNER: I mean, you could even use  
4 your new consultant or --

5 MR. GORMAN: Right.

6 MR. WUELLNER: -- or Earth Tech --

7 MR. GORMAN: Right.

8 MR. WUELLNER: Or you can do it under this  
9 guideline. These are really your only options  
10 right this minute.

11 MR. GORMAN: Well, I would --

12 MR. GEORGE: So, it sounds like used  
13 equipment and giving him direction to go  
14 investigate that is the only thing that would  
15 do --

16 MR. WUELLNER: But reality is that there's  
17 nothing wrong with the VOR equipment itself --

18 MR. GEORGE: Just the DME.

19 MR. WUELLNER: -- other than there's this  
20 little issue with the DME power supply, which --

21 MR. GORMAN: But it isn't self-reporting, I  
22 understand, because it's so old. And it's nice  
23 to have self-reporting equipment.

24 MR. WUELLNER: Yeah.

25 MR. GORMAN: And the -- I know there are

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1 some certain model numbers at Z.B. Wilcox that  
2 have the ability to be turned down. They become  
3 a TVOR at that time, and they have the  
4 self-reporting equipment capability. And the  
5 salvage of that was the thing that interested me.

6 MR. WUELLNER: Well, and -- but that can be  
7 done anytime, too.

8 MR. GORMAN: And then hiring a firm to put  
9 it up.

10 MR. WUELLNER: But that could be done  
11 anytime.

12 MR. GORMAN: Right.

13 CHAIRMAN GREEN: But could you ask Thales  
14 about that --

15 MR. GORMAN: Right.

16 CHAIRMAN GREEN: -- if they could

17 consider --

18 MR. WUELLNER: I guess what I'm saying is

19 that doesn't impact this part of it. Once you've

20 reestablished at this facility using the old

21 equipment, or heaven forbid we're able to find

22 salvaged equipment to make it work from the

23 startup, that would be fine too. But it's not

24 going to change what you do there.

25 You can come in in a year with salvaged

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1 equipment and replace the guts of the unit. It

2 doesn't require you to reflight-check it or

3 anything else.

4 MR. GORMAN: So, what we're probably boiling

5 it down to is we need the engineering done and we

6 need it done now to make progress. We need

7 engineering now to make progress.

8 MR. WUELLNER: Yeah. If you want to have

9 things to compare on the construction side,

10 you've got to start with an engineering document

11 that lets them give you a price on something.

12 And, you know, you've got three methods.

13 You can go out and do this whole consultant

14 selection again for this project. You can --

15 MR. GORMAN: We've already made a consultant  
16 selection. Can we go ahead and ask, for  
17 instance, the number one, LPA, for -- is that  
18 possible to say, "Here, design this, do this"?

19 MR. WUELLNER: Yeah. I mean -- well, once  
20 you get them under contract, you can, sure.

21 MR. GORMAN: Yeah.

22 MR. WUELLNER: I mean, it's your --

23 MR. GORMAN: I'm kind of like Mr. George; I  
24 kind of want to expedite it. Kind of don't want  
25 to --

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1 MR. WUELLNER: Well, if you want to expedite  
2 it --

3 MR. GORMAN: But I want the options, I mean,  
4 the same for the price.

5 MR. WUELLNER: The way to -- the way to  
6 expedite it would be to award the engineering to  
7 Thales. They're prepare the bid documents. We  
8 go out to bid for construction.

9 If Thales is the low bidder, there's your --  
10 you know, there's your -- there's your answer.  
11 If not, you'll have other bidders, hopefully,  
12 that have responded to the RFP and -- and have

13 given you a price to do this work, and you select  
14 whoever's in the Authority's best interest  
15 financially.

16 MR. GORMAN: So, you can break out the  
17 engineering fees from the design/build.

18 MR. WUELLNER: Absolutely. It's \$53,000 --

19 MR. GORMAN: Okay. That probably is what to  
20 do.

21 MR. GEORGE: Yeah.

22 MR. GORMAN: Certainly.

23 MR. WUELLNER: That way, you have the expert  
24 doing the design, at least.

25 CHAIRMAN GREEN: You want to make a motion,

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1 Mr. Gorman?

2 MR. GORMAN: I'd like to --

3 MR. WUELLNER: That's \$53,803.

4 MR. GORMAN: I'd like to make a motion that  
5 Thales provide the engineering portion of it --  
6 but I have Mr. Cooper over there. Go ahead.

7 MR. COOPER: I personally believe after  
8 talking to everyone and preparing the schedule  
9 for completion, that if you do that, you are  
10 going to add a couple of months to it.

11 MR. GEORGE: If you do what?

12 MR. COOPER: If you can put it out --  
13 CHAIRMAN GREEN: Break it up.  
14 MR. COOPER: -- have Thales do the  
15 engineering and put it out for bid. Because  
16 we've got the engineering in bid process --  
17 MR. GORMAN: I know it.  
18 MR. COOPER: Bid process was not in there.  
19 MR. GORMAN: I'm just worried about due  
20 diligence with cost, that's all --  
21 MR. COOPER: And that takes at least --  
22 MR. GORMAN: -- sheer cost.  
23 MR. COOPER: -- a month to 45 days --  
24 MR. GORMAN: I know it.  
25 MR. COOPER: -- at the very least.

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1 MR. GORMAN: Well, that's good to say, but  
2 I -- I don't know what else to say, but...  
3 MR. COOPER: It depends on how important is  
4 the time line to you?  
5 CHAIRMAN GREEN: But if we --  
6 MR. COOPER: We had it scheduled to be done  
7 by the end of this year.  
8 CHAIRMAN GREEN: But if we take no action  
9 today, we're still on our 30-day, month, to  
10 45-day delay anyway.

11 MR. GORMAN: Right. We're still wasting  
12 time, right.

13 MR. GEORGE: But the point is, what  
14 additional information is going to be presented  
15 to us that makes us smarter 30 days from now than  
16 it does right now?

17 MR. GORMAN: So, we need to continue now  
18 with Thales doing the engineering design.

19 MR. GEORGE: With specific instruction to  
20 Thales to put as an option for the DME  
21 equipment -- did you call it salvaged,  
22 refurbished? What did you call it?

23 MR. GORMAN: Right. Using -- using  
24 refurbished equipment.

25 MR. GEORGE: They can put in the engineering

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1 specs, this one or this one.

2 MR. GORMAN: Right. They sell new  
3 equipment, you know, so that's their -- that's  
4 their onus. That's what they want to do, to sell  
5 the \$408,000 ones.

6 CHAIRMAN GREEN: Okay. There was a --

7 MR. WUELLNER: They'll sell you a new VOR.

8 MR. GORMAN: We're going to make that motion  
9 that Thales is going to do the engineering with

10 the option that they understand that they may be  
11 abridged to just using other equipment.

12 MR. WUELLNER: Yeah. But we'll have them  
13 incorporate that in the bid specifications as  
14 alternates.

15 MR. GORMAN: That's fine.

16 MR. GEORGE: Right. And then we'll still  
17 bid -- you know, once they get the design done,  
18 they'll update this bid so we can --

19 MR. GORMAN: And we're clear on that.

20 MR. WUELLNER: No finish design. We'll get  
21 it bid. The next thing you'll see relative to  
22 this will be the bid results of whatever's  
23 been --

24 MR. GORMAN: Yeah. Well, do we have a  
25 second on that?

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1 MR. GEORGE: I second that.

2 MR. GORMAN: There we go.

3 CHAIRMAN GREEN: Any further discussion?

4 (No further discussion.)

5 CHAIRMAN GREEN: All in favor?

6 MR. CIRIELLO: Aye.

7 CHAIRMAN GREEN: Aye.

8 MR. GEORGE: Aye.

9 MR. COX: Aye.

10 MR. GORMAN: Aye.

11 CHAIRMAN GREEN: All opposed?

12 (No opposition.)

13 CHAIRMAN GREEN: Motion carries.

14 9.A. - MS. SUZANNE GREEN

15 EXECUTIVE DIRECTOR'S EMPLOYMENT CONTRACT

16 CHAIRMAN GREEN: Okay. That completes the

17 action items. We are now up to Authority

18 members' comments. And the one item I have that

19 we have all had a chance to look at and review

20 and critique is of the Executive Director's

21 employment contract, which is up for renewal.

22 So, I have received everybody's comments,

23 and I think we discussed this a little bit at the

24 last board meeting, that generally the comments

25 were positive. There were some directions that

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1 people wanted to see.

2 So, at this point in time, I'm going to open

3 it up to the board to discuss what their thoughts

4 are with regards to the contract. I think we've

5 had it for at least two months. So,

6 Mr. Ciriello? I know you've been anxious.

7 MR. CIRIELLO: Yeah. Well, I don't recall

8 us actually discussing the contract. Something  
9 I've been wanting to do -- I even wanted to try  
10 to get an executive session and everything. I've  
11 talked with Ed numerous times about this, and I  
12 want everybody to understand, I know -- well, I  
13 think he does, that whatever I say has nothing to  
14 do with reflection on him, his ability and  
15 qualifications or whatnot.

16 I personally don't think that the job of the  
17 executive director of this airport is that great.  
18 It doesn't take a rocket scientist to do it. And  
19 I would like to see a cap put on the potential  
20 for any director, no matter who has a job.

21 Right now, as it is, if Ed stays healthy and  
22 stays here for the next 10 or 15 years, and with  
23 boards coming and going, giving him \$5-, \$6-,  
24 \$7,000 raises every year, in a couple of years,  
25 he'll be making more than the governor of the

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1 state. The governor of the state only makes  
2 \$128,000.

3 And I don't care how you look at it, as  
4 important as you think this airport is and how  
5 big and complicated, it's not. And I would like  
6 to see a cap put into the contract for anybody

7 that comes in on the director, can only make so  
8 much.

9 And then down in the next paragraph, where  
10 it describes some of the perks, I would like to  
11 see those in dollar figures, because if you come  
12 right down to it, any of the perks that he gets,  
13 or any director gets, it's part of his earnings.

14 Now, here a few months ago, somebody asked  
15 Ed how much he makes. And he said, "Oh,  
16 somewhere in the \$70,000 range." Well, you take  
17 that with the house and the car and insurance and  
18 everything else that comes with it, I'd dare say  
19 that -- I don't know if his income tax statement  
20 might show up into the high 80's, that he has to  
21 turn in his earnings on the job.

22 So, I'd like to see a cap. And I don't know  
23 how -- how we could ever figure that out, but I  
24 told Ed one day, just out of the top of my head,  
25 I thought \$90,000 was a good enough figure for

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1 anybody to have this job as executive director of  
2 this little dinky airport.

3 Plus, I wanted included language in here  
4 that, like our hourly employees get, that every  
5 year, he would get the -- what is it, CPI or

6 whatever it is, the earnings adjustment? That  
7 would be automatic, you know. It's only a  
8 matter -- it's a few hundred dollars a year.

9 But for the seven or eight, six years I've  
10 been attending meetings, I haven't seen one board  
11 member sit up here, and when it come time to  
12 evaluate the director, say, "No, we're not going  
13 to give you a raise this time." It's always been  
14 granted.

15 And so, if you -- if you put that earnings  
16 adjustment in there, at least that's some money  
17 coming in, without the -- the evaluation, because  
18 that's something altogether different.

19 So, like I said, I'd like to see a cap put  
20 on this job. I'd like to see down here where the  
21 escrow -- or the vehicle and all that stuff, be  
22 put down in dollars and cents, also, to -- if  
23 that in effect by the IRS, he has to show on his  
24 income tax. So, if somebody asks him how much  
25 money he's making, "Oh, I'm making 110 grand,"

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1 really, because I don't know how much rent he  
2 would get -- we would get for that house he's in.  
3 I've never seen it. But you figure at \$500 a  
4 month in St. Augustine, St. Johns County, that

5 would get you a shack, because I know people who  
6 are living in shacks paying that much. And as a  
7 bare minimum, that's 6 grand on top of what  
8 he's -- his salary is. And so, I'd like to see  
9 all of that.

10 And then over here on this one page, where  
11 it says, "The Authority shall reimburse the  
12 executive for reasonable expense for  
13 continuing..." That part's okay.

14 But then it says, "If the executive is  
15 elected to a position of the governing board of  
16 any professional or aviation-related  
17 organization, he shall be authorized to invoke  
18 time and be reimbursed for such travel."

19 I have no problems with him spending time on  
20 these appointments, because he's on salary; he's  
21 not being paid by the hour. But if it's some  
22 kind of an appointment other than for this  
23 airport, you know, then I can't see that we  
24 should be responsible for paying his expenses and  
25 travel for whatever, if it's not directly to this

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1 airport.

2 Now, I can't come up with an example. Let's  
3 say there's some kind of an aviation-related

4 organization in the state, northeastern part of  
5 the state, and he's given a job on it and they  
6 want to send him down to Miami or Tallahassee or  
7 something some day for their organization, not  
8 this airport, the aviation organization, I don't  
9 think we should be -- have to pay for those  
10 expenses. The organization he is working for  
11 besides us should pay them.

12 So, those are some things I'd like to see  
13 changed and put into the contract. Otherwise, I  
14 have no problem with it. And I actually have --  
15 really have no problem with Ed. So, none of this  
16 is reflected on him.

17 CHAIRMAN GREEN: Mr. Cox, do you have any  
18 comments on the contract?

19 MR. COX: No. Joe covered it all. No.

20 CHAIRMAN GREEN: Okay.

21 MR. WUELLNER: He has a lot of time to  
22 spend --

23 MR. COX: I spent a lot of time working in  
24 the aviation industry. I've worked with AAAE. I  
25 work with ACI, the airports council. I've worked

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1 with a bunch of people. And I spent a lot of  
2 time in Washington working with aviation-related

3 people.

4 And I tell you what; working with Ed, I  
5 haven't run across the depth of knowledge in  
6 aviation matters, airport matters, FARs, economic  
7 impact, environmental impact, and I could go on  
8 and on and on.

9 And -- and I have to disagree with you. It  
10 may not take a rocket scientist, but I haven't  
11 found anybody in recent memory that's as  
12 well-versed in aviation-related matters having to  
13 do with the airport as in Ed.

14 So, I just want to put that -- throw that in  
15 as a -- as a rebuttal to what Joe had to say.  
16 And I would support renewing Ed's contract, so...

17 CHAIRMAN GREEN: Mr. George?

18 MR. GEORGE: I disagree with Joe. I don't  
19 think we have a little rinky-dink airport. I  
20 think we have a first-class airport. And I, for  
21 one, want to make sure it's kept to a first-class  
22 airport. And that, to me, says it requires  
23 someone of Ed's caliber that I've had an  
24 opportunity to -- to view over the last couple of  
25 three years.

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1 I do have a few little questions. I like

2 Joe's comment about quantifying the perks, you  
3 know, and the insurance and the this and the  
4 that, so that we can get a true picture. Because  
5 if you start dividing it up, you know, everything  
6 seems to be in line. But if you start totaling  
7 it up, it -- it could be a much larger number.

8 And I think that somebody from this board  
9 should get with AAAE, and I'm sure that there are  
10 some salary comparisons of other airports, I  
11 don't know how the size comes up, and whatever it  
12 is. I'd like for us to be in the top ten  
13 percent, you know, of what that is, because I  
14 think we deserve something like that.

15 But I would like to see other things. Like  
16 where we give the executive four weeks' vacation,  
17 I'd like to see that -- how it relates to what  
18 we're giving the other employees.

19 For instance, Ed's been here seven years  
20 from -- now, seven years, at some point in time  
21 is going to kick over to five weeks' vacation.  
22 We're sitting here limiting him to four.

23 The continuing education, that's fine. The  
24 part about -- Joe, that you brought up, about  
25 going to work for taking an assignment, you know,

1 with another state agency, I disagree with that.

2 I think that -- that it helps us out, you know,  
3 to have the visibility out there, but I want this  
4 board to have the authority before he goes and  
5 does it.

6 He could commit something or somebody could  
7 ask his time that he winds up spending 75 percent  
8 of his time out of St. Johns County, and I don't  
9 want that to happen. So, I think that another  
10 option should be put in there that it's with  
11 board approval that we accept these --

12 MR. COX: Appointments?

13 MR. GEORGE: -- type of things. Yes, these  
14 appointments.

15 And I'm going to be not picky, but I assume  
16 from reading this that the salary is the same as  
17 it was last year. And from your comments,  
18 Suzanne, we're giving the vehicle allowance as  
19 the increase. Nine hundred and fifty, what kind  
20 of Porsche are you getting?

21 MR. WUELLNER: One like yours.

22 MR. GEORGE: Oh. That answered that one.

23 CHAIRMAN GREEN: That's not a Porsche.

24 MR. GEORGE: That's a 14 percent increase  
25 over last year. You know, just for that, I think

1 is a little steep.

2 MR. WUELLNER: That was in lieu of any  
3 adjustment through next year. So, it's  
4 essentially a two-year period without adjustment.

5 MR. GEORGE: Oh, okay.

6 MR. COX: So, it's a seven percent increase.

7 CHAIRMAN GREEN: Seven annual.

8 MR. GEORGE: Okay. Those are my comments.

9 CHAIRMAN GREEN: Okay. Mr. Gorman?

10 MR. GORMAN: Well, here goes again. We're  
11 talking of a term -- and this, I don't have it in  
12 front of me. We're talking the term of renewal  
13 of what length?

14 MR. GEORGE: Five years.

15 CHAIRMAN GREEN: Five.

16 MR. GORMAN: Five. I would -- because of  
17 the -- the performance of late -- Mr. Wuellner's  
18 a very bright man, a very bright man.

19 But because of the performance of late, just  
20 overall pure imperfect performance, whether it's  
21 luck -- there's probably some luck involved, you  
22 know, you do step in a manhole at times. But  
23 whatever, because of the performance parameters  
24 involved, I would like to limit that length of  
25 time, because I think five is a long time. I

1 would love to have a five-year contract. I've  
2 never had a five-year contract in my whole life  
3 in the shipping business. You get it by the  
4 length of time.

5 I also have philosophical problems with the  
6 house and the car, only it just -- it's not just  
7 him. It's with any municipal employee getting a  
8 house and getting a car. I think it sets a  
9 precedent that I don't like to see.

10 I don't have a problem with Mr. Wuellner  
11 having a car or Mr. Cooper having a car to drive  
12 around in because they can't walk. But having it  
13 for personal use, I think the personal use needs  
14 to be documented and only be used for municipal  
15 purposes.

16 The house, I have a problem with. I just  
17 think as a perk, it sets a precedent which I  
18 don't like. I personally have a problem with a  
19 house as a perk. I'd almost rather give him the  
20 money than the house; you see what I mean? It's  
21 the precedent involved.

22 MR. COX: He'd probably rather have the  
23 money.

24 MR. GORMAN: So, but the main problem is  
25 probably the length of time involved for renewal,

1 only because there -- you know, whether -- like I  
2 said, whether it's luck or a comet hitting you in  
3 the head, there's been some performance problems.  
4 There's just a lot of things going on.

5 I don't know what the rest of the board  
6 thinks, but that's me.

7 MR. GEORGE: One more comment?

8 CHAIRMAN GREEN: Uh-huh.

9 MR. GEORGE: We do specify in the house a  
10 specific house.

11 CHAIRMAN GREEN: Correct.

12 MR. GEORGE: And I think that needs to be a  
13 variable. For instance, if we take that to build  
14 a maintenance hangar, we take that space, you  
15 know, he's going to be out of a house. I mean,  
16 within reason.

17 MR. GORMAN: Less than 12 white columns.

18 CHAIRMAN GREEN: Well, my comments, having  
19 been on the board not as long as Mr. Ciriello,  
20 but longer than the rest of you, what I'm very  
21 impressed with, being a neophyte in the flying  
22 industry, of how Mr. Wuellner educated me very  
23 quickly, very plainly, to understand what, as  
24 much as I could, at inception, goes on at the

25 airport. And that gives credence to his depth of

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1 knowledge I think that Mr. Cox mentioned. He can  
2 speak with these pilots on a different plane than  
3 with me. No pun intended.

4 But he let me understand and educated me  
5 greatly because he has such depth of knowledge.  
6 And I think he's very well-versed -- I having  
7 worked in D.C. for three years on the Hill -- of  
8 getting money out of them. And that is really,  
9 really important for the airport.

10 And I think that's hard-pressed to find  
11 someone that has that -- those back-line numbers  
12 and those connections and knowledge to get all  
13 that funding that we need for matching funds.

14 I disagree with Mr. Gorman on the term. The  
15 reason I like the five-year contract, we are in a  
16 master plan area right now. The master plan  
17 calls for 20 years out, but it's 5-year  
18 increments. And if we vote and want to spend  
19 money certain ways or have a certain development,  
20 we want to have that person, our executive  
21 director on board, who's going to carry out that  
22 with knowledge. If we went with two years or  
23 three years or four years, we are messing up that

24 five-year master plan.

25 So, I am in favor of the five-year-term

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1 renewal. We can always manipulate the contract  
2 with regards to a car allowance or house or what  
3 have you. Most municipal employees or state  
4 employees are provided a car. But you're right;  
5 it's limited for office use versus personal use.

6 MR. GORMAN: Yes.

7 CHAIRMAN GREEN: But most state employees  
8 are provided a car. I was a prosecutor; I had my  
9 car. I went to work, did homicide duty,  
10 everything, took it home. I didn't drive it to  
11 the store. But if you did, then you should  
12 document what you use it. So, that could be  
13 something that could be worked out, as far as a  
14 personal use versus a -- an office use.

15 MR. WUELLNER: Well, this as it's written  
16 here eliminates that problem.

17 CHAIRMAN GREEN: Correct. It's an  
18 allowance.

19 MR. WUELLNER: Correct.

20 CHAIRMAN GREEN: And the allowance, as I  
21 understand it --

22 MR. WUELLNER: That makes it my car.

23 CHAIRMAN GREEN: -- is over that two-year  
24 period as -- and is also in lieu of the increase.  
25 So, it's over a two-year period. As Mr. George

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1 pointed out, 7 percent annual.

2 MR. GEORGE: We also get rid of a vehicle,  
3 too.

4 CHAIRMAN GREEN: Sure. Not covered under  
5 the Airport Authority's responsibility.

6 MR. GEORGE: Exactly.

7 CHAIRMAN GREEN: Right. So, we don't cover  
8 insurance or anything else. And I like  
9 Mr. George's comments about the travel. I think  
10 if the board authorizes it and it promotes the  
11 St. Augustine Airport Authority, then let's do  
12 it. I mean, if it's --

13 MR. COX: Yeah. I agree.

14 CHAIRMAN GREEN: That can only bring in more  
15 tenants or whatever.

16 So, I'm not sure what action we need to  
17 take, other than maybe a motion that we do intend  
18 to renew it. I don't know how detailed. I don't  
19 know if our counsel does -- revamps according to  
20 some terms we wanted? Do we have to vote on the  
21 exact terms? I don't know. I'm looking for

22 direction from Mr. Burnett.

23 MR. WUELLNER: What -- what are you  
24 proposing to change? Because I haven't heard  
25 anything that changed in and of itself.

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1 CHAIRMAN GREEN: Probably the travel  
2 expenses be -- what did you say, approved by the  
3 board?

4 MR. GEORGE: I was really saying the  
5 appointment to --

6 CHAIRMAN GREEN: The appointments, excuse  
7 me, to outside --

8 MR. GEORGE: Appointments.

9 CHAIRMAN GREEN: Right.

10 MR. WUELLNER: Yeah. I don't have any --

11 MR. COX: So, the length of time is not --  
12 doesn't, you know --

13 CHAIRMAN GREEN: I think that may be the  
14 only thing. But Mr. Ciriello had a salary cap.  
15 And I don't know if we need to vote on those type  
16 of things, or we just vote on the con -- the  
17 contract as is.

18 MR. WUELLNER: My comment relative to the  
19 salary cap, and I've made the comment to him  
20 multiple times, is that the board is setting the

21 salary cap --

22 CHAIRMAN GREEN: Right.

23 MR. WUELLNER: -- at each time. I mean, it

24 requires an affirmative vote of it. So, you

25 know, when it's more than enough, it's more than

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1 enough, and that will be as far as it goes. I

2 mean, that's -- that's your prerogative. That's

3 up to you.

4 CHAIRMAN GREEN: Next board can always undo

5 what we did.

6 MR. GEORGE: I would like to make a motion

7 we table it. No, seriously. I agree with Joe,

8 that we need to see a breakout of all the perks

9 and everything and what that relates to

10 dollar-wise, just so that we have the visibility

11 of it. And I apologize and I will volunteer as a

12 member of the board --

13 MR. WUELLNER: What other perks?

14 MR. GEORGE: -- to get in touch --

15 MR. WUELLNER: The only thing that's not

16 declared in here specifically is the value of the

17 lease, the house lease. That's it. Everything

18 else is --

19 CHAIRMAN GREEN: The car allowance now is --

20 MR. WUELLNER: The rest is --  
21 MR. GEORGE: Well, the car allowance has  
22 been specified.  
23 MR. WUELLNER: -- just the normal Authority  
24 benefits.  
25 CHAIRMAN GREEN: Health insurance, I think,

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1 is --  
2 MR. GEORGE: Is the four weeks' vacation, is  
3 that just normal? Is the retirement account --  
4 MR. WUELLNER: Actually, four weeks is the  
5 maximum you afford any employee.  
6 CHAIRMAN GREEN: Right. And the health  
7 insurance and retirement accounts are, from what  
8 I look at -- when we sign those checks, are  
9 standard for the employees, full-time employees.  
10 MR. WUELLNER: Nothing different.  
11 MR. GEORGE: Okay. Then do we change  
12 paragraph F to say that, you know, you take  
13 vacation according to the approved plan for the  
14 thing, or is four weeks, is that different for  
15 you?  
16 MR. WUELLNER: I think four weeks is a  
17 10-year number.  
18 MR. GEORGE: Oh, it's a 10-year number.

19 Okay. All right. Which I don't have a problem  
20 with.

21 Then the only thing I haven't done is I  
22 haven't checked with other airports to see if  
23 we're in line. I would hate to short him.

24 MR. CIRIELLO: Well, to reemphasize, I  
25 wasn't attacking Ed in my remarks. But to answer

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1 your question, a year ago or so, I sent out a  
2 bunch of faxes and I only got about a dozen back  
3 to airport authorities from the Florida handbook  
4 of all the airports, and no -- nowhere -- and I'm  
5 compare -- I'm not comparing apples and oranges.

6 When I said rinky-dink airport, I'm thinking  
7 a general aviation airport as compared to  
8 Atlanta, Dallas, Fort Worth, Chicago, O'Hare, you  
9 know. I think he'd probably qualify to run one  
10 of those airports; I think he's that good. I  
11 like him. Don't get me wrong.

12 I just think that this job, this airport,  
13 and the Authority on this airport or the  
14 Executive isn't that big of a job that it ought  
15 to get into the hundred-thousand-dollar range.  
16 I'm sorry.

17 MR. GEORGE: Joe, would you not agree that

18 if our peer airports are paying more than that,  
19 then we will never be able to attract and keep  
20 good people --

21 MR. CIRIELLO: But they're not.

22 MR. GEORGE: Well, that's all I'm saying, is  
23 let me -- let me have some time to go out and  
24 find out what that is.

25 MR. COX: Are we members of AAAE?

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1 MR. WUELLNER: Yes.

2 MR. COX: So, we can go online as a member?

3 MR. WUELLNER: We've provided that multiple  
4 times.

5 MR. COX: You can look in that stuff,  
6 through the AAAE's web site, and it's got all of  
7 that stuff itemized for you.

8 MR. CIRIELLO: Well, Mr. Cox --

9 MR. WUELLNER: That's how my current salary  
10 was created, was --

11 MR. CIRIELLO: Mr. Cox, if you --

12 MR. WUELLNER: -- through that comparison.

13 MR. CIRIELLO: A few years ago, the board,  
14 at the time, when they was giving Ed a raise,  
15 they was discussing it, I think that's when  
16 Mr. Davis was the Chair. They was going to give

17 him a 10 percent raise to bring him up close to  
18 the level of the average of these organizations  
19 you're talking about.

20 And somebody on the board got the bright  
21 idea, well, let's get him closer than close, and  
22 gave him a 15 percent raise. And I've been in  
23 the industry working, hourly rate, naturally,  
24 with unions and stuff, and nobody ever gets that  
25 kind of raise. But anyhow, they used those

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1 figures from what you're talking about. But  
2 these are from actual people running airports.

3 Now, for instance, the guy down in  
4 Titusville runs -- the airport director runs  
5 three airports. Maybe all three of them together  
6 isn't as big as this one; I don't know. And I'm  
7 not sure in there if I remember if he even had an  
8 assistant. But I don't think he was making that  
9 much.

10 MR. GEORGE: I'm looking at it. He does.

11 MR. CIRIELLO: But Daytona, when I -- they  
12 were the first people that contacted me, and the  
13 guy was getting, I think, 68 grand. And then  
14 they said, "Well, we're not sure of your --"  
15 cause I sent out a questionnaire with questions.

16 And they said our actual director of the  
17 whole Daytona complex, that's motels, parking  
18 lots, parking garages, everything, makes \$98,000.

19 But the guy who runs the Daytona airport, just  
20 the airport, gets \$68-.

21 DeLand, the guy that runs that airport is a  
22 city engineer and he only spends 20 percent of  
23 his time at the airport. But he's a city  
24 engineer and the airport director and he gets  
25 like 50-some thousand.

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1 MR. WUELLNER: Can I address this? You and  
2 I have gone around and around about a dozen  
3 times --

4 MR. CIRIELLO: Well, these guys are --

5 MR. WUELLNER: -- and you -- you keep  
6 failing to get that all of the comparisons that  
7 you keep trying to make are not comparable to  
8 this position.

9 This job, what -- the jobs you're comparing  
10 it to are second- and third-level administrative  
11 positions within a governmental structure. They  
12 are not the equivalent of the job I have, which  
13 is oversight and responsibility for all of the  
14 tax-related issues. Those are farmed off to

15 other county departments in all of those

16 facilities.

17 You have a clerk of courts that handles all

18 of the accounting functions for county-owned

19 airports, and a city clerk that handles it for

20 city airports.

21 Those are entirely functions that are

22 managed and administrated out of this office.

23 This is its own self-supporting -- self-standing

24 governmental entity. It has no outside -- it

25 answers to no other governmental entity other

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1 than the State of Florida.

2 MR. CIRIELLO: And I was comparing the size

3 of the airport, the number of employees the guy

4 has and everything. And some of these airports

5 have more acreage, more employees and more

6 everything --

7 MR. WUELLNER: It's a piece --

8 MR. CIRIELLO: -- and they're making less

9 money.

10 MR. WUELLNER: I'm just telling you, the

11 scope of responsibility of this position --

12 MR. CIRIELLO: No, no. I'm sorry, Ed. This

13 job isn't that big that we should end up --

14 MR. WUELLNER: -- is dramatically different.

15 MR. CIRIELLO: -- paying a hundred thousand

16 when our governor of the whole damn state only

17 makes \$128-.

18 MR. WUELLNER: He needs to take it up with

19 the legislature.

20 MR. CIRIELLO: Well, that's all I'm trying

21 to do, is put a cap on the job.

22 MR. WUELLNER: Which is why this is so

23 painful.

24 MR. CIRIELLO: I don't think it's worth

25 that.

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1 CHAIRMAN GREEN: Do you have any comment

2 after reviewing what you reviewed, Mr. George?

3 MR. GEORGE: Yes. I -- I saw several

4 airports I thought were similar, you know, in

5 size or in scope of what we were trying to do,

6 that were paying \$80- to a hundred thousand.

7 One, Sarasota-Bradenton was paying \$144,000 to

8 theirs.

9 CHAIRMAN GREEN: And I -- I do think it's

10 important, because I have looked at the scope of

11 work of the contract, not just the size of the

12 airport and the volume. But what Mr. Wuellner

13 does with regards to -- and this kind of came up  
14 when we had a tenant who wanted to come to the  
15 board and say, "Let me back in; will your board  
16 take care of it?"

17 We don't do that. Our parameter is other  
18 jurisdiction. But we have given all of this  
19 authority, and rightly so, because we other  
20 things to deal with budgetwise, to negotiate  
21 leases, to manage leases, to manage the tax  
22 consequences, which are not -- that's an extended  
23 scope of work that I haven't seen in other  
24 contracts.

25 So, I really have no problem -- we're not

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1 giving him per se a raise on this contract.  
2 We're extending the term of it, which again, is  
3 my feeling with trying to deal with this master  
4 plan. So, unless anybody has any comments about  
5 wanting further information, I'll entertain a  
6 motion on this contract.

7 MR. COX: I move that we accept the contract  
8 or that you -- that we --

9 MR. WUELLNER: The only other piece that  
10 needs to get answered is, are we effectively  
11 starting it July 1st, or are we waiting till the

12 end of September?

13 CHAIRMAN GREEN: I believe this contract  
14 expires September 1; is that right?

15 MR. WUELLNER: The existing one is the end  
16 of September.

17 CHAIRMAN GREEN: End of September.

18 MR. WUELLNER: Obviously, my preference is  
19 let's get under a new contract and get moving,  
20 but that's entirely up to --

21 CHAIRMAN GREEN: But this one is in  
22 existence until September --

23 MR. WUELLNER: Technically.

24 CHAIRMAN GREEN: Mr. Cox?

25 MR. COX: I move that we start -- I mean,

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1 amend the contract to start now and move forward  
2 five years, and we vote on the contract as  
3 written, unless you have any further comments on  
4 wanting to know any information.

5 MR. GEORGE: No, I'm fine.

6 CHAIRMAN GREEN: I'll second that motion.

7 Any discussion on it?

8 (No discussion.)

9 CHAIRMAN GREEN: The only thing I had was --  
10 was the appointments. I think we wanted to have

11 board approval on any appointments, so it stays

12 directed towards your efforts, Mr. Wuellner.

13 MR. WUELLNER: I have no --

14 CHAIRMAN GREEN: Stay directed towards this

15 airport.

16 MR. WUELLNER: I have no problem with that.

17 We can -- if it doesn't need to come back through

18 here again, I don't see why -- you know, if you

19 agree to the language I come up with is agreeable

20 before we sign it.

21 CHAIRMAN GREEN: I'd like to make an

22 amendment so that that sentence dealt with board

23 approval as far as outside appointments to make

24 sure his time --

25 MR. COX: That's correct.

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1 CHAIRMAN GREEN: -- is managed with us.

2 MR. COX: I'll amend that and accept it, to

3 my motion.

4 CHAIRMAN GREEN: It's my amendment. Does

5 someone have a second to the motion as amended?

6 MR. GEORGE: I second.

7 CHAIRMAN GREEN: Any further discussion?

8 (No further discussion.)

9 CHAIRMAN GREEN: All in favor of accepting

10 the contract with that one amendment, all in

11 favor?

12 MR. GEORGE: Aye.

13 CHAIRMAN GREEN: Aye.

14 MR. COX: Aye.

15 CHAIRMAN GREEN: All opposed?

16 MR. CIRIELLO: No.

17 MR. GORMAN: No.

18 CHAIRMAN GREEN: The ayes have it. The

19 contract will be renewed as of July 1. Is that

20 the date, Mr. Cox, I think you said?

21 MR. COX: Yes. July 1.

22 9.B. - MR. CIRIELLO

23 CHAIRMAN GREEN: Okay. Next, Mr. Ciriello,

24 your comments?

25 MR. CIRIELLO: Okay. I've got one thing,

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1 and I'd like to see something put on the agenda

2 for the future, next month, month after, to

3 renew -- well, not renew, but look over the

4 hangar leases. And I'd like each board member to

5 have it, a lease in front of him as we go through

6 them.

7 I think it was the 5th and 6th or 4th and

8 5th of May, I, Mrs. Hollingsworth, and Kevin, the

9 maintenance supervisor, checked the hangars, and  
10 I found a number of problems with the hangars.  
11 I've talked to Ed about it numerous times. And  
12 I'm really not happy with the way the hangar  
13 leases is being handled. And there's a few  
14 changes I'd like to see.

15 CHAIRMAN GREEN: Are you talking about the  
16 terms or the way they're implemented?

17 MR. CIRIELLO: Yeah, in the -- huh?

18 CHAIRMAN GREEN: I didn't know if you meant  
19 the terms or the way they're implemented --

20 MR. CIRIELLO: Well --

21 CHAIRMAN GREEN: -- or both.

22 MR. CIRIELLO: -- the way that the -- the  
23 leases are written up, we're not following them  
24 to the letter, and I'd like to see a couple of  
25 changes in there to specify things that are going

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1 on that I feel that shouldn't be going on. I saw  
2 a number of problems, and I'm not happy. Not the  
3 least am I happy.

4 CHAIRMAN GREEN: Can we put that on the  
5 agenda --

6 MR. WUELLNER: Certainly.

7 CHAIRMAN GREEN: -- Mr. Wuellner?

8 MR. WUELLNER: We were planning as part of  
9 the workshop to give you an up -- that was one of  
10 the issues --

11 CHAIRMAN GREEN: Oh, good.

12 MR. WUELLNER: -- that's been brought up, is  
13 to update you on --

14 CHAIRMAN GREEN: So, we can do it in both,  
15 on the workshop, which maybe will clarify the  
16 issue.

17 MR. WUELLNER: Yeah. You won't be able to  
18 make adjustments to the lease in the workshop --

19 CHAIRMAN GREEN: Right.

20 MR. WUELLNER: -- but we can move that to  
21 the item.

22 CHAIRMAN GREEN: Okay.

23 MR. CIRIELLO: That's it.

24 9.C. - MR. WAYNE GEORGE

25 CHAIRMAN GREEN: Okay. Mr. George?

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1 MR. GEORGE: I'd like to see on the agenda  
2 for the next regular meeting the first round of  
3 the financial -- the reports that Mr. Wuellner  
4 and I were working on, to present that to the  
5 board so that you guys can add to or whatever,  
6 and then we can get the -- get the ball rolling

7 and implement it.

8 I would also like to present to the board a  
9 proposed project summary sheet. We have now  
10 agenda memorandums that cover items specifically  
11 for that particular project.

12 But I guess I'm trying to put a checklist  
13 together that covers minimum items, like noise,  
14 economic impact, traffic, you know, those types  
15 of things, and at least it's a summary sheet that  
16 causes us to purposely look at that item before  
17 we make our decisions. And I'd like that on the  
18 agenda so I can bring it to the board next time.

19 9.D. - MR. BOB COX

20 CHAIRMAN GREEN: Okay. Mr. Cox?

21 MR. COX: A comment on access to the  
22 airport. There's been reports of different  
23 members going to the SAPA meetings who have  
24 access only on meeting days, accessing the  
25 airport at all -- all different times of the week

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1 in the day.

2 And I just want to point out, so that it's a  
3 matter of public comment so that it gets back to  
4 the SAPA people, is that if those individuals are  
5 found, they'll be removed from the airport

6 property. And not only that, the people that  
7 allowed them to come in will have their access  
8 capability restricted.

9 So, just -- just be aware that the -- for  
10 the SAPA members -- and I've spoken with Ed about  
11 it and we've talked about it before, but the SAPA  
12 members, we need to -- we need -- and I'm a  
13 member of SAPA. We need to police these  
14 individuals that have access only on Saturdays.  
15 Shouldn't have access to the airport 24 hours a  
16 day. They're only supposed to be there for the  
17 meeting. That's my only comment.

18 CHAIRMAN GREEN: Okay.

19 MR. GORMAN: Can I ask a --

20 CHAIRMAN GREEN: Mr. Gorman?

21 MR. GORMAN: Yes. Can I ask about that,  
22 Bob? I'm finally going to have a fight with Bob,  
23 here. What's the -- what would be the purpose  
24 to -- to limiting them? In other words, why  
25 would you be concerned?

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1 MR. COX: Well, a lot of the people don't  
2 have -- don't own aircraft. They don't have  
3 hangars here. There's no reason for them to be  
4 on the airport beyond going to the meeting. I

5 mean, these -- these are folks that may have or  
6 are looking forward to having an airplane. We  
7 had --

8 MR. GORMAN: For instance, you have a -- for  
9 instance, I have an -- I have an associate of  
10 mine that has a card that he goes -- has access  
11 to my hangar at times, which is very rarely used.

12 MR. COX: If he's -- if he's allowed, I  
13 mean, if he's escorted by you or has the  
14 authority --

15 MR. GORMAN: So would you want them named on  
16 the lease to be -- to be 24/7 available for the  
17 thing, or how --

18 MR. COX: Well, that would be --

19 MR. GORMAN: I'm just trying to figure out  
20 why you're concerned.

21 MR. WUELLNER: Actually, that's a scenario  
22 where they would have 24-hour access. They're  
23 affiliated with your leasehold.

24 MR. GORMAN: Right. I'm just trying to  
25 figure out what the -- what the concern is.

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1 Why -- I mean, why -- what the security concern  
2 is specifically.

3 MR. COX: Well, for one reason, we had an

4 individual that had somebody else's card that was  
5 accessing the airport 24/7 --

6 MR. GORMAN: Right.

7 MR. COX: -- I'll just say had access, and  
8 was really bugging everybody by riding around and  
9 jumping in -- and dropping into hangars and  
10 bothering people while they were doing  
11 maintenance on their hangars and wanting airplane  
12 rides, et cetera, et cetera, et cetera. Had no  
13 airplane, had no hangar, had nothing.

14 But there are -- there are other individuals  
15 that have fallen into this category also. And  
16 the -- the whole situation. I don't want to  
17 belabor the point. But the point is, is that  
18 this was -- this was given -- it's been abused by  
19 certain individuals. And it's unfortunate,  
20 because now some SAPA members that utilize it for  
21 that purpose are not going to be able to utilize  
22 it for that purpose, just to attend meetings.  
23 And that's what that access card is for.

24 And so, I'm just saying that it needs to be  
25 policed by the members, that it shouldn't be

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1 abused.

2 MR. GORMAN: How well do you actually think

3 self-policing will ever work?

4 MR. WUELLNER: Well, it probably won't.

5 MR. COX: That's my point.

6 MR. WUELLNER: That's why we're going to the  
7 computer-read cards and you'll have a period of  
8 time you can access as a SAPA member; otherwise,  
9 you'd need to be escorted by a tenant.

10 9.E. - MR. JOHN GORMAN

11 MR. GORMAN: What -- oh, while we have the  
12 security thing -- and I don't mean to be on and  
13 on; it's already 8 o'clock. But I did want to  
14 ask about this issue of tailgating in, since I  
15 know that you're astute as to -- and Ed's also  
16 shaking his head yes, the tailgating-in problem.  
17 Is this going to be more acute later?

18 MR. WUELLNER: Yeah.

19 MR. COX: Remember when I asked about the  
20 TSA problems to the lady that was representing  
21 them? It's going to be -- it's going to be an  
22 extreme problem. You will not be able to  
23 piggyback, period.

24 MR. GORMAN: Okay. All right.

25 MR. WUELLNER: I want to develop some

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1 signage to hopefully draw the attention to --

2 because we do have a lot of that that goes on.

3 MR. GORMAN: Right.

4 MR. COX: And I think more so the problem,  
5 especially around here on this road, is not so  
6 much people piggybacking in that have legitimate  
7 reason to be on the airport, but we have people  
8 that have absolutely nothing to do with the  
9 airport coming into the gate while it's open, and  
10 wandering all over the place, so --

11 CHAIRMAN GREEN: Well, I appreciate  
12 everyone's time and effort.

13 Just for the record, Mr. Maguire did show up  
14 and was here. I asked him if there was any  
15 comment, and he said no from the commissioners,  
16 so that the record does reflect that.

17 MS. OCHKIE: Doug, did you have this, the  
18 policy on the meeting?

19 MR. BURNETT: Yeah. I had not discussed it.

20 MR. WUELLNER: Yeah, we're fine. We were  
21 just looking at notification for your meeting  
22 next Monday.

23 MR. GORMAN: And we have a meeting on the  
24 23rd?

25 CHAIRMAN GREEN: No. The -- I'll go through

1 that.

2 MR. GORMAN: Sorry.

3 10. - PUBLIC COMMENT

4 CHAIRMAN GREEN: The next thing is brief  
5 public comment to wrap everything up.

6 MR. WUELLNER: There he is.

7 MR. MARTINELLI: Now, Chief?

8 CHAIRMAN GREEN: Go, Mr. Martinelli.

9 MR. MARTINELLI: Wow. You're all sweaty.

10 It's just that I know everybody and I love them  
11 all, including you, Suzanne.

12 CHAIRMAN GREEN: I'm your neighbor,  
13 remember?

14 MR. MARTINELLI: Yeah. All I wanted to say  
15 before -- it would have taken me about two  
16 seconds to say. Mr. Wuellner had asked for some  
17 guidance about return on investment. What is  
18 your targeted return on investment? And in the  
19 direction that you-all gave him, that was not  
20 there.

21 And I just wanted to offer a suggestion  
22 along those lines. And the suggestion is that  
23 you take the return on investment that you're  
24 getting from the hangars that you are renting --  
25 and that's a readily calculatable (sic) return --

1 and take that return and move it over to what  
2 you're going to be doing with Embry-Riddle.

3 That's all I wanted to say. But since --  
4 since you made me wait all this time --

5 CHAIRMAN GREEN: This is taxpayers' money  
6 for our court reporter and our staff.

7 MR. MARTINELLI: You folks are all getting  
8 paid an awful lot for this, too. But anyway,  
9 since I had to sit through all of this other  
10 stuff in order to get to this point, I just  
11 wanted to volunteer something.

12 And many of you know that I've been involved  
13 with Airport Authority business for many years  
14 now, off and on.

15 MR. GEORGE: Can't get rid of it.

16 MR. MARTINELLI: Yeah, can't get rid of it.  
17 But -- but let me tell you, when I was on the  
18 Authority, Ed Wuellner was not here, and the  
19 executive director that we had did not begin to  
20 come up to shine his shoes.

21 And so, whatever your discussions are, and  
22 knowing Ed, and being part of the board that  
23 hired him here initially, I can tell you that  
24 he's a pro and -- and that he really knows his --  
25 his job. And he knows every aspect of it.

1       So, with that, thank you for your  
2 indulgence.

3       MR. COX: Now sit down.

4       You don't have to copy that down.

5       MR. HOLIDAY: I'm back. I make my living  
6 renting stuff, renting commercial and apartments.  
7 And there's a rule of thumb in renting. And I  
8 look at this.

9       If I rent something commercial, and if  
10 Embry-Riddle is not -- or is or is not a  
11 commercial entity, it is, when you rent  
12 commercial, it's bare wall, baby. Very rarely do  
13 you go in there and build anything for somebody  
14 and then sit back and make that kind of little  
15 bit of money unless you're government.

16       This is subsidizing Embry-Riddle, I'm  
17 telling you right now. It's that simple.

18       I mean, if I came out here -- and I'm kind  
19 of not even an insider here after 30 years. But  
20 if I came out here and gave you some deal like  
21 this, you'd laugh me out of the place, or  
22 somebody would accuse me of having an inside  
23 track. And I wouldn't dare stand in front of you  
24 and say, "Well, take it or leave it; Well, I  
25 didn't really mean that, but take it or leave

1 it."

2 The other thing that's -- it's really  
3 interesting to me is if you get \$900,000 to  
4 redecorate Embry-Riddle's hangar, can't you get  
5 \$900,000 to build a few more hangars? And  
6 couldn't you make more money renting more new  
7 hangars and have more hangars for more people and  
8 find some quality here?

9 And you're talking about SAPA now. You're  
10 getting really close to my -- Bob, watch it.

11 Thank you.

12 CHAIRMAN GREEN: Thank you.

13 11. - NEXT REGULAR BOARD MEETING

14 CHAIRMAN GREEN: Just to announce, our next  
15 meeting will be a workshop, June 23rd, Monday, at  
16 3 p.m. And our next regular board meeting is  
17 July 21, 2003, at 4 p.m.

18 MR. WUELLNER: Let me ask you one thing.  
19 Would you -- would you -- just real quick. Would  
20 you like to add onto your workshop a preliminary  
21 presentation of a proposed budget so that you  
22 have a little more information moving into the  
23 July meeting? Because at the July meeting, you  
24 have to set your TRIM level, and rather than try

25 and grasp that all at one time?

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1 CHAIRMAN GREEN: That's fine.

2 MR. WUELLNER: I promise you I'll limit it  
3 to ten minutes. Then it gives you a month to  
4 think about it.

5 CHAIRMAN GREEN: So we have some information  
6 for the budget.

7 MR. WUELLNER: To get us off -- off dead  
8 center --

9 CHAIRMAN GREEN: Okay.

10 MR. WUELLNER: -- because we'll have to get  
11 somewhere pretty quick after that.

12 MR. COX: I think we had more public  
13 comment.

14 CHAIRMAN GREEN: Briefly. Yes, ma'am.

15 MS. McELROY: My name is Carolyn McElroy. I  
16 live in Araquay Park, a neighbor. I would like  
17 to say you're a very good chairperson. I  
18 appreciate it --

19 CHAIRMAN GREEN: Well, you can keep talking.

20 MS. McELROY: -- because I've been to a lot  
21 of these meetings. I also want to say about the  
22 hangars, you might want to limit what is put in  
23 hangars. Motorcycles and jet skis ought not to

24 qualify. And what are the condos that you're  
25 talking about? Is that going to be down at the

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1 Ponce?

2 MR. WUELLNER: Yeah.

3 MS. McELROY: Okay. The other thing I  
4 wanted to know was the property that is on U.S. 1  
5 north of the airport, north of Gun Club Road, are  
6 you considering purchasing that?

7 MR. WUELLNER: We have some that was  
8 purchased before I got here. There's --

9 MS. McELROY: From Gun Club Road?

10 MR. GEORGE: You're talking about east of  
11 U.S. 1, though, right?

12 MS. McELROY: East of U.S. 1, there's "For  
13 Sale" signs all along there.

14 MR. WUELLNER: The ones that are for sale  
15 are the ones we don't own, obviously. The  
16 balance of that property, I think we own up to  
17 about where that dog-training place is.

18 MR. GEORGE: On east U.S. 1?

19 MS. McELROY: There's two --

20 MR. WUELLNER: Uh-huh.

21 MS. McELROY: There's two signs along there.

22 MR. WUELLNER: We have probably -- but there

23 are several parcels in there. It's been divided.

24 MS. McELROY: It looks like --

25 MR. WUELLNER: You can't hardly tell it

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1 cause it's all one piece.

2 MS. McELROY: There's no signs like halfway.

3 You might own halfway, it looks like, because I

4 rode up there today because I had seen it before.

5 MR. WUELLNER: We have my best recollection

6 is somewhere between 11 and 15 or 17 acres along

7 there.

8 MS. McELROY: Well, I'm going to ask you why

9 you don't put hangars there instead of tearing up

10 the park.

11 MR. WUELLNER: Because they don't let us

12 drive airplanes on U.S. 1.

13 MS. McELROY: Well, you can put runways and

14 stuff all up there, roads.

15 CHAIRMAN GREEN: I think that might be

16 involved in our intermodal thing down --

17 MR. WUELLNER: I think then we have to close

18 Gun Club Road to get there.

19 MS. McELROY: Well, you're going to have to

20 close these roads to get there, too. They

21 never -- all through all the years have never

22 ever considered going north. Always to tear up  
23 homes and houses, when there's been woods and  
24 very few houses up that way. For always.

25 My -- I would also like to know, ask about a

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1 noise and barrier down in the curve, where the  
2 tower is, to protect the neighborhood from noise  
3 and fumes. There's supposed to be a 30-foot  
4 barrier between the airport and the neighborhood.

5 MR. WUELLNER: Actually, that only applies  
6 from the paint shop west to U.S. 1. There was a  
7 whole different zoning from what was the --

8 MS. McELROY: The airport --

9 MR. WUELLNER: And it doesn't have it on  
10 there.

11 MS. McELROY: The deal with the airport for  
12 many years ago was that the neighborhood --

13 MR. WUELLNER: Right.

14 MS. McELROY: -- would always be protected  
15 by a barrier. And there's no barrier there. And  
16 I see that you're condemning the houses and going  
17 to tear them down. Are you going to be tearing  
18 down all of those trees, too?

19 MR. WUELLNER: I would suspect at some point  
20 when they go to develop.

21 MS. McELROY: Well, until you take our  
22 property --

23 MR. WUELLNER: Right.

24 MS. McELROY: -- you have to leave us a  
25 barrier. We were there first. We need to be

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1 protected. Environmentally, our health. There  
2 are children.

3 MR. WUELLNER: Uh-huh.

4 MS. McELROY: Uh-huh.

5 MR. WUELLNER: I understand.

6 MR. GORMAN: Can I say something, ma'am?

7 MS. McELROY: Yes, you may.

8 MR. GORMAN: I've often thought it might be  
9 possible to develop hangars, you know, inasmuch  
10 of an environmentally sensitive degree as  
11 possible, by leaving stands of trees. I'm not  
12 sure if that would be a perfect barrier, but that  
13 is possible. I mean, I'm looking at both the  
14 airport --

15 MS. McELROY: You need a good barrier.

16 MR. WUELLNER: It is possible.

17 MS. McELROY: You need a good barrier  
18 because the difference between what you -- what  
19 used to be and what is now is that we can hear

20 the jets from this end all the way down.

21 Before, they would have to almost get to the  
22 end and were going off before we would really  
23 hear them very well. The only thing you could  
24 hear was when they -- Grumman had -- before they  
25 had their warmup and they'd sit over there and

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1 just --

2 MR. WUELLNER: Sure.

3 MS. McELROY: Yes. But -- and now, you can  
4 almost hear them down the whole runway. And  
5 there's nothing to protect. It just -- Indian  
6 Bend Road, you get down there, it just shoots all  
7 the -- people across the highway can even hear  
8 it. It shoots all the way across there.

9 And there's fumes. Those jets and all the  
10 airplanes let out a certain amount of fumes that  
11 is not filtered by trees or anything. And it  
12 seems to be getting worse. And the more traffic  
13 you have on your -- the airport, then the worse  
14 that it is going to be.

15 MR. WUELLNER: Very true.

16 MS. McELROY: Now, people can say, "Well,  
17 you shouldn't have built by an airport," but we  
18 didn't build by airport. We were here first.

19 MR. WUELLNER: That's right.  
20 MR. COX: How many years have you been here?  
21 MS. McELROY: How -- what?  
22 MR. COX: How many years have you been here?  
23 MS. McELROY: Me personally? Thirty years.  
24 The house where I live in was my husband's family  
25 house. It was built in 1951. There was no

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1 airport here at all. It had been --  
2 MR. COX: I think the airport's been here  
3 since about 1929, '38, something like that?  
4 MR. WUELLNER: '28.  
5 MS. McELROY: No, '33, it was closed down  
6 during the '50s and it wasn't used as an airport.  
7 MR. WUELLNER: That's right.  
8 MS. McELROY: And so now it is -- and that's  
9 when -- and the neighborhood, this neighborhood  
10 was laid out with streets, water, lights,  
11 everything in the '20s, when people started  
12 buying the property here.  
13 The -- the city commission bought Araquay  
14 Park property. So, you're responsible for, you  
15 know, taking care of the environment of the  
16 people who live there.  
17 CHAIRMAN GREEN: Thank you for your

18 comments. I think that those are good concepts

19 in our master plan that we're going to --

20 MS. McELROY: Yes, please.

21 MR. WUELLNER: Absolutely.

22 CHAIRMAN GREEN: Yeah. Okay. Thank you

23 very much for your patience and the board as

24 well. Meeting's adjourned.

25 (Whereupon, the meeting adjourned at 8:10 p.m.)

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1 REPORTER'S CERTIFICATE

2

3 STATE OF FLORIDA )

4 COUNTY OF ST. JOHNS )

5

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

7 was authorized to and did stenographically report the

8 foregoing proceedings and that the transcript is a true

9 record of my stenographic notes.

10

11 Dated this 10th day of July, 2003

12

13

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

14

Notary Public - State of Florida

15

My Commission No.: DD102224

Expires: April 30, 2006

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