

1 ST. AUGUSTINE - ST. JOHNS COUNTY AIRPORT AUTHORITY

2 Public Budget Meeting

3 held at 4796 U.S. 1 North

4 St. Augustine, Florida

5 on Monday, September 15, 2003

6 from 5:01 p.m. to 5:41 p.m.

7 \* \* \* \* \*

8 BOARD MEMBERS PRESENT:

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

11 BOARD MEMBERS ABSENT:

- 12 SUZANNE GREEN, Chairman

13 \* \* \* \* \*

14 ALSO PRESENT:

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

20 \* \* \* \* \*

21

22 St. Augustine Court Reporters  
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 24 St. Augustine, FL 32084  
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## 1 PROCEEDINGS

2 MR. GEORGE: I'd like to call to order the  
3 public hearing for the St. Augustine-St. Johns  
4 County Airport Authority. This is the final  
5 hearing that we will have before the adoption of  
6 the fiscal year 2003-2004 millage rate and  
7 budget.

8 AUDIENCE MEMBER: Can you talk a little  
9 louder, please?

10 MR. GEORGE: I beg your pardon.

11 AUDIENCE MEMBER: Thank you.

12 MR. WUELLNER: Actually, I think that's  
13 Bob's right there.

14 MR. GEORGE: Sorry about that. Is this any  
15 better?

16 AUDIENCE MEMBER: Yes, sir.

17 MR. GEORGE: I'm calling to order the public  
18 hearing for the St. Augustine-St. Johns County  
19 Airport Authority for the -- to consider the  
20 adoption of the fiscal year 2003-2004 millage  
21 rate and the budget.

22 This is the second meeting. The first one  
23 was I guess Monday a week ago. And so we're

24 calling the second -- the second one to give  
25 everybody an opportunity to talk. And then at

4

1 the conclusion of that, then the board will vote  
2 on what their direction -- or what we're going to  
3 do as far as the budget goes. Mr. Wuellner, will  
4 you --

5 3. - ANNOUNCEMENT OF PROPOSED MILLAGE RATE

6 MR. WUELLNER: Yes, sir. The first item  
7 that must be discussed for purposes of compliance  
8 with Florida Statutes relating to these matters  
9 is the millage rate. So, discussions at this  
10 point and all activity will be confined or need  
11 to be confined to the discussion of the millage  
12 rate.

13 To kick that off, the proposed millage rate  
14 being considered today is .2356 mills. It's  
15 .2356 mills, which is the same millage rate as  
16 was assessed by the Airport Authority last year.

17 MR. PERPICH: Question. Year before?

18 MR. GEORGE: Just a second. Are you going  
19 to go through the budget as we did the first  
20 meeting?

21 MR. WUELLNER: When we deal with the budget,  
22 yes. By statute, your first order of business is

23 the discussion of the millage rate. Then we will  
24 move on to discussion relative to the budget.  
25 Once you've established what your tax base or tax

5

1 rate will be, you may then move on to the topic  
2 of budget.

3 MR. GEORGE: Okay. I understand that. All  
4 right, sir.

5 MR. WUELLNER: That's the way statutes  
6 require it.

7 MR. GEORGE: Okay. So, you've already given  
8 us what the -- what we're considering?

9 MR. WUELLNER: That is your tentatively  
10 adopted millage rate, is .2356 mills.

11 4. - DISCUSSION OF MILLAGE RATE

12 MR. GEORGE: Fine. Now open it up to public  
13 comment. Sir? I'm sorry.

14 MR. PERPICH: I've got a number of  
15 questions.

16 MR. GEORGE: I think we're --

17 MR. WUELLNER: We're going to need --

18 MR. GEORGE: I think that our court recorder  
19 would like to have you at the mic, if you don't  
20 mind, sir.

21 MR. PERPICH: Yes, sir. If you got a couple

22 of hours. Perpich, Nick Perpich, St. Augustine.

23 This summary was stated in The St. Augustine

24 Record as of yesterday. On the millage increase,

25 last couple of years, according to St. Johns -- I

6

1 checked on that this morning. I don't know the

2 statistics on it, but that's -- it was 1 point

3 something, what you referred to.

4 MR. GEORGE: No.

5 MR. WUELLNER: No, sir. Last year's millage

6 was .2356.

7 MR. GEORGE: It's the same as last year.

8 MR. PERPICH: Okay. All right. On these

9 180,000 flights we've got coming in here per

10 year, as also stated in The St. Augustine Record,

11 are we charging these flights per flight pattern,

12 the exiting and arriving of these flights coming

13 in?

14 MR. GEORGE: Mr. Wuellner?

15 MR. WUELLNER: No, sir.

16 MR. PERPICH: You're not?

17 MR. GEORGE: No, we're not. I think it has

18 to do with public use and FAA funds to develop

19 the airport, and I think it's open to the public,

20 so anybody that flies in and flies out can

21 utilize this facility. And that's a nationwide  
22 type of --  
23 MR. WUELLNER: Same concept behind your  
24 federal highway system.  
25 MR. GEORGE: That's a good analogy, yeah.

7

1 Okay. It is the same.  
2 MR. PERPICH: Then -- okay. If your tax  
3 rate -- you're increasing your tax rate --  
4 MR. GEORGE: We're keeping it the same, sir.  
5 MR. PERPICH: We're keeping it.  
6 MR. GEORGE: We're not increasing it at all.  
7 MR. PERPICH: Okay. Do we have an itemized  
8 budget of this tax year?  
9 MR. GEORGE: Yes, sir.  
10 MR. PERPICH: Will that be explained to the  
11 general public?  
12 MR. WUELLNER: The budget elements? Yes,  
13 sir.  
14 MR. GEORGE: Yes, sir.  
15 MR. PERPICH: As we go through this meeting  
16 here. All right. If there's no budget cuts, ask  
17 the board members: Do you own an aircraft?  
18 MR. GEORGE: Yes, I own an airplane.  
19 MR. COX: That's not an appropriate question

20 for the -- you can't question board members  
21 individually on whether they own aircraft or not.

22 MR. PERPICH: Okay. Is this going to be a  
23 salary increase?

24 MR. GEORGE: We get no salary.

25 MR. COX: We don't get any salary.

8

1 MR. PERPICH: You don't get any?

2 MR. GEORGE: I'd love to double the zero.

3 MR. COX: We'll vote for an increase in  
4 salary.

5 MR. PERPICH: Okay. So, in making this  
6 decision, the board has the final say-so.

7 There's no governing body overlooking this  
8 decision.

9 MR. WUELLNER: This is the governing body.  
10 These are the elected officials.

11 MR. GORMAN: You have your input, sir, which  
12 we're getting now.

13 MR. PERPICH: Okay. That's all the  
14 questions I have. Thank you.

15 MR. GEORGE: Any other public comment?

16 (No further public comment.)

17 MR. GEORGE: Board comment? Mr. Gorman?

18 MR. GORMAN: As far as increasing the



19 millage, we don't need to, because the tax base  
20 actually has been increased. And again, I think  
21 everyone on this board will nod in complete  
22 unison, we're going to get this airport off the  
23 tax rolls, and that's by doing business as best  
24 we possibly can. And so, that's why we've kept  
25 it the same; don't need to raise it.

9

1 MR. GEORGE: Mr. Ciriello?

2 MR. CIRIELLO: Yes. For the gentleman that  
3 was asking questions, one reason that we have  
4 this itemized budget, that everything's in there,  
5 is mainly for the capital improvements, is where  
6 most of your money goes. But the first two years  
7 I got on this board, when I came on, it was .28  
8 something. I got -- well, I say "I," but I  
9 convinced the board to -- to go with the rollback  
10 rate.

11 The second year I was on the board, I got  
12 the board to agree to a rollback rate again,  
13 which really, if you come down to dollars and  
14 cents, is very minimal. It's practically  
15 nothing. It's just, oh, a representative thing,  
16 saying, "Oh, I -- I helped lower the taxes  
17 because we put the rollback rate in."

18 This year, I tried the same thing and I've  
19 gotten nowhere. The board wants to keep the same  
20 .2356. But would this be an appropriate time for  
21 me to make a motion to go with the rollback rate  
22 like I've been doing? This is what we're trying  
23 to settle on, isn't it, Ed?

24 MR. WUELLNER: At some point, it's really up  
25 to you --

10

1 MR. GEORGE: Yes.

2 MR. CIRIELLO: Okay. I'm just saying --

3 MR. GEORGE: Now is appropriate.

4 MR. CIRIELLO: Hmm?

5 MR. GEORGE: Now is appropriate to make that  
6 motion.

7 MR. CIRIELLO: Yeah. So, since we're on the  
8 millage rate, I would again ask the board to  
9 consider going to the rollback rate, which what  
10 was the rollback?

11 MR. WUELLNER: I've got it here. .2144.

12 MR. CIRIELLO: Yeah. So, that's -- that's  
13 what I'd like to do, is put a motion on the floor  
14 to go to the rollback rate of .2144.

15 MR. GEORGE: We have a motion on the floor  
16 to go back to the rollback rate of 21 -- .2144.

17 Do I have a second?

18 (No second.)

19 MR. GEORGE: Hearing no second, the motion  
20 is denied.

21 Any further comments, Mr. Ciriello?

22 MR. CIRIELLO: No. Whatever is on my mind  
23 right now would just be destructive and negative.

24 I'd better keep my mouth shut.

25 MR. GEORGE: Mr. Cox?

11

1 MR. COX: No. No comment.

2 MR. GEORGE: My comments on the subject is  
3 complimentary to what Mr. Gorman had to say. A  
4 lot of people don't realize that we're sitting at  
5 an airport, that right now, we have enough space  
6 to build two more facilities. That's all.

7 So, keeping this millage rate the same gives  
8 us a better opportunity to expand the airport.  
9 And only through the expansion of the airport to  
10 new facilities to bring in new revenue do we ever  
11 have a chance of getting off the tax roll. So, I  
12 support the new millage rate. I support the --  
13 keeping the millage rate the same as last year.  
14 Sorry about that.

15 I will entertain a motion to approve the

16 millage rate as proposed.

17 MR. COX: So moved.

18 MR. GEORGE: Second?

19 MR. GORMAN: Second.

20 MR. GEORGE: I have a second. I'm sorry?

21 MR. WUELLNER: That -- that's fine. We've

22 got to move into a specific resolution that must

23 be adopted related to that, so...

24 MR. GEORGE: Okay. You're giving me a point

25 of administrative clarification.

12

1 MR. COX: It has to be in resolution form?

2 MR. WUELLNER: It -- yeah, it will

3 ultimately have to be. You -- you can finish

4 your motion and -- and do it that way, but

5 ultimately, you will have to approve a resolution

6 which I will read to you, that communicates that

7 in proper form for purposes of levying ad

8 valorem.

9 MR. GEORGE: Okay. I have a motion to

10 accept the millage rate. I have a second. Any

11 other discussion?

12 (No further discussion.)

13 MR. GEORGE: I'll go through approving this

14 motion, and then we'll ask Mr. Wuellner to put it

15 in the proper terminology that we need. So,  
16 let's vote on the -- on the motion that we have  
17 to go forward with the same millage rate that we  
18 had before, but as presented, .2356. All in  
19 favor?

20 MR. COX: Aye.

21 MR. GEORGE: Aye.

22 MR. GORMAN: Aye.

23 MR. GEORGE: All opposed?

24 MR. CIRIELLO: No.

25 MR. GEORGE: The ayes have it.

13

1 Mr. Wuellner, would you read us the Resolution  
2 that has to be put in?

3 5. - ADOPTION OF MILLAGE RATE

4 MR. WUELLNER: It's a Resolution of the St.  
5 Augustine-St. Johns County Airport Authority.  
6 Number 2003-06.

7 "A Resolution of the St. Augustine-St. Johns  
8 County Airport Authority of St. Johns County,  
9 Florida, adopting the final levy of ad valorem  
10 taxes for St. Johns County for fiscal year  
11 2003-04; stating the percentage by which the  
12 millage to be levied exceeds the rolled-back  
13 rate, and providing for an effective date.

14 "WHEREAS, a special meeting of the St.  
15 Augustine-St. Johns County Airport Authority was  
16 held in St. Augustine, St. Johns County, Florida,  
17 on September 15, 2003, at 5:01 p.m., at which  
18 time a majority of members of the St.  
19 Augustine-St. Johns County Airport Authority were  
20 present; and

21 "WHEREAS, the St. Augustine-St. Johns County  
22 Airport Authority held a public hearing on the  
23 millage rate as required by Florida Statute  
24 200.065; and

25 "WHEREAS, the St. Augustine-St. Johns County

14

1 Airport Authority proposed a millage rate of  
2 .2356 mills;

3 "WHEREAS, the proposed millage rate of .2356  
4 exceeds the rolled-back rate by 9.89 percent;

5 "NOW, THEREFORE, BE IT RESOLVED that the St.  
6 Augustine-St. Johns County Airport Authority does  
7 hereby approve for Fiscal Year 2003-04, a millage  
8 rate of .2356, which exceeds the rolled-back rate  
9 of 0 --" excuse me -- "of 2.144 (sic) mills by  
10 9.89 percent."

11 This Resolution shall take effect  
12 immediately upon adoption, and would be duly

13 adopted at this public hearing the 15th day of  
14 September, 2003, and would be signed by the  
15 Chairman and attested to by the  
16 Secretary/Treasurer.

17 You'll need to formally adopt that  
18 resolution.

19 MR. GEORGE: I need -- do I need a motion to  
20 adopt --

21 MR. WUELLNER: Yes.

22 MR. GEORGE: -- the resolution?

23 MR. WUELLNER: Yes, you will. Adopt  
24 Resolution 2003-06.

25 MR. COX: Entertain a motion? I make a

15

1 motion that we adopt Resolution 2003-06 as just  
2 read to us by the Director.

3 MR. GEORGE: I'll second that. Any  
4 discussion?

5 MR. CIRIELLO: Is this the same thing as 4.,  
6 accepting the .2356?

7 MR. GEORGE: Yes, this is number 4. This is  
8 just the millage rate.

9 MR. CIRIELLO: Oh, I thought this was number  
10 5.

11 MR. GEORGE: No, no.

12 MR. WUELLNER: This is -- this is 5.  
13 MR. GEORGE: I beg your pardon. It is 5.  
14 MR. CIRIELLO: But is it basically the same  
15 thing?  
16 MR. WUELLNER: It's the same.  
17 MR. CIRIELLO: In other words, if I say yes,  
18 it will look stupid because I voted no on 4.  
19 MR. WUELLNER: Well, it's kind of a foregone  
20 conclusion at this point.  
21 MR. CIRIELLO: Okay. What's that, that I'm  
22 stupid?  
23 MR. WUELLNER: No, sir.  
24 MR. CIRIELLO: Somebody had to get a laugh  
25 around here.

16

1 MR. GEORGE: All in favor of adopting  
2 Resolution 2003-06?  
3 MR. COX: Aye.  
4 MR. GEORGE: Aye.  
5 MR. GORMAN: Aye.  
6 MR. GEORGE: Opposed?  
7 MR. CIRIELLO: No.  
8 MR. GEORGE: The ayes have it. We're now  
9 going to the presentation of the budget.  
10 6. - PRESENTATION OF BUDGET



11 MR. WUELLNER: Okay. Again, this would be  
12 more abbreviated than even last time. Positions  
13 at the Airport Authority, referring to Budget  
14 Summary sheet, 12 positions of the Airport  
15 Authority staff. Personnel services amounting to  
16 \$586,111. Operating expenses proposed at  
17 \$914,500. And a capital outlay budget in the  
18 amount of \$14,386,667. Debt service and reserves  
19 amounting to \$1,863,326, for a budget total of  
20 \$17,750,604.

21 Walking through -- I'm going to walk through  
22 the two pie charts primarily. If there are  
23 questions beyond that, we'll be happy to do that.  
24 Loan proceeds accounting for \$5 million,  
25 accounting for 28.2 percent of the total budget.

17

1 Lease revenues currently at \$1,317,204,  
2 accounting for 7.4 percent of the budget.

3 Ad valorem receipts make up 16.6 percent of  
4 the budget at \$2,954,457. Cash forward amounting  
5 to \$2 million, equaling 11.3 percent. Interest  
6 income of \$57,000, or .3 percent of the budget.

7 And grants from the Federal Aviation  
8 Administration and Florida DOT accounting to 36.2  
9 percent of the total budget, or \$6,418,334.

10 Revenues are further broken down on the  
11 subsequent sheets. You're welcome to -- if you  
12 have additional questions -- we reviewed these at  
13 the last two -- or at the last public hearing, in  
14 addition to other workshops. So, if you want  
15 those details, I'd be happy to do that.

16 Expenditures Summary as -- as indicated here  
17 is a debt service and reserves amounting to 10  
18 1/2 percent of the expenditure budget, or  
19 \$1,863,326. Personnel services of \$586,111,  
20 which is 3.3 percent of the expenditure budget.

21 Operating expenditures of \$914,500, which  
22 accounts for 5.2 percent of the expenditure  
23 budget. And the lion's share of the expenditure  
24 budget as proposed equaling 81 percent of the  
25 total budget as -- at \$14,386,667 as the capital

18

1 outlay budget.

2 Again, we would be happy to detail any  
3 element of this should you -- should you wish us  
4 to do so.

5 MR. GEORGE: Does that complete your --

6 MR. WUELLNER: (Nods head.)

7 MR. GEORGE: Public comment?

8 (No public comment.)

9 MR. GEORGE: Hearing no public comment, I'll  
10 throw it open for the -- the board. Mr. Cox?  
11 I'm sorry?

12 MR. MARSH: Is this the time to talk about  
13 capital projects in the --

14 MR. GEORGE: Yes, it is.

15 7. - DISCUSSION OF BUDGET

16 MR. MARSH: Okay. Mark Marsh, 3380  
17 Agricultural Center Drive. I didn't have a lot  
18 of time to review this and look at it, but  
19 there -- there's one project on here that -- that  
20 I think is -- I am dead against, and is the jet  
21 fuel self-serve.

22 And, gentlemen, I think -- I think that's  
23 setting a precedent that -- that is really  
24 slapping our FBO in the face with. Their main  
25 income producer is jet fuel sales. And if we're

19

1 going to start, you know, just setting up any  
2 little FBO on the field to go in competition with  
3 our main tenants, which is in breach -- I don't  
4 remember seeing y'all changing the minimum  
5 standards yet, which I know you have the right to  
6 do, but it's sending a message out to anybody  
7 that wants to come on this field that they're

8 going to have competition that's duly unfair.

9 When you just have a gas pump there and  
10 you're pumping gas, that's not competing fairly  
11 with somebody that has to have trucks, that has  
12 to have 24-hour service, that has to have fuel  
13 trucks, and has to maintain their fuel farm, et  
14 cetera.

15 And I think if you want to take a little out  
16 of this budget and make it a little more  
17 palatable, the money that we've got slated for  
18 this, to get the return on the investment on  
19 that, plus the fuel flowage fees that you're  
20 going to lose -- you'll lose \$200,000 worth of  
21 fuel-flowage fees, is about \$16,000 worth of  
22 revenue, if I remember the numbers close to in my  
23 head. And how much you're going to have to make  
24 to make that up, either, I think is something  
25 that -- that greatly -- that should be removed

20

1 from the cap -- capital improvements, that this  
2 is the time to do that. I wish you to  
3 strongly -- I'd urge you to remove that part of  
4 the budget.

5 Also, the other thing is I think we ought to  
6 increase our maintenance. I think everybody

7 here -- I know Bob -- you know, everybody's  
8 driven around here. And even though we're in a  
9 terrible situation with the salt air and  
10 everything here, I'd like to see us increase  
11 our -- our maintenance on the budget here. And  
12 maybe Ed has done that, but there's a lot of  
13 hangars that have been built since I was on the  
14 board that are in horrible repair.

15 Even the new hangars, I happened to walk  
16 through over here at -- the ones that we haven't  
17 taken possession of officially yet, I don't  
18 think, the red iron on that -- on those buildings  
19 are all badly rusted and need to be painted now.

20 I mean, it faces the northeast. It's going  
21 to take the biggest hit. And if you look at any  
22 of the old hangars and the rail systems in this  
23 area, if you don't build these things and  
24 maintain them right and go into a maintenance  
25 program that maintains the investment that the

21

1 taxpayers put into their properties here, it will  
2 be hard to get off of the tax rolls.

3 The third thing that I wish this -- this  
4 board would strongly consider is -- is taking,  
5 maybe reevaluating some of these projects and

6 looking at the land that we've been buying across  
7 the road for many years and developing an  
8 industrial -- start an industrial park  
9 development.

10 I was on the board when we bought a lot of  
11 that property. I think we bought a lot of it for  
12 the right reasons, to protect the airport in a  
13 lot of ways. But to sit there and do nothing  
14 with that property is a crime.

15 If you go to -- if any of y'all have ever  
16 been to Bartow, when I was on the board, I flew  
17 down to Bartow and visited with their airport  
18 manager and everything, and that is an airport  
19 that's totally off the tax rolls in the State of  
20 Florida.

21 And I'd urge all of you to -- to hop a plane  
22 one day or go down there for lunch and meet with  
23 those folks, because it would -- St. Johns County  
24 is in need of industrial properties, and we're  
25 sitting on probably the best piece in St. Johns

22

1 County that I know of right now. In fact, the  
2 area where I'm at over there are almost sold out  
3 again behind, you know, the Cracker Barrel and  
4 all that.

5        So, seems like to me that we could  
6        attract -- or if we worked at, which we're not,  
7        as far as I can see, we're not working to attract  
8        any corporate business or aviation-type  
9        businesses. And the last negotiation turned out  
10       to be a little bit of a fiasco.

11       I think we should try to attract people that  
12       will fit our model, you know, of what we want in  
13       this area, which you guys have to establish. But  
14       not to try to promote any of that property over  
15       there is a crying shame to the county, because it  
16       was bought to do that with.

17       So, those are the three issues I'd strongly  
18       like you to consider. And -- and that would be  
19       one way to develop properties and get us off the  
20       tax roll. And -- and that was my goal or dream  
21       when I was on the board. And it seems like it  
22       always get shoved by the side and it never meets  
23       the budget. We didn't even have an advertising  
24       campaign to even try to market that property or  
25       anything like that. So, those are the three

23

1       things that I'd like you to consider.

2       MR. GEORGE: Thank you.

3       MR. COX: Ask you a question, Mark. Just

4 ask very quickly. What -- what kind of ideas did  
5 you have to -- for development of industrial  
6 input over there?

7 MR. MARSH: Well, there -- there's plenty of  
8 companies that would like to come to Florida, you  
9 know, and have a building custom built for them  
10 to do a job --

11 MR. COX: Right.

12 MR. MARSH: -- which I think you should  
13 have.

14 We have a golf community here. Clean  
15 businesses that don't pollute the atmosphere or  
16 businesses that are aviation oriented that can  
17 increase our tax base, bring people in here, like  
18 Grumman was brought in, like to do, you know,  
19 have an economic impact. And you've got the  
20 Committee of 100 down here to work with you.  
21 You've got all kind of people that will help put  
22 those packages together, that would -- I worked  
23 with when we were on the board. Mr. Gorman?

24 MR. GORMAN: Well, we did have -- we did  
25 have the Vision people here, and we also had

24

1 Mr. DiCarlo, who is now with our new LPA Group,  
2 which is going to do the 10-year plan. And your



3 comments like that would be perfectly apropos  
4 at -- at both of those situations, especially  
5 during the 10-year plan when we're asking for  
6 public comments, because they're good.

7 MR. MARSH: We did the 10-year plan  
8 before --

9 MR. GORMAN: I'm sure LPA would like to  
10 hear.

11 MR. MARSH: -- that -- that had some of that  
12 in there. But what I'm saying is this board has  
13 got to take it to the next level and drive that  
14 and look for the clients and then make the deal,  
15 which you all agree on in the front who you're  
16 going to solicit when you have a chance to  
17 solicit them and -- and pull the thing through.

18 And I think it's something that -- that has  
19 to happen if you want to achieve your goal of  
20 getting this thing off the tax roll, which I  
21 think all of you do agree on. Thank you very  
22 much.

23 MR. GEORGE: Mr. Marsh, we -- we elected to  
24 take care of the 110 individuals/organizations  
25 that were on our waiting list for hangars as a --

25

1 as a thrust, but the industrial property has been

2 discussed.

3 And I think, as Mr. Gorman said, that's an  
4 ideal place to put it, is on the -- you know,  
5 with the master plan, because that way, we'll  
6 have to tie in with what the county's needs are,  
7 you know, and the like. And you're right;  
8 it's -- we've already invested the money, you  
9 know, a lot of the money over there, and that  
10 would be a good place for us to go next.

11 The -- the line item budget that we have  
12 here for self-service, when we get down to the  
13 self-service, you know, that whole project will  
14 have to be re-presented to the board before we  
15 give the go-ahead. And while on the surface it  
16 looks like it's a good deal, but we have to take  
17 into consideration all of those factors about  
18 impact, you know, on other people and other  
19 businesses. So, we appreciate your comments  
20 there.

21 Any other comments? Yes, sir.

22 MR. MESMER: Yeah, just briefly, the comment  
23 on that self-fuel.

24 MR. GEORGE: I'm sorry, sir. What -- she  
25 can't hear if we don't get up to the mic.

1 MR. MESMER: I gotcha.

2 MR. COX: Come on up, Fred. Tell them who  
3 you are.

4 MR. MESMER: I'm Fred Mesmer. I'm from  
5 Vista Cove, St. Augustine. And a comment that I  
6 have on the self-fuel, this is a tax-collecting  
7 municipality. And as a pilot, you know, I think  
8 the public has a right to get the biggest bang  
9 for the buck; number one, access to fuel. If  
10 he's physically capable of climbing out and  
11 fueling his own aircraft, I think he should have  
12 the right to do so. In keeping with the  
13 businesses that are on the field -- can y'all  
14 hear me?

15 MR. GEORGE: Yes, sir.

16 MR. MESMER: In keeping with the businesses  
17 on the field, you know, having been involved in  
18 this before, my heart goes out to these people;  
19 however, once again, stating that this is a  
20 tax-collecting municipality. Believe it or not,  
21 people can bring their own fuel on the airport  
22 themselves. They can do their own maintenance up  
23 to a degree of legality.

24 So, in keeping with that, I hope you'll take  
25 into consideration the poor pilot who would like

1 to get as big a bang for the buck as he possibly  
2 can. Thank you.

3 MR. GEORGE: Uh-huh. Any other comment?

4 (No further public comment.)

5 MR. GEORGE: Then we'll close public comment  
6 and go to the Authority members. And we'll start  
7 with Mr. Cox.

8 MR. COX: I don't -- I don't have any  
9 comment.

10 MR. GEORGE: Mr. Ciriello?

11 MR. CIRIELLO: Mr. Chairman, this budget we  
12 have is a record budget, seventeen and  
13 three-quarters of a million dollars. In Sunday's  
14 Record, in the editorial, they wrote that -- of  
15 course, the City of St. Augustine Beach isn't  
16 very big, but it's a city nonetheless. And their  
17 operating budget for the year is \$3.9 million.  
18 And here we sit on 307 acres of airport with a  
19 seventeen and a three-quarter million dollar  
20 budget.

21 Mr. Marsh, at the last couple of meetings, I  
22 tried to get that self-fuel taken out of the  
23 budget. I also tried to get that \$1,500,000 for  
24 a Super Bowl parking lot for people with their  
25 jets, and I also tried to get out of the budget

1 the \$5 million they're going to borrow to disrupt  
2 the rest of the people in Araquay Park who  
3 haven't sold their homes yet. Now, if you take  
4 that money out of the budget, it doesn't quite  
5 look quite as bad, but it'd still be two or three  
6 times higher than the City of St. Augustine  
7 Beach.

8 Now I'm hearing again -- and I don't know  
9 how many times I've got to say it; I don't know  
10 how much simpler I can say it: Get off the tax  
11 rolls. I came here 16 years ago and I heard it  
12 the first day I got here, and it still hasn't  
13 happened. And all I say is, if you quit -- don't  
14 quit spending, you're not going to get off the  
15 tax rolls. And every year, there's capital  
16 things that need to be done -- or doesn't need to  
17 be done, is going to be done. And that's where  
18 you're -- you're in trouble.

19 If you'd stop spending and let what we have  
20 here that's paid for itself and close to paying  
21 for itself, start creating monies, we could get  
22 off the tax rolls. But I'm the only guy I know  
23 of in this world that will stand up before the  
24 people of this county and tell them it will never  
25 happen.

1       This airport will never get off the tax  
2 rolls, not because of any mismanagement or  
3 cheating or stealing anything; it's just the  
4 capital projects. You can't keep spending money  
5 and spending money, more than you make, and get  
6 off the tax rolls. And when I try to get things  
7 out of this budget to bring it down, I'm talking  
8 to deaf ears.

9       So, I don't understand how a city like St.  
10 Augustine Beach can have a \$3.9 million budget,  
11 and here we sit, a single-purpose entity, a  
12 little airport -- not a little airport, but an  
13 airport -- with a \$17 million budget.

14       I think the ambitions of the future of  
15 certain people has outgrown this airport. I keep  
16 hearing, "Well, we have a hundred and some people  
17 on the hangar list. We got to build more  
18 hangars." To build those hangars, you disrupt  
19 people's lives.

20       Hey, if you don't have any more hangars  
21 space available, the people will have to go  
22 somewhere else. You don't just keep building and  
23 building. You'll have this whole county covered  
24 as an airport in a couple of years. And that's

25 my personal feelings. I just think that we've

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1 got to stop spending money somewhere along the  
2 line and start collecting some money that we can  
3 make, and then we might get off the tax rolls,  
4 but I doubt it.

5 And I -- I'd still like to ask as a matter  
6 of record to take the \$1.5 million of parking lot  
7 off the budget, and I'd like to take that \$5  
8 million out and the \$200,000.

9 MR. GEORGE: What \$1.5 million parking  
10 garage?

11 MR. CIRIELLO: Or \$1,500,000. That's for  
12 that --

13 MR. WUELLNER: Apron.

14 MR. CIRIELLO: -- apron, supposedly get in  
15 time for the Super Bowl. I understand.  
16 Mr. Wuellner explained that down the road, that  
17 the apron, a lot of it will be used for  
18 development, putting hangars in there. In other  
19 words, you won't have to put the footer and  
20 everything in. It -- it will serve a double  
21 purpose. But between now and the Super Bowl in a  
22 big hurry to put this parking lot in. And the  
23 big objection I had, it was never brought before

24 the board, a few meetings before it was put in  
25 the budget, to ask a lot of questions.

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1 So, like I said last meeting, you have this  
2 hardstand out there. Who's going to park all  
3 these jets that's coming in here with all these  
4 people? Who's going to help them unload their  
5 baggage? They can't walk from there over to the  
6 terminal or drive a car or anything over there.

7 There's a lot of questions in how this is  
8 going to operate. You don't just build it and  
9 say "There it is." You know, I'd like to see all  
10 of these answers asked before we say, "Sure,  
11 we'll spend that money."

12 Things like that is one of my objections.  
13 It's -- it's not -- and this \$200,000 fuel thing,  
14 never heard of it until I saw it in the budget.  
15 And that's something that could be brought up,  
16 like the self-fuel that we did put in was --  
17 actually, it was a couple of years it was talked  
18 about. It was talked about before I even got on  
19 this board. So, it wasn't something that hit you  
20 right between the eyes at the last minute to  
21 approve or disapprove. But that's just how I  
22 feel.



23 MR. GEORGE: Well, I think that the -- the  
24 purpose of this budget is to get the line item  
25 identified. When we actually get down to looking

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1 and doing a particular project, then additional  
2 information becomes available which could make it  
3 a, "No, we're not going to do that," i.e., your  
4 self-service, you know, for jet fuel.

5 This -- this right here is not giving the  
6 Authority staff the authority to go out and put a  
7 self-service pump in.

8 MR. CIRIELLO: Right. What about that  
9 hardstand out there, that \$1,500,000 hardstand --  
10 or parking lot for these jets? I don't want to  
11 do that. But if we vote for it in the budget,  
12 that's -- that's not to say that in a week from  
13 now that Ed's going to go out and try to get the  
14 bids for starting to do it and then we come in  
15 and say, "No, you can't." If we approve this  
16 budget now, he can start doing it, right?

17 MR. GEORGE: This item was already approved,  
18 previously approved.

19 MR. CIRIELLO: When? I don't remember ever  
20 being talked about until I saw it in the budget.

21 MR. WUELLNER: It's in the -- in the -- the

22 JACIP capital program with FDOT and FAA. It's  
23 been on there for years. But -- you're correct.  
24 But we would not start -- we can't start  
25 developing these projects until we have

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1 specific -- you don't have a grant in place. You  
2 don't have engineering in place. You don't have  
3 anything. And this -- this -- development of  
4 this project is a minimum of six months out. You  
5 don't even own the property to put it on yet.

6 MR. GEORGE: But to answer Mr. Ciriello or  
7 to give him some satisfaction, this project will  
8 be brought to us --

9 MR. WUELLNER: Oh, yeah. Sure.

10 MR. GEORGE: -- and laid out and then you'll  
11 get a chance to say, "No, we're not going to do  
12 that."

13 MR. WUELLNER: Absolutely. You've got to  
14 look at your --

15 MR. CIRIELLO: It still doesn't reflect that  
16 the budget doesn't show a record budget of \$17  
17 million, because it's there. Whether we're going  
18 to use it or not, as of right now, it's there.

19 MR. GORMAN: Joe, I might say one thing.  
20 This -- we're going to run out of space very

21 shortly. And when we run out of space, then the  
22 capitalization of this air -- of this airport  
23 then will drop.

24 But right now, in its -- it's almost a final  
25 bloom. But to -- you've got to -- to get it off

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1 the tax rolls, you've almost got to have a  
2 working entity. You've almost got to have a  
3 working machine, something that makes money.  
4 Unless it makes money, then you're going to stop  
5 capitalizing because -- because you're going to  
6 be out of space, anyway.

7 MR. CIRIELLO: Okay. In a few years, you'll  
8 have Araquay Park all filled up with hangars and  
9 taxiways and what-all. So then what are you  
10 going to do, go -- like that master plan that  
11 came out five or six years ago, start with that  
12 idea of trying to move U.S. 1 and the railroad so  
13 we can put hangars and everything across the  
14 road?

15 MR. GEORGE: The master plan hasn't been  
16 approved to say whether we're going to do that.

17 MR. CIRIELLO: No, I mean, the old master  
18 plan. That hasn't been thrown out. It's still  
19 in there.

20 MR. COX: Point of order, Mr. Chairman.  
21 We -- you asked for comments. We've gone into  
22 three other agenda items here.

23 MR. GEORGE: Fine.

24 MR. COX: Let's hold the meeting to what  
25 we're talking about.

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1 MR. CIRIELLO: I was talking about getting  
2 things out of the budget. Now, how is that not  
3 on the agenda?

4 MR. COX: You've gone on to other things,  
5 Joe.

6 MR. GEORGE: Okay. All right. Let's --

7 MR. CIRIELLO: Oh, boy.

8 MR. GEORGE: Mr. Ciriello --

9 MR. CIRIELLO: Okay.

10 MR. GEORGE: -- you want to wrap up?

11 MR. CIRIELLO: I'm done. You guys go ahead  
12 and do what you want.

13 MR. GEORGE: Mr. Gorman?

14 MR. GORMAN: That comment I had to Joe was  
15 just about what I had to say about the budget  
16 items.

17 MR. GEORGE: Okay. All right.

18 MR. GORMAN: In other words, these are

19 proposed. We can turn them down later. They  
20 aren't spent items. They're possibilities.

21 MR. GEORGE: My particular point -- comments  
22 on the -- you know, on the budget, is that I am a  
23 believer that if you spend money with nothing  
24 coming back in, yes, you'll never get off the tax  
25 rolls. But I think that Mr. Marsh mentioned

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1 Bartow County was off the tax rolls and there are  
2 numerous other counties that are off the tax  
3 rolls.

4 The whole program, as I understand it,  
5 through grants, is to get us to the point where  
6 we're getting in ongoing revenue to pay the  
7 ongoing day-to-day bills. And that's what gets  
8 us off the tax roll.

9 If we stop spending money, we'll have grass  
10 growing around and there'll be an airport in  
11 Palatka that will take up the slack from what it  
12 is. So, I am in favor of the -- of the grant --  
13 you know, the budget program as it now stands,  
14 you know, with the grants.

15 I'll entertain a motion for the -- we'll do  
16 this one right then -- the adoption of the  
17 2003-2004 budget, Resolution 2003-07.

18 8. - ADOPTION OF BUDGET FY 2003-04

19 RESOLUTION 2003-07

20 MR. COX: I move that we adopt the budget,

21 2003-07.

22 MR. GORMAN: Second.

23 MR. COX: Is that -- that what -- what did

24 we do in the previous --

25 MR. WUELLNER: Yeah. Well, you just -- you

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1 just need to adopt this resolution. That will do

2 the approval of the budget. You don't need a

3 separate --

4 MR. GEORGE: Fine. Would you like to read

5 the --

6 MR. WUELLNER: I would be thrilled.

7 The St. Augustine-St. Johns County Airport

8 Authority, Resolution 2003-07.

9 "Resolution of the St. Augustine-St. Johns

10 County Airport Authority of St. Johns County,

11 Florida, adopting final budget for fiscal year

12 2003-04; providing for an effective date.

13 "WHEREAS, a special meeting of the St.

14 Augustine-St. Johns County Airport Authority was

15 held in St. Augustine, Florida, on the 15th day

16 of September, 2003, at 5:01, at which time a

17 majority of the members of the St. Augustine-St.  
18 Johns County Airport Authority were present, and  
19 "WHEREAS, the St. Augustine-St. Johns County  
20 Airport Authority has prepared a budget for  
21 Fiscal Year 2003-04; and  
22 "WHEREAS, the St. Augustine-St. Johns County  
23 Airport Authority held a public hearing on the  
24 proposed annual budget as required by Florida  
25 Statute 200.065; and

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1 "WHEREAS, the St. Augustine-St. Johns County  
2 Airport Authority adopted the final millage rate  
3 prior to adopting this Resolution.  
4 "NOW, THEREFORE, BE IT RESOLVED by the St.  
5 Augustine-St. Johns County Airport Authority of  
6 St. Johns County, Florida, that:  
7 "1. The annual budget estimates of revenues  
8 and expenditures of the St. Augustine-St. Johns  
9 County Airport Authority for fiscal year  
10 2003-2004, as considered and acted upon the St.  
11 Johns County -- by the Airport Authority, under  
12 and by the authority of the Laws of Florida, are  
13 hereby ratified and approved and adopted by the  
14 St. Augustine-St. Johns County Airport Authority,  
15 and the amounts of money set forth therein are

16 herein (sic) appropriated."

17 The annual budget of --

18 Number 2. "The annual budget of revenues  
19 and expenditures adopted for the ensuing fiscal  
20 year 2003-2004, shall be attached to the minutes  
21 of this meeting.

22 This Resolution shall take effect  
23 immediately upon its adoption," and shall be  
24 adopted at this public hearing this 15th day of  
25 September, 2003, and would be signed by the

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1 Chairman and attested to by the  
2 Secretary/Treasurer. And that's Resolution  
3 2003-07.

4 MR. GEORGE: I need a motion to accept  
5 Resolution 2003-07 as read.

6 MR. COX: Motion to accept --

7 MR. GEORGE: Second?

8 MR. COX: -- 2003-07 as read.

9 MR. GORMAN: Second.

10 MR. GEORGE: I have a motion and a second.

11 Any discussion?

12 (No discussion.)

13 MR. GEORGE: No discussion. We'll vote.

14 All in favor?



15 MR. COX: Aye.  
16 MR. GEORGE: Aye.  
17 MR. GORMAN: Aye.  
18 MR. GEORGE: All opposed?  
19 MR. CIRIELLO: No.  
20 MR. GEORGE: The ayes have it. The budget  
21 Resolution 2003-200 -- 2003-07 has been accepted.  
22 We will adjourn the --  
23 MR. WUELLNER: Your --  
24 MR. GEORGE: I'm sorry?  
25 MR. WUELLNER: Your Appendix 8 --

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1 MR. GEORGE: What?  
2 MR. WUELLNER: Your Appendix 8, for the  
3 record, reflects \$17,750,604 total budget.  
4 MR. GEORGE: Thank you, Mr. Wuellner. Is  
5 there anything else we need to do, Doug, from  
6 a --  
7 MR. BURNETT: No. We followed the plan.  
8 MR. GEORGE: Okay. It sounds good.  
9 9. - ADJOURNMENT OF PUBLIC HEARING  
10 MR. GEORGE: Then we'll adjourn the public  
11 hearing. And we'll take five minutes and come  
12 right back and reconvene our regular meeting.  
13 (Thereupon, the budget hearing concluded at 5:41

14 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.

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11 Dated this 21st day of September, 2003.

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JANET M. BEASON, RPR-CP, RMR, CRR  
Notary Public - State of Florida  
My Commission No.: DD102224  
Expires: April 30, 2006