

1 ST. AUGUSTINE - ST. JOHNS COUNTY AIRPORT AUTHORITY

2 Workshop Meeting

3 held at 4796 U.S. 1 North

4 St. Augustine, Florida

5 on Monday, August 21, 2006

6 from 2:14 p.m. to 3:33 p.m.

7 * * * * *

8 BOARD MEMBERS PRESENT:

- 9 BOB COX, Chairman
- WAYNE GEORGE, Secretary-Treasurer
- 10 RANDY BRUNSON
- JOHN "JACK" GORMAN
- 11 SUZANNE GREEN

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.

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20 JANET M. BEASON, RPR, RMR, CRR
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1 P R O C E E D I N G S

2 CHAIRMAN COX: All right. We'll call the
3 workshop meeting to order. And start in with
4 the -- Mr. Director, if you get your junk on
5 there.

6 MR. WUELLNER: Be right with you as soon as
7 we -- there you go.

8 CHAIRMAN COX: Yeah.

9 MR. WUELLNER: The purpose of the workshop
10 today was to kind of begin the -- the effort of
11 moving through minimum operating standards and
12 eventually, the lease policy. However, the lease
13 policy part of -- of -- of the effort is not
14 really a part of what we're doing today, but
15 it's -- it's minor in nature. It's editorial-type
16 things.

17 What -- what is the guts of the lease policy
18 is the minimum operating standards document, which
19 is an appendix -- we -- we have it included as an

20 appendix to the lease policy, but it's its own
21 stand-alone policy. And until we get the minimum
22 operating standards part right, any minor changes
23 in the lease policy would kind of be deferred
24 until this is complete.
25 Now, most of the lease policy edits that

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1 we've seen to date and -- and are likely to come
2 through are, I think you could call scrivener in
3 nature. They're, you know, correcting a wording
4 or a phrasing of something. They're not -- not
5 really as a wholesale change that this document
6 represents.

7 With that said, you -- you probably recall at
8 the first workshop, we did a -- did a PowerPoint
9 for you that walked you through what minimum
10 operating standards were and why we do them and
11 the importance of kind of being engaged in this
12 process and trying to -- to get something
13 meaningful out of the -- out of a final document.

14 (Whereupon, Mr. Burnett enters the room.)

15 MR. WUELLNER: It is probably and -- and
16 arguably one of the singlemost important documents
17 and policy decisions that the Airport Authority
18 makes. It affects literally all of the leasing
19 operations of commercial aviation space on the

20 airport, which as you can imagine at some point
21 represents the likely largest chunk of revenue
22 available to the airport over the years and is --
23 and a poorly set done -- poorly done set of
24 commercial operating standards makes it nearly
25 impossible to enforce. It makes it very difficult

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1 to talk to prospective tenants in the context of
2 what they're allowed to do, what they're not
3 allowed to do, and what our basic requirements are
4 for you to do business on the airport.

5 Now, what it is not, as a way of reminding
6 you, it is not a document that -- where we're
7 dealing with general leasing. We're not talking
8 about T-hangar leases. We're not talking about
9 corporate leases wherein no commercial aviation
10 activity is proposed.

11 So, we are talking about things like an FBO,
12 maintenance shops, avionics shops, aircraft sales,
13 things of that nature. Those are covered by what
14 we're going to talk about today.

15 We provided you a copy -- well, you have
16 several documents that we've provided you. First
17 is the guidance that FAA provides, which is the
18 advisory circular on minimum operating standards.
19 It gives you, from FAA's perspective, things that

20 ought to be included in your minimum operating

21 standards.

22 Now, there will probably be a few things in

23 here you won't find in our minimum operating

24 standards, but that's only because we have already

25 included them in the lease policy. So, we're not

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1 going to duplicate the effort and -- and create a
2 situation where we've got perhaps conflicting
3 policy documents just -- just by accident.

4 The second thing we've provided you is a copy
5 of your most recent approved minimum operating
6 standards. And most recent in this case, just to
7 refresh your memory, is something on the order of
8 about eleven and a half to twelve years old. So,
9 it's a -- a fairly dated document, in my opinion.

10 And this is just my opinion. It's a -- it's a
11 very poorly done version of it. It was probably
12 hastily put together by previous Airport
13 Authorities with staff, frankly, that was a little
14 over their head in some of these kinds of
15 developments. But that -- that goes back 12
16 years.

17 We have kind of lived through this document
18 for the last 12 years. As we get conflicts, we've
19 been bringing them to -- to this board for

20 resolution, where -- where necessary. But it's --
21 it's really time to move it forward and get
22 something that's much more progressive and much
23 more defined that we can use.

24 All right. To that extent, you have the
25 first draft in front of you. And I know you

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1 haven't seen this, because that's purposefully. I
2 want to kind of walk through this before you read
3 into it or -- or think it's something it's not.
4 I'll walk you through the document real quick, and
5 then I'm going to hit you with a spreadsheet to
6 bring up that just kind of does the rough
7 high-level comparisons between the old policy and
8 the new policy, and you can see what the major
9 changes are.

10 And then we can begin to beat it up, if you
11 feel necessary, or tweak the individual
12 arrangements. We can talk to why we -- why we
13 think this ought to be or that and -- and go from
14 there. All right. I have -- go ahead.

15 MR. BRUNSON: Excuse me.

16 MR. WUELLNER: I'm sorry.

17 MR. BRUNSON: Ed, I think I know the answer
18 to this, but in our meeting today, you -- you
19 mentioned something that like one board can't

20 obligate another board. How does this differ that
21 we're setting the minimum operating standards on
22 an ongoing basis and --

23 MR. WUELLNER: You're establishing --

24 MR. GEORGE: If they don't like it, they
25 change it.

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1 MR. WUELLNER: Well, you're -- yeah. You're
2 establishing policy in this case, versus you
3 cannot commit a board financially beyond an
4 individual fiscal year --

5 MR. BRUNSON: Uh-huh.

6 MR. WUELLNER: -- without consent of the
7 voters. That's probably the other codicil in
8 there. For instance, you could go out and borrow
9 money with a bond issue that relied on public
10 money, relied on ad valorem taxes, and that may
11 trigger a requirement to do a referendum in the
12 county in order to be able to do that.

13 But on a -- on a continuing basis, you can
14 only control the fiscal year you're in by the
15 current -- the board that's in place. You make
16 decisions on the business interests in that
17 particular fiscal year.

18 CHAIRMAN COX: But if the --

19 MR. WUELLNER: If you get outside that year,

20 you're in trouble.

21 CHAIRMAN COX: If the decisions that we made,

22 Randy, were not malicious or based on bad judgment

23 or anything like that, the board would still have

24 to officially overturn it and change it, just like

25 what we're doing here now, because we're changing

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1 that --

2 MR. BRUNSON: The same thing.

3 CHAIRMAN COX: -- document that was made 12
4 years ago.

5 MR. BRUNSON: The same thing. The next board
6 could --

7 MR. WUELLNER: Absolutely. We can -- most of
8 this document --

9 CHAIRMAN COX: What we do is use some good
10 judgment and -- and for the best of the airport.

11 It's very doubtful that --

12 MR. BRUNSON: I'm sure with this board, when
13 we do it --

14 CHAIRMAN COX: Right.

15 MR. BRUNSON: -- will stand another 12 years.

16 CHAIRMAN COX: I hope.

17 MR. WUELLNER: Yeah, you've got to view some
18 of these policies as kind of living documents.

19 Some -- some policies you've passed in the --

20 in -- previous, require periodic reviews in order
21 to keep them current. Some don't require that
22 review, but it's always a good idea to, every once
23 in a while, take a look at what's -- what's been
24 done and is it relevant today and does it make
25 sense.

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1 All right. The document, just familiar --
2 familiarize yourselves with the document, there
3 are -- just going to stick to the first page here,
4 but you can see that we deal initially with why we
5 have this policy and how it affects things on the
6 airport, the definitions that you're likely to
7 encounter throughout the policy.

8 And we're going to talk briefly about what
9 the qualifications are for operators. In other
10 words, we're going to do a first blush, via
11 policy, of somebody who approaches us with the
12 idea of entering into commercial aviation lease
13 with the Airport Authority. What do they need to
14 do? How -- what -- what process, what documents,
15 what information does the Airport Authority need
16 in order to make -- make an informed decision?
17 Which also kind of leads into the application
18 process. In order to do one, we kind of do the
19 other and -- wherein they provide us with a whole

20 lot of detail and a whole lot of backup.

21 And, of course, this process, to -- to some

22 degree, varies with the scope of what someone's

23 asking you to do. Someone coming in looking to do

24 an FBO would probably, because of the values

25 involved and the -- and the possible return to the

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1 airport, might involve a much larger investigation
2 into their ability to be an FBO.

3 Are -- are they doing it currently? What's
4 their financial picture like? Management
5 structure, those kind of things, the assets they
6 can put to bear on the lease, versus someone
7 coming in and -- and looking to do something very
8 small scale.

9 You know, obviously we wouldn't need all that
10 kind of data for a couple of hundred dollars a
11 month. But somebody that's looking at something
12 like our FBO, where you might be making a monthly
13 lease payment of \$30,000 or more, obviously we
14 want to make sure they can pay that bill, and you
15 do, too.

16 All right. Next piece is an appeals and --
17 and variances kind of section. This is a bit of a
18 departure from most of our policies. We do
19 sometimes have a -- an appeal process built in,

20 especially some of the more recent policies, but

21 this process also allows for a variance.

22 So, from time to time, we're going to

23 experience, I can guarantee you, somebody coming

24 in who doesn't exactly meet the requirements of --

25 of something you've set out as a standard.

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1 Now, the previous policy would have pretty
2 much disqualified that individual or tried to make
3 that -- that square peg fit the round hole that
4 we've developed. This allows us to, in a sense,
5 take that -- that peg and -- and massage it a
6 little bit in the context of the intent of your
7 rules and see if there's someplace where we can --
8 we can take the edges off and -- and still make it
9 fit. It's not always going to be the case, but
10 that's the general intent behind it.

11 MR. BURNETT: And -- and on that language,
12 what it primarily is geared for is to not create
13 inequities, because it wants to -- it's got
14 language in there related to looking at other
15 tenants, for example, of the airport to make sure
16 this isn't going to be unfair, that somebody's not
17 going to get some windfall or whatever like that.
18 It's really because of some unique circumstance
19 that you need to make a variance.

20 MR. WUELLNER: And it's also important to
21 know that the variance process is not designed to
22 create something that's not already established.

23 So, you can't -- you can't use the -- the
24 variance process to allow an activity that's
25 otherwise not envisioned within this. We'll have

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1 to deal with those issues separately and -- either
2 by amending this policy or creating a separate
3 policy to deal with it in the future.

4 The minimum standards go along this way --
5 and I'll get into detail as we go later on. But
6 there's a fixed base operator section that
7 attempts to define the minimum expectations of a
8 future FBO.

9 There's an aircraft sales section that
10 obviously deals with aircraft sales and brokerage
11 kind of services as stand-alone businesses. Keep
12 in mind we're talking right now about stand-alone;
13 somebody comes in, wants to create an aircraft
14 sales business. That's it.

15 Aircraft, airframe, power plant kind of
16 businesses or ancillary businesses to that,
17 someone wanting to do avionics or upholstery or
18 something along that line, maybe not the whole
19 airport -- excuse me, aircraft maintenance

20 obligation, but there's a section there that will
21 deal -- pick it apart a little bit, if you will,
22 and create -- create an agreement or a standard
23 review for smaller pieces of that maintenance
24 obligation.
25 Another section for aircraft leasing and

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1 rental, so if somebody comes in here and just
2 wants to open up a business leasing aircraft or
3 renting aircraft to the public, what are we
4 looking at?

5 Flight training. Obviously we've got at
6 least -- we've got kind of a stand-alone flight
7 school, although they -- they actually operate
8 under the FBO. But it's entirely possible that
9 somebody would want to come in and just do flight
10 training.

11 Aircraft charter, air taxi. An example of
12 that might be SK Logistics on the north end, where
13 that's all they do up there. They're not involved
14 in maintenance of aircraft. They're not involved
15 in the FBO business or -- or maintenance.

16 Aircraft storage. Now, this is kind of an
17 interesting play -- description, because it -- it
18 also has the possibility of conflicting with some
19 other policy we have. And I'll -- I'll go into

20 that in just a few minutes.

21 Specialized commercial flight services. Now,

22 these are things like somebody wanted to come in

23 and do crop dusting or banner towing or some more

24 small-in-scale kind of commercial aviation entity.

25 These are -- these are where most of the small

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1 things fit in. Aircraft --

2 We've got multiple services. This is the
3 provision that would allow somebody to come in and
4 in a sense pick off the menu a couple of things
5 they want to do. And if -- renting of aircraft
6 and a flight school, what -- you know, if you --
7 which is kind of a logical combination in many
8 places, What -- what do we -- how do we treat that
9 situation? Because they're not just one; they're
10 two things. But they're not a full FBO, so you
11 can't really lump them into that, or fairly lump
12 them into it.

13 The other is independent operators. This is
14 a new classification. This is how we are -- are
15 kind of proposing to deal with the idea of
16 incubator at a high level, how -- how this -- this
17 is probably the singlemost, from your perspective,
18 probably the singlemost interesting part of what
19 we're doing because this is not unique, but it

20 certainly provides a basis for us to evaluate
21 those smaller operators who have an interest in
22 being here.
23 And lastly, are flying clubs. While
24 inherently not commercial aviation, it's typically
25 the document where you go to spell out how a real

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1 flying club could exist on the airport. Not --
2 don't confuse that with the Pilots Association or
3 a couple of guys that share ownership in an
4 airplane. This is for something much broader in
5 scale where they might have three or four
6 airplanes among 20 or 30 equity partners in -- in
7 a situation.

8 So, inevitably, that's a -- it's a source of
9 friction and problem on the airport within the
10 context of leases. So, we try to set the ground
11 rules for how you're going to operate a flying
12 club on the airport if you're going to do that.

13 MR. GEORGE: Ed, where would the Pilots
14 Association fall under these subparagraphs?

15 MR. WUELLNER: They're really not a
16 commercial entity in any sense.

17 MR. GEORGE: Oh, okay. Good point. All
18 right.

19 MR. WUELLNER: So, we -- we don't even put

20 them in here. They -- they would come under your
21 lease policy as an aviation, nonrevenue kind of
22 thing.

23 MR. GEORGE: I understand.

24 MR. WUELLNER: All right. We have a
25 section -- the last four sections before you get

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1 to the appendix are -- are largely just paragraph
2 in nature and they just spell out, you know, can
3 these agreements be -- can subleases be proffered
4 as a part of those agreements? Can they assign
5 the lease? Are there -- what are the general
6 environmental conditions that we put in all our
7 commercial leases? And you'll -- you'll -- that's
8 fairly straightforward. But we've -- you'll
9 notice in a few minutes we've tightened that up a
10 bit.

11 Interpretation of the agreement, severance
12 kind of clauses, so if a provision in our minimum
13 operating standards is found by a court to be
14 unenforceable, it doesn't invalidate the rest of
15 the document. It's pretty standard language.

16 The last part is enforcement, and of course
17 there's an adoption page that goes with it.

18 Then the last page is kind of a living page
19 in this, in that it's something that I think we

20 need to review way more frequently than we
21 probably do the balance of the document, and
22 that's what are our insurance requirements?

23 As we continually massage what insurance we
24 carry and what protections are afforded tenants,
25 we need to evaluate our tenants' leases, and

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1 commercial leases in particular, in the context of
2 how is the airport protected or insulated from
3 some of their operations? And that's what that
4 page tries to do, is periodically review that.

5 We don't have the numbers plugged in there
6 yet. That's something I think once we're -- we're
7 comfortable with the -- the overall construction
8 of the document, we can use our insurance folks
9 to -- to help us find those limits. Some are
10 statutory; we don't have a lot to say about them,
11 but it's -- you know, it's worth -- worth having a
12 look-see.

13 All right. With that, I don't think we need
14 to spend any time, frankly, with the first couple
15 of parts of this in that I don't think they --
16 they generally provide anything that's, you know,
17 of a type of discussion in nature, such as
18 definitions. Those are pretty straightforward,
19 tried, true and blue kind of definitions you're

20 going to find on -- on airports and -- and in the
21 aviation world, as well as the scope. We all know
22 what we're trying to accomplish.

23 Now, I do want to call your attention to one
24 phrase that -- that we put in here. This document
25 is not intended -- we have purposely, at least

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1 for -- for this iteration, we have purposely tried
2 to exclude operations that would call -- come
3 under the heading of scheduled Part 135 or Part
4 121 air carrier operations.

5 (Whereupon, Ms. Green enters the room.)

6 MR. WUELLNER: We have excluded that from
7 this document set. So, if we're looking at
8 scheduled airline kind of service, right now we're
9 choosing within this document to deal with those
10 separately and individually because there are way
11 more variables involved in those than even an FBO
12 agreement.

13 So, right now, that's excluded from this.
14 It's something that could be appended to that, or
15 we could simply create another policy as we move
16 forward. But since that's not really on the table
17 today, we just in a sense choose to ignore it or
18 exclude it.

19 MR. GEORGE: The reason again, Ed, for

20 excluding it is what?

21 MR. WUELLNER: The complexity of the type of
22 agreement. They tend to be on an as-negotiated
23 basis, versus coming in here and making them fit
24 your mold. Most of them have operating parameters
25 that have got to be accommodated within the

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1 airport environment. One size doesn't fit all, as
2 it does in many of these other aviation ventures.

3 So, it's something that could be constructed
4 over time, especially as you get multiple users.
5 Then you -- then you start needing to provide some
6 consistency and some -- some high-level guidance.

7 But initially, as an air carrier approaches
8 you, you're generally not in a position to dictate
9 very difficult terms to -- to an airline
10 initially. Those -- those tend to be on a much
11 more high level just discussion than -- than
12 making them fit a document you prepared. So --

13 MR. GEORGE: Okay.

14 MR. WUELLNER: -- that's -- that's why we've
15 excluded it. As I said, we could develop
16 something and add it to this or do something
17 stand-alone. I think you'll -- you'd know more
18 about what you want and don't want after you've
19 had the experience once.

20 MR. BRUNSON: In other words, they couldn't
21 fit into an aircraft charter, an air taxi with the
22 variances. Too complicated to do that.

23 MR. WUELLNER: No, I -- I wouldn't think so.
24 However, you -- you know, it's not a new -- it's
25 not really charter and it's not really air taxi in

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1 that -- by definition. It's definitely an air
2 carrier operation. And we've gone to, you know, a
3 little bit of trouble to just make sure we
4 understand it under the context of scheduled --

5 CHAIRMAN COX: Right.

6 MR. WUELLNER: -- Part 135 and 121 service.
7 If you're not scheduled, you're going to fit
8 within.

9 CHAIRMAN COX: I think it helps to -- to set
10 that apart in -- in the FAA scheduled, quote,
11 quote, it is completely different than just air
12 carrier, because there's scheduled air carrier and
13 then there's air carrier. And it's like Ed said,
14 it's -- it's developed its own parameters and
15 becomes very deep in trying to get -- get your --
16 get your arms around it. Sir?

17 MR. GEORGE: I -- I would hope, though,
18 that -- that the first blush of anything with a
19 schedule airline, that there are certain features

20 in here that need to be covered like qualified
21 people, like space, like parking, like liability
22 insurance, holding us, so those basic things would
23 have to --

24 MR. WUELLNER: And any --

25 MR. GEORGE: -- apply to anybody.

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1 MR. WUELLNER: Absolutely. Absolutely.

2 Where -- where it breaks down as a -- as a big
3 agreement is the complexities of -- of the who
4 gets paid and how and what you're requiring them
5 to do --

6 MR. GEORGE: I understand.

7 MR. WUELLNER: -- and use of space and how
8 they get on the -- there. It triggers a whole, as
9 you -- as I'm sure you can appreciate, it triggers
10 a whole new set and series of federal aviation
11 parts that have got to get integrated into an
12 agreement of what we do, what the carrier does,
13 what security does. It's -- it's a much more
14 complicated endeavor than just --

15 MR. GEORGE: Understand. I was just making a
16 point that we've got some standards that are --

17 CHAIRMAN COX: We could actually make that an
18 attachment, which would probably be thicker than
19 this (indicating).

20 MR. GEORGE: Yeah.

21 MR. WUELLNER: And again, you're -- at some

22 point, hopefully in the future, you're going to

23 want to deal with it.

24 CHAIRMAN COX: Right.

25 MR. WUELLNER: You know, you're going to know

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1 what you don't like, what you're -- you know, what
2 you're going to insist on. You're going to have
3 bills to pay. You're going to have things to deal
4 with, and you're going to want to be really,
5 really involved in what those agreements say. And
6 developing that policy at that time will make more
7 sense.

8 MR. BRUNSON: I think when we finalize this,
9 we'll just make mention it does not include the
10 135 and 121 --

11 MR. WUELLNER: It's in there. It's in there
12 as a --

13 MR. GEORGE: Second paragraph.

14 MR. WUELLNER: In the scope. I thought like
15 I ought to mention it so that somebody doesn't
16 read into what we're doing --

17 CHAIRMAN COX: That's all right.

18 MR. WUELLNER: -- in that context.

19 MR. GEORGE: Pass the seeds.

20 MR. WUELLNER: All right. The next major
21 process here is in the application. And -- and
22 basically we're asking them to provide kind of a
23 written door open, if you will, to what they want
24 to do, and we -- we at that point provide them
25 with our minimum operating standards, and we give

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1 them a clue as to what it is, our expectations are
2 for your business, and you kind of fill in the
3 blanks with us as to what -- what exactly is it
4 you're proposing to do on the airport. The
5 next --

6 MR. GEORGE: I would suggest you change Part
7 3's title to say "application and qualification"
8 for operators. Because you talk about this being
9 the application. It's not in the title there,
10 so...

11 MR. WUELLNER: No. The application is
12 technically the next part, is 4. But...

13 MS. GREEN: Page 8.

14 MR. WUELLNER: Got it?

15 MR. GEORGE: Okay. Fine. Got it.

16 MR. WUELLNER: Same -- a lot of it -- it
17 doesn't get redundant, but there are a lot of
18 things that we're just generally looking for in
19 one part, and the other is in order to -- to

20 satisfy our requirements, you -- you need to

21 provide these things.

22 MR. GEORGE: I was on the wrong page. Sorry.

23 MR. WUELLNER: That's even worse, by the way,

24 I'm trying to do it on the screen. So, I'm

25 probably not helping, actually putting it on the

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1 screen, in terms of being able to follow it. It's
2 dividing the pages in a different place than
3 everybody else is seeing it.

4 The next section is the appeals and
5 variances. I think we gave you an overview of
6 that. But basically, on a day-to-day basis, your
7 staff fields those requests, develops the, quote,
8 unquote, project or the -- the lease with that
9 tenant, gathers all the information, and makes
10 some judgments about that business and what needs
11 to be done within the context of the policy.

12 Now, we are going to run across situations
13 where that one-size-fits-all mentality just
14 doesn't work. The space available's a few square
15 foot too small, or they don't have all those
16 staff, or they wish to use multiple aircraft for
17 multiple tasks, or things along that line that
18 ordinarily wouldn't happen. And you'll have the
19 ability, or we'll have the ability, at their

20 request, to bring those items to the board and let
21 them decide whether a variance is appropriate in
22 one case or another.

23 We don't require a separate -- separate
24 aircraft for -- separate aircraft for flight
25 instruction versus rental, as an example. Maybe

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1 they're the same airplanes that -- as an example.

2 The -- the substantive part of the document
3 begins in Section 6, which is where we start the
4 minimum operating standard details.

5 MR. GEORGE: Mr. Chairman, we did -- we did
6 an appeals -- and I'm on chapter -- or page 10.
7 We did an appeal and, you know, and a variance
8 once before. And I thought there was some
9 language in there that provided the Authority
10 wants to hear it. In other words, they present
11 the case, and we didn't even put it on the agenda;
12 just said it didn't have merit.

13 CHAIRMAN COX: Talking about the hangar
14 appeal?

15 MR. GEORGE: Yeah, whatever the --

16 MR. WUELLNER: That's one. Gate card policy,
17 I think, is one. The --

18 MR. GEORGE: I mean, I can see this thing
19 getting to a point where, you know, I'm going to

20 appeal that my grass wasn't cut, you know, so you

21 bring it here.

22 MR. WUELLNER: No, this -- this isn't that

23 kind of an appeal process. The appeal process

24 here is a one-time deal when someone is beginning

25 their leasing effort with the Airport Authority.

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1 For instance, they've approached us about
2 starting a flight school, as an example. And our
3 requirement says you need 3,000 square foot of --
4 or 4,000 square foot of combined classroom office
5 and hangar space and you need enough ramp to make
6 it all work. And they go, gee, you know, 4,000's
7 way too much space. We're really just doing a
8 little aerobatic school. And I -- and you say I
9 need four aircraft in inventory and two full-time
10 flight instructors. And -- and this is all I'm
11 doing, is aerobatics, and I -- I can really do
12 what I'm doing because of the limited number of
13 people come through my school with -- with one
14 airplane or two airplanes and one flight
15 instructor. I just pretty much do it all myself.
16 Is that okay?

17 That's -- that's the kind of thing. Is that
18 something you want on the airport? It doesn't fit
19 the flight instruction mold, because it's -- it's

20 gotten a little too special.

21 So, you get to review that and go, yeah,

22 that's still an appropriate use, and yeah, they're

23 still trying to do the right thing here, and we'll

24 just -- we'll create a variance that -- that says,

25 yeah, you can do your aerobatics flight school

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1 with two airplanes, two instructors, and out of
2 2,000 square foot.

3 CHAIRMAN COX: So, this appeal process is a
4 preliminary appeal which we enact a variance on
5 prior to enacting the lease.

6 MR. WUELLNER: Absolutely. This is prelease.

7 CHAIRMAN COX: And -- and what you're --

8 MR. WUELLNER: If you don't want to do it
9 then --

10 MR. GEORGE: That's true, yeah.

11 CHAIRMAN COX: -- talking about is after the
12 fact.

13 MR. WUELLNER: And if you don't want to do
14 the appeal in the sense that you don't want to
15 grant the appeal, then we simply go, you either
16 bring the school up to snuff or you can find
17 another location for it.

18 MS. GREEN: I guess that was my concern, too,
19 because the word had said the Authority "shall"

20 hear it.

21 MR. GEORGE: That's where my concern was.

22 MS. GREEN: And it also says "We shall hear

23 any order, requirement, decision, any

24 determination by the director of these standards

25 or any other applicable rule or regulation." Kind

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1 of broad.

2 MR. GEORGE: For instance, we're going to --
3 we're going to help somebody clean your facilities
4 once a week. No, I need it twice a week, because
5 I generate a lot of -- so, I'm going to appeal
6 your decision to try to get it twice a week. Do
7 we want to hear stuff like that?

8 MR. WUELLNER: Well, we can tighten up the
9 language. I'm not -- the intent is not to bother
10 you continually with those kind of things.

11 MS. GREEN: That's why I'm thinking the
12 "shall" should be "may."

13 MR. WUELLNER: Okay. Well --

14 MS. GREEN: And that's a legal question for
15 Doug. But I'm just saying if we have -- want
16 discretion on what we feel is --

17 CHAIRMAN COX: Change it, Doug.

18 MS. GREEN: Can't we? But the "shall" -- the
19 "shall" to me says we have to.

20 MR. WUELLNER: Would have to, yeah.

21 CHAIRMAN COX: Trust me, in FAA lingo,

22 "shall" means --

23 MR. WUELLNER: It means you will.

24 CHAIRMAN COX: -- "will always." So, yeah.

25 "Shall man should."

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1 MS. GREEN: That gives us, I think, the
2 authority to also say, Dear Director, we think you
3 did the right thing; I don't think we need to hear
4 it --

5 MR. GEORGE: Right.

6 MS. GREEN: -- it is miniscule, whatever.

7 MR. BURNETT: Yeah. And in fact, that's what
8 your reference is, Mr. George, was how we're set
9 up for the hangars in particular, I guess, on
10 those appeals. It's -- they've got to give you a
11 written appeal, and then the Authority makes a
12 decision on whether or not you want to hear it.

13 MR. GEORGE: Right.

14 MR. BRUNSON: See, I think this appeal,
15 this -- this document is different than the
16 appealing of everyday --

17 MR. WUELLNER: A decision not to grant a gate
18 card or --

19 MR. BRUNSON: Yeah, those kind of appeals,

20 it -- just they look at on a daily basis. This is
21 just on the commercial minimum operating
22 standards.

23 MR. GEORGE: Well, once the lease is signed,
24 we're still under this document as an operating
25 standard.

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1 MR. BRUNSON: Right.

2 MR. GEORGE: And that's when the little pain
3 in the --

4 MR. WUELLNER: I'm going to let Doug sort it
5 out, but I -- but I think you're -- if you're
6 right in this case, you're right; I mean, you
7 would have to hear all of those things.

8 The intent is to isolate the -- the prelease
9 decision process from the after-lease process.

10 And the after-lease process is in your lease
11 policy, and it's that way more restrictive deal
12 where you need majority vote to even hear the
13 appeal. They've got to provide a -- you know, a
14 reason why and -- and you'll get additional
15 information from us before you even decide whether
16 you're going to hear it.

17 MR. GEORGE: So our --

18 MR. WUELLNER: Without isolating any --

19 MR. GEORGE: -- our commercial operators do

20 still fall under our lease.

21 MR. WUELLNER: Absolutely. Yeah. This is --

22 this is actually an appendix. We just -- we just

23 add it for reference in the lease policy.

24 MR. GEORGE: Does the lease policy state that

25 we may elect to hear appeals?

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1 MR. WUELLNER: Yes, it does. It has that --

2 MR. GEORGE: Okay.

3 MR. WUELLNER: -- that appeal process you
4 were just talking about.

5 CHAIRMAN COX: In other words, using the word
6 "may."

7 MR. WUELLNER: Yeah. It's -- it's the one
8 where, you know, somebody's whose disgruntled
9 with -- with a staff decision can -- can put a
10 letter together, can, you know, make their case in
11 front of you, and if two -- three out of four --
12 three out of five of you do not want to hear this
13 thing, that's it. Whatever decision was made by
14 Staff is what Staff -- what the decision is.

15 MR. BURNETT: And basically the way it's set
16 up --

17 MR. GEORGE: I think the one -- the example
18 we had was the accounts receivable problem we had
19 that one time.

20 MR. BURNETT: And -- and the way it's set up,
21 just to add a little bit more clarification, is
22 essentially they have to file a written appeal,
23 and you look at that written appeal to determine
24 whether or not you even want to hear it.

25 CHAIRMAN COX: But if it says "shall" hear

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1 it, then we have to hear it.

2 MR. BURNETT: Exactly. What I can do on --
3 what I can do on this section, Part 5, because
4 Ed's saying the primary intent is preleasing
5 activity before you're trying to do something new.

6 I can easily write in some language in this
7 first paragraph that says this only applies to
8 preleasing or --

9 CHAIRMAN COX: There you go.

10 MR. BURNETT: -- proposed activity.

11 CHAIRMAN COX: That will do it.

12 MR. WUELLNER: Otherwise, the lease policy.

13 MR. GEORGE: Any other activity falls to the
14 lease policy, basically.

15 MR. BURNETT: I can easily insert that in it.

16 MR. WUELLNER: Yeah.

17 MR. GEORGE: That was easy.

18 CHAIRMAN COX: Yeah. Make it so.

19 MR. WUELLNER: Okay. Walking down the FBO,

20 it's beginning on page 12. I'll try to move this

21 down a little bit so...

22 CHAIRMAN COX: Where are you at now?

23 MR. GEORGE: 12.

24 MR. WUELLNER: Going to begin on page 12

25 here.

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1 MR. GEORGE: Can anybody read that up there?

2 MR. WUELLNER: Is it easier with one? Maybe

3 that's easier with --

4 CHAIRMAN COX: Go to one page.

5 MR. WUELLNER: Yeah.

6 MR. BRUNSON: It's right here. We've got it.

7 MR. GEORGE: I know, but the people in the

8 audience don't.

9 CHAIRMAN COX: I guess you're in print

10 layout. Normal. There you go.

11 MR. WUELLNER: That remains to be seen.

12 MR. MARTINELLI: Can you enlarge that, Ed?

13 MR. WUELLNER: Yes, I can. I can go --

14 MR. MARTINELLI: There you go.

15 MR. WUELLNER: Is that better?

16 MR. MARTINELLI: Better, yeah.

17 MR. WUELLNER: Now I just get down to where

18 we were here.

19 Did I say 14, was it?

20 MR. GEORGE: Question mark, 12.

21 MS. GREEN: 12.

22 MR. WUELLNER: I can do this. All right.

23 All right. Beginning on page 12, obviously the

24 idea of this section, we're going to be starting

25 to talk about the individual types of businesses.

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1 CHAIRMAN COX: Go up one. You're on page 11.

2 MR. BRUNSON: Same as 12, though, for us.

3 MR. WUELLNER: Yeah, we've got a page break
4 issue.

5 MS. GREEN: Uh-huh. It is the same.

6 MR. WUELLNER: It is the same. It's just --

7 CHAIRMAN COX: Okay.

8 MS. GREEN: It's the beginning of your
9 Part 6.

10 MR. WUELLNER: Follow the bouncing words.

11 CHAIRMAN COX: Yeah.

12 MR. WUELLNER: All right. This deals with
13 the FBOs. What we're doing within this section is
14 putting down some particulars as they pertain to
15 this -- to another FBO or any FBO operation on the
16 airport. Now, it gets a little tricky because
17 you're balancing existing leases with where you
18 might want to go. And you've got to, you know,
19 kind of find a place that accommodates your

20 existing tenants, because you aren't retroactively

21 making them comply with new tenants.

22 CHAIRMAN COX: Why?

23 MR. WUELLNER: Well, you have a signed

24 contract with them in the form of a lease. And

25 unless they agree to open that lease and agree to

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1 change everything --

2 CHAIRMAN COX: If I come in with a new FBO
3 and I have to follow XYZ parameters, it puts me in
4 a position that I'm not competitive with the other
5 FBO, I would complain.

6 MR. WUELLNER: Well, we -- we have to find a
7 way to make it competitive, because we can't, you
8 know, un-even the playing field from a -- from a
9 federal regulation side. But some cases -- in
10 most cases, including this one on the FBO,
11 actually the requirement is -- is more -- more
12 closely aligned with your existing tenant than it
13 is with worrying about a new one.

14 The same point; the -- the argument on the
15 other side of this is that your existing tenant
16 has been here for -- for many, many years and has
17 built and developed a business that has -- has
18 matured to some degree. And making a startup
19 business comply with a mature business in terms of

20 the investment on the airport and -- and the like
21 is economically unfair to your new tenant. So,
22 you try to find a base level of -- of entry onto
23 the airport and encourage them to develop this
24 to -- to maturity.

25 All right. We -- we basically say your FBO

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1 should, as a minimum, be open from 7:00 to 10:00
2 daily and be available for emergency on-calls.

3 MR. GEORGE: How'd you come up with the 7:00
4 to 10:00? I mean, I'm a brand new FBO trying to
5 get started, and I'm just going to do 7:00 to
6 6:00.

7 MR. WUELLNER: Okay. How do I -- how do I
8 get you into parity if I don't require you to be
9 open when people fly?

10 MR. GEORGE: People fly after 10 o'clock.
11 Why don't you have it 24 hours?

12 MR. WUELLNER: We say they're available.
13 Right now, the level of business overall on the
14 airport doesn't support being open beyond -- pick
15 a number -- 9 o'clock, 10 o'clock at night. Maybe
16 it's later.

17 All we're saying is, in order to -- in order
18 to be an FBO, you need to be available to the
19 flying public.

20 MR. GEORGE: I just see a lot of air -- the
21 reason -- only reason I'm bringing it up is I see
22 a lot of airports, when I look into the AOPA
23 airport directory, and there's one -- more than
24 one, and sometimes just one, they're open from
25 7:00 a.m. to 6 p.m. And I'm just wondering if,

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1 you know, us forcing them to be -- well, this
2 would be a variance, okay? I guess.

3 MR. WUELLNER: That's -- that's exactly
4 right. They come in and say, Look, I can only --
5 can only staff -- makes sense to be open till 6
6 o'clock.

7 MR. GEORGE: Right. Okay.

8 MR. WUELLNER: And you can deal with it.

9 MR. GEORGE: But out of the chute, this
10 will --

11 MR. WUELLNER: This is what we're going to
12 tell them we want --

13 MR. GEORGE: Right. Okay.

14 MR. WUELLNER: -- and we'll go from there.

15 All right. The next one is, the FBO, we're
16 saying needs to have a leasehold a minimum of
17 three acres in size.

18 MR. GEORGE: Are they going to supply that
19 three acres?

20 MR. WUELLNER: No. If it's a leasehold, we
21 would be providing it. Of -- for not less than
22 10,000 square foot of hangar and provide for not
23 less than 80 square --

24 CHAIRMAN COX: Eighty thousand.

25 MR. WUELLNER: It should be 80,000 square

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1 feet of ramp, and provide for no less than 2,000
2 square foot of floor space for offices and the
3 like. That's a little under two acres of ramp.
4 Your current FBO is in the vicinity of about four
5 acres of ramp, if my memory's correct.

6 So, to get in the door, you don't need to
7 come out looking like Galaxy Aviation physically.
8 You can lease that space. You can build that
9 space. Those are subject to the actual
10 development agreements. We may have the space to
11 lease to them. We may not. But in the event they
12 want to come in there, this is how we do it.

13 And we're saying that each FBO has to have
14 provisions for public telephone and restrooms and
15 access to flight service, and that they're not
16 going to create a nuisance on the apron by storing
17 all kinds of junk outdoors.

18 MR. GEORGE: Where are the restrooms?

19 MR. WUELLNER: And that's d., point d.,

20 basically, saying we aren't going to put crates

21 and boxes and all kinds of stuff like that.

22 MR. GEORGE: Did you mean paragraph c. to

23 also include restroom facilities?

24 MR. WUELLNER: Actually, it's already up

25 there under b., under customer lounge and

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1 permanent restrooms.

2 MR. GEORGE: Okay.

3 MR. WUELLNER: That any FBO on the field is

4 going to provide or facilitate aircraft guidance

5 on the ramp. They're going to have space for

6 parking and tie-downs in their -- in their

7 leasehold or accommodated within it. They're

8 going to provide retail fuel sales on the airport.

9 They're going to provide access to aircraft

10 charters. They're going to provide access to

11 aircraft maintenance services. They're going to

12 provide access to basic flight training.

13 Now, these do not mean the FBO has to

14 directly operate it, but they need to facilitate

15 it within their leasehold, such as an example is

16 how our relationship with Galaxy is. They are not

17 the owner of the flight school. However, as a

18 part of their lease, they're required to

19 facilitate a flight school on their leasehold.

20 And they're a tenant of Galaxy's, not a direct

21 tenant of the airport's.

22 They need to have all of the -- the bells and

23 whistles to be able to deal with aircraft,

24 compressors, tugs, battery chargers, those kinds

25 of things.

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1 They need to have a place to do flight
2 planning and flight service facilities. By that,
3 I don't mean the federal flight service. They
4 just need to have access to flight planning kinds
5 of services.

6 And they need to have public amenities, which
7 you can largely define, but there, they tend to be
8 restrooms and things like that. Public telephone,
9 a place to sit down, a place to gather, for lack
10 of better terms.

11 We're also saying the FBO is going to assure
12 the following things, such as anybody that's an
13 employee of theirs that -- that works the airside
14 is going to be uniformed so that they're readily
15 identifiable to people flying into the airport and
16 ending up on their leasehold as an employee for
17 questions, for safety, service, those kinds of
18 things. They're going to be badged and they're
19 going to go through an appropriate level of

20 security clearance as dictated by the Airport
21 Authority in this case, and which may be just a
22 pass-through from a federal agency in those cases.

23 We're also saying that all airside vehicles,
24 pickup trucks, tugs, things like that are going to
25 be marked and will be identifiable with a

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1 particular FBO operation. That allows -- that
2 helps the air traffic controllers, as well as
3 airport operations folks, from immediately
4 identifying whether it's Grumman's tug, Galaxy's
5 tug, or some future FBO's tug out on the airfield.
6 And especially if they're acting up or somewhere
7 they shouldn't be.

8 Also, the same kind of requirements for a
9 follow-on vehicle out there on the apron so that
10 somebody's looking for Galaxy Aviation, can
11 distinguish between the "follow-me" vehicle for a
12 future FBO and Galaxy. So, if they want to --
13 they can get to the right location on the
14 airfield.

15 The "follow-me" part has become less
16 important except for larger airplanes where it's
17 very important they're following somebody to keep
18 them from taking the airplane someplace it
19 shouldn't be.

20 We're also saying they need to facilitate an
21 adequate amount of paved parking. Now, that may
22 or may not -- on many of these different sections,
23 may not be on their leasehold. And really, that
24 becomes up to us as to whether we build common
25 area parking lots such as we've got in the

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1 terminal and make them available to tenants,
2 multiple tenants, or in a particular case maybe a
3 specific tenant has their own parking lot.

4 In some cases, yeah, we're just leaving the
5 door open. It needs to be facilitated. If we
6 don't have a parking lot there that we can allow
7 them to use, then obviously they need to make one
8 for their own business. We also talk about
9 insurance and that they need to provide that.

10 The next thing, next big issue is related to
11 fuel. And within the context of -- in the context
12 of an FBO, we're saying, yeah, you're the only
13 people on the airport that we make a provision for
14 commercial fueling, retail fueling. As such,
15 you're going to do that and meet all the standards
16 of local, federal, state and -- and even Airport
17 Authority rules and laws, because there's just
18 simply no other way you're going to do it.

19 And we're saying you're going to dispense

20 avgas and jet fuel, and you're going to have
21 15,000 gallons of capacity for avgas and a minimum
22 of 25,000 gallons of capacity for jet fuel.
23 And -- and we -- we selected those numbers.
24 They're somewhat arbitrary, but they are in the
25 vicinity of what's available in the existing FBO

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1 in terms of quantity. And if you get much less
2 than that, any relatively busy FBO is going to
3 have a problem keeping supply if -- if they're not
4 careful.

5 So, we're saying, look, in order to assure
6 that anybody that lands here and wants to use your
7 FBO's fuel facilities, that you're going to have
8 product available by virtue of storage. You may
9 still have a supply issue, but it shouldn't be an
10 issue because of -- of the size of tank.

11 And that you're going to have mobile
12 dispensing equipment as an FBO, and you're going
13 to have at least 500 gallons of avgas in a vehicle
14 and at least a thousand gallons of jet fuel
15 available in a mobile dispenser. Now, they may
16 elect to do much more than that, but that's the
17 bare bones requirements of that. And that they
18 need to, you know, keep that stuff maintained.

19 We're also saying that under e., that the FBO

20 needs to -- needs to hook up with a bona fide
21 branded fuel provider. And the reason behind that
22 is we're looking for the excess, as well as they
23 should be looking for the excess or umbrella
24 liability that comes with -- only with branded
25 fuel. It also keeps the playing field level.

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1 Unbranded fuel, yes, we can get it cheaper,
2 but there are risks to everybody involved in
3 touching it.

4 We say that you've got to have oils and
5 lubricants available and you need to be able to
6 handle things like restrooms on the -- on aircraft
7 and -- and dispose of that and other materials in
8 a proper manner.

9 And we're also -- just make the extra
10 statement that you've got to comply with the FAA
11 rules related to Part 139 as -- and they
12 particularly relate to aircraft fueling and the
13 recordkeeping and training that goes into that.

14 Later on, you'll see we also have an
15 environmental requirement that commercial
16 businesses need to comply with our -- our SWPP and
17 SPCC programs to assure that those things remain
18 intact and that the airport as a whole is covered
19 by those environmental policies of the Airport

20 Authority.

21 We do that kind of generically near the end

22 versus write it into each one. I think you've

23 got -- I don't know whether you want me to --

24 CHAIRMAN COX: Go ahead, Vic.

25 MR. MARTINELLI: If you entertain questions,

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1 I just have a question regarding the level playing
2 field which, as Ed says, is a requirement by the
3 FAA.

4 And if you look back at the existing FBO and
5 the investment in the fuel farm, the investment in
6 the hangars, the investment in the maintenance,
7 the investment in the Tarmac, the investment in
8 the terminal, all of that investment was made by
9 the Airport Authority and not by the -- the FBO.

10 And so, as a new FBO coming on the field, how
11 do I maintain -- this is hypothetical. How do I
12 maintain a level playing field if I'm required to
13 build a terminal, to build a maintenance facility,
14 to build a fuel farm, et cetera?

15 That's a monumental initial investment,
16 which -- and I think you alluded to the fact, Ed,
17 that that could be a lease arrangement, but then
18 if it's a lease arrangement, which would be more a
19 pay-as-you-go kind of thing through your lease

20 payment, then is that clearly stated in the

21 policy?

22 MR. WUELLNER: Yeah. I think -- I think what

23 you're -- what you're coming down -- that's a

24 great question. The -- there are going to be two

25 ways to -- to kind of skin that cat with -- with

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1 the presentation of a second FBO some day. And
2 one is, largely, it's a big hybrid that could go
3 on.

4 One, the Airport Authority at some point
5 could commit the capital resources, build an FBO,
6 and go out and solicit somebody to operate that
7 FBO or, I guess in theory, could operate it
8 themselves, even.

9 The other end of the extreme is that an FBO,
10 in an RFP situation, could be asked to come on
11 board and build their own facility, that all we've
12 got is some land available for them and that they
13 come in and capitalize the whole thing themselves.

14 Now, the responses to that -- those kind of
15 advertisements are likely to be across the board.

16 One -- one will have to analyze whether there's an
17 unfair advantage with Galaxy, in this particular
18 case, under that lease arrangement, wherein the
19 Authority built the facilities, and whether it

20 makes any sense to go into it when they make the
21 business decision whether to bid that or quote
22 that job or propose for it.

23 (Whereupon, Mr. Gorman enters the room.)

24 MR. WUELLNER: The other extreme is, well,
25 they could wait, but you're waiting on the

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1 Authority to capitalize it, which could be many,
2 many years, and until there's a facility that we
3 make available and then they're -- they are on the
4 exact parity or pretty close to on parity with the
5 two -- two leases.

6 The more likely scenario is it will end up
7 somewhere in between where -- where the Authority
8 makes some investments in the capital in order to
9 ensure a good revenue source back to the airport,
10 versus ground lease, and on -- and the other side
11 will be we'll require, which is more typical in
12 the industry, that the FBO or future FBO make
13 capital investments in the airport.

14 Now, our FBO has made some capital
15 investments, albeit maybe you agree or disagree to
16 the level they've made some over the years. And,
17 yes, largely their leasehold is owned by the
18 Airport Authority. But most of them end up
19 becoming some hybrid over time because --

20 MR. MARTINELLI: And the FAA considers that a
21 level playing field.

22 MR. WUELLNER: Yeah. The act of doing the
23 RFQ in this case in effect makes the decision as
24 to whether it's of parity the business obligation
25 of the person proposing. You know, if they make

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1 the -- if they make the decision that, yeah, they
2 can capitalize their own facility and still
3 compete with the existing FBO, that's their
4 business decision in that case. We're not forcing
5 somebody to stay in business and capitalize their
6 own.

7 MR. MARTINELLI: And the other -- just
8 turning that around, if somebody says, well, I can
9 compete if you build, and the fact that you don't
10 want to build and lease to me, you're not being
11 fair, and do I have recourse then to the FAA?

12 MR. WUELLNER: Yeah.

13 MR. MARTINELLI: That's a position I don't
14 want to see the airport in.

15 MR. WUELLNER: I agree. I agree. And I
16 think that's largely an issue of how we construct
17 how you move forward looking for a second FBO.
18 You know, are you open to those partnerships to --
19 to create multiple vehicles for capitalizing

20 the -- the improvements?

21 MR. MARTINELLI: Thank you.

22 MR. WUELLNER: Yeah.

23 MR. GEORGE: Paragraph h. talks about

24 insurance, quote, in the amount not less than

25 amounts prescribed by the Authority, blah, blah,

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1 blah, appendix e.

2 Paragraph e. says that "aircraft fuel with at
3 least \$50 million in extended product liability
4 coverage."

5 Why isn't that the same terminology as
6 before, and then the \$50 million goes in -- I'm
7 just trying to be consistent.

8 MR. WUELLNER: They're actually two different
9 types of insurance.

10 MR. GEORGE: But appendix 1 is for the
11 insurance needs.

12 MR. WUELLNER: Yes, it is.

13 MR. GEORGE: What I'm saying is why limit it
14 to \$50 million in a basic document? Put some same
15 verbiage like that up there before that said --

16 MR. WUELLNER: We could do that. I mean,
17 that's not a bad idea. We can -- we can just make
18 it per -- per the table or appendix 1. And -- and
19 you're right, we can --

20 MR. GEORGE: Right.

21 MR. WUELLNER: -- adjust it periodically.

22 Because the available liability may go up and down

23 over the years. That's a good point.

24 Okay. Any other on the FBO?

25 MR. GORMAN: Specified insurance is, in other

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1 words, we're just talking about basically

2 liability insurance.

3 MR. WUELLNER: Actually, it will depend on

4 who builds the facilities. If -- if we build

5 it --

6 MR. GORMAN: That was my point.

7 MR. WUELLNER: -- obviously there's going to

8 be a fire extended risk kind of component to it.

9 If they build it, it probably still will be with

10 us the named insured since it's on our property.

11 So, yeah, this is liability and property and

12 hangar keeper's liability and, you know, fuel and

13 all of the other kinds of insurances that now mix

14 into a modern FBO.

15 MR. GORMAN: My only concern would be to lock

16 out a possible FBO applicant against to using a

17 consortium of insurance, as the insurance industry

18 as it -- as we know it now is in the process of

19 melting down.

20 MS. GREEN: You have an A rated --

21 MR. GORMAN: Right. In other words, whether

22 or not you have to -- whether or not you're bound

23 and locked into using an insurance that is

24 commercially available versus using a

25 consortium --

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1 MR. WUELLNER: Oh, I see.

2 MR. GORMAN: Having the person, if they do
3 capitalize the situation themselves, being
4 self-insured.

5 MR. WUELLNER: I think this is the kind of
6 thing we --

7 MR. GORMAN: To an extent.

8 MR. WUELLNER: You do that risk analysis as
9 the situation comes up. Part of what the -- you
10 got here a little late, but the idea here is that
11 you can create a variance to these things, so if
12 someone can't get individual insurance but there's
13 some other vehicle out there that gets the same
14 kind of a risk coverage to the Airport Authority,
15 you can consider that and -- and -- and grant that
16 as a way of satisfying your -- the obligation they
17 might have in your --

18 MR. GORMAN: You're -- you're just staying
19 with the onus that -- that liability is, of

20 course -- is that demand that's going to remain

21 sacrosanct. But then the property damage --

22 MR. WUELLNER: Property --

23 MR. GORMAN: -- could be certainly

24 negotiable.

25 MR. WUELLNER: Well, actually, at this point,

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1 you could -- you could probably consider any of
2 the -- the insurable risks out there, be it
3 liability or property, as something that you
4 could -- that could be brought to you and you
5 could decide whether it's acceptable, how they
6 intend to deal with it, or if they -- if they want
7 to stray from our policy.

8 So, I -- I think the door's open to consider
9 any method at the end of the day for any type of
10 insurance that you -- or coverage or risk that --
11 that we may want to cover.

12 MR. GORMAN: That's my answer; the door is
13 open.

14 MR. WUELLNER: Yes. Next section is aircraft
15 sales. A lot of these begin to be really --
16 they're not as detailed as the FBO ones. We're
17 not -- these are, again, stand-alone businesses.
18 They're not in the context of an FBO.

19 Basically we're saying if you're in the

20 FBO -- there I go and say it anyway. If you're in
21 the aircraft sales or brokerage business, we're
22 saying -- and as a stand-alone business -- and I
23 don't -- well, Bryan brought up a point when we
24 were -- we were reviewing these earlier, that
25 we're not talking about a guy who's selling his

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1 airplane.

2 CHAIRMAN COX: Right.

3 MR. WUELLNER: We're talking about a guy who

4 is legitimately in business for the purpose of

5 selling airplanes and is doing that actively or

6 wants to do that actively out of the airport. So,

7 a guy who just put a for-sale sign on his airplane

8 is not subject to this. This is a -- unless he's

9 going to do that all day long.

10 Generally consistent with other policy we

11 have, you can't do any of these commercial

12 activities out of a T-hangar. They were not

13 designed or zoned to deal with that originally,

14 and -- and constructed that way. So, we've got a

15 lot of issues there. They need to stay outside

16 the context of T-hangars.

17 Now, this here requires that you have a

18 leasehold of not less than 3,000 square feet.

19 That's a 50 x 60 structure. This fits very well

20 into the concept of what we were all -- we've been
21 talking for months on the incubator or keeping the
22 door open for small business to get their foot in
23 the door here, that we didn't feel that that
24 requirement for 3,000 feet -- and you're going to
25 find that number a lot -- is overly onerous and

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1 discouraging to a new business.

2 We're saying if you're selling new airplanes,
3 you need to be able to support the new airplanes.
4 If you're in the used aircraft business, we're not
5 looking for you to inventory parts for all your
6 used airplanes and those kind of things.

7 But if you're selling, you know, brand new
8 Cessnas and that's all you're on the airport
9 doing, is selling Cessna aircraft, you need to be
10 able to support the Cessna aircraft as they -- as
11 they come to and from your facility.

12 Normal working hours that are negotiated as
13 part of the lease, so we're not going to come out
14 of the block and tell you you need to be open
15 seven days a week from 7 a.m. to 11 p.m. or
16 anything. You know, you -- you're largely going
17 to agree at the point of lease what your normal
18 hours will be. And something like sales is
19 probably five days a week and something similar to

20 40-hour week.

21 CHAIRMAN COX: Go ahead, Randy.

22 MR. BRUNSON: On aircraft sales, Ed, would it

23 be possible to get -- maybe get a variance to

24 where, sure, if you had a dealership for a Cessna,

25 you'd probably have parts and so forth, but say if

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1 Michael had a maintenance shop, could this person
2 subcontract to --

3 MR. WUELLNER: Yeah. Section 2.a.2., if
4 you're following the -- provides that you just
5 have the arrangements made. So, yeah, you could
6 go over to Kramer and have him handling all of
7 your factory maintenance for your Cessna. You've
8 made arrangements for that. That -- that meets
9 the -- meets the requirement under it.

10 We're not asking a sales guy to open up a
11 service center strictly related to a new airplane.

12 But he can -- but he needs to be able to respond
13 to customers who have warranty issues.

14 MR. BRUNSON: Have the arrangement.

15 MR. WUELLNER: Exactly. Have the arrangement
16 made.

17 MR. BRUNSON: Okay.

18 MR. WUELLNER: We're also saying you have to
19 have parking and -- and all of the -- the normal

20 things. Insurance. You know, if they're demo-ing
21 an aircraft, obviously you need some, you know,
22 insulation, a little bit, from the airport. And
23 we develop those independently.

24 And these are going to be largely the same
25 for the next four or five kinds of businesses.

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1 We -- we use 3,000, is pretty much the threshold
2 for each type of -- each type of business. Or --
3 most of these smaller businesses. Intentionally.
4 Yes.

5 MR. GORMAN: Again, when you talk about
6 parking and you talk about all the minimum
7 standards, are you going to talk about being
8 redundant and handicap spaces being redundant and,
9 you know, the restrooms?

10 MR. WUELLNER: So -- so much of -- of the
11 environment we're in today, if we're putting them
12 in existing buildings, in many cases, the parking
13 or the amount of available parking has already
14 been established, and for the most part we can't
15 modify because there's just simply not a way to
16 deal with it.

17 One of the few examples was H and I building
18 down there where what was originally permitted by
19 the County doesn't fit the use down there in that

20 it's only a couple of spaces and you've got a
21 couple of legitimate commercial businesses that
22 have found it impossible to find parking. We went
23 into the parking lot across the street and kind of
24 created that additional public parking that --
25 that helps those businesses. And we'll support

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1 other things on the airport, too. And that works
2 well in the terminal area.

3 But there may be a business, such as where
4 Kramer is today on the north end, he's going to
5 have to deal with it all on his leasehold, just
6 because there is no other public parking been made
7 available. And all we're saying here is, the door
8 is open. If there's public parking available and
9 it's adequate for your business, then great, we'll
10 let you use it.

11 If it's not available, you're at some remote
12 spot, then you're responsible to make sure
13 adequate parking's available. And we're not going
14 to tell you today it's two spots or eight spots.

15 If it's a new facility, the County is going to
16 tell you what the minimum level is, because
17 they're going to plug it into their -- regardless
18 of what I tell you, you're going to have to do at
19 least what the code says. That kind of answers

20 it.

21 MR. GORMAN: The point being do not specify

22 redundancy.

23 MR. WUELLNER: Exactly. You know, if it --

24 if it can be accommodated in public parking, I'm

25 fine with it.

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1 Some of these things are actually loosened up
2 from -- from the way it was previously done. Some
3 are new requirements. And we also get rid of
4 some, so it's -- so it's a very --

5 CHAIRMAN COX: I need to make a point. We've
6 got 30 minutes before people are going to start
7 piling in here to get through the rest of these
8 ten pages of stuff, so we're going to have to
9 really compress this.

10 MR. WUELLNER: All right. I'm not going to
11 go -- let me walk through the rest, but you're
12 going to find that aircraft engine, power plant,
13 or engine maintenance and accessory maintenance
14 and repair, same basic requirement, 3,000 square
15 feet, parking, insurance, establish business hours
16 as a part of their lease agreement. No major
17 change.

18 CHAIRMAN COX: Go ahead, Mike.

19 MR. SLINGLUFF: Is there any provision for

20 any other revenue stream from the aircraft sales,
21 aircraft maintenance, or any of these other
22 systems?

23 An FBO is paying the rent, but then also as
24 they -- as their business grows, they're paying
25 flow fees. You know, it's an escalating system.

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1 I mean, I'm just wondering if there's a scale for
2 either, you know, a percentage of gross receipts
3 or something like that, so as that business grows,
4 that the revenues to the airport grow.

5 MR. WUELLNER: It -- there's -- it's not an
6 appropriate part of the minimum commercial
7 operating standards, but there is an ability to do
8 that within the context of your lease policy.

9 CHAIRMAN COX: Okay.

10 MR. WUELLNER: You have privilege fees and --
11 and all the other kinds of things. There's a
12 provision in there to do it. They just simply
13 need to be attached to the lease at the time it's
14 negotiated. It's --

15 MR. SLINGLUFF: Should it be referenced in
16 this area?

17 MR. WUELLNER: I don't know. This avoids the
18 context of rental in -- in the sense of
19 establishing a value. All it's doing is setting

20 right now the standards. And then when you move
21 into the lease policy of actually what's required
22 in the lease, that's in there.

23 MR. SLINGLUFF: Okay.

24 MR. WUELLNER: So, what I'm trying to do is
25 avoid redundancies that create issues where one

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1 doesn't agree with the other at some point in
2 time, because, you know, one's been modified, the
3 other comes back and says, all right, well, it was
4 this, but now you've got two different numbers
5 involved or two different standards.

6 MR. SLINGLUFF: I'm just looking at the 3,000
7 square feet going, okay, well, somebody's going to
8 pay \$24,000 and do \$10 million worth of business,
9 that's a little unfair.

10 MR. WUELLNER: Absolutely.

11 MR. SLINGLUFF: Okay.

12 MR. COOPER: Ed, the -- one thing you might
13 want to point out that is a major difference in
14 this -- this section is in d., you do require an
15 A&P mechanic or someone with training.

16 MR. WUELLNER: Versus --

17 MR. COOPER: Well, in the other ones, it was
18 just facilities that we were talking about. Here,
19 you're talking about a certified person --

20 MR. WUELLNER: Yeah. We're --

21 MR. COOPER: -- an FAA certification.

22 MR. WUELLNER: That's a good point. We're --

23 we're -- we're in a sense increasing the standard

24 here. You've got to be legitimately able to work

25 on aircraft in order to be in the aircraft

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1 business. And that would be a part of qualifying
2 someone into a lease.

3 Without getting -- I think it might be
4 helpful; let me -- I'll talk to the sheet you're
5 looking at, but I'm going to put up the -- the
6 spreadsheet that kind of summarizes the difference
7 in leasehold sizes, and it deals with a couple of
8 extraneous issues here, too.

9 But your -- your aircraft leasing, for
10 instance, the old policy required 850 square foot.
11 Under the current, that minimum size is 3,000,
12 again, a 50 x 60 hangar. Equivalent size. Not
13 all that big.

14 Flight instruction, 850 square foot is what
15 your old minimum standards -- you -- you really
16 couldn't do anything at 850 square foot except a
17 couple of restrooms and a -- and a lobby.

18 Now, you know, you're going to have to, under
19 aircraft instruction, provide some classroom

20 and -- and whether you work on your own airplane

21 or don't.

22 Aircraft charter. Okay. Aircraft charter --

23 oh, thank you. Aircraft charter is a thousand

24 square foot under today's; 3,000 feet under the

25 other. Again, providing lobby, restrooms, things

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1 like that, and a place to put the airplane, you're
2 already at 3,000 square foot. We didn't figure it
3 excessive.

4 Aircraft storage, there's no provisions
5 within your current minimum standards to deal with
6 aircraft storage. And under the -- the new
7 section, that's a misprint over here, it's
8 actually 15,000 square feet. It shouldn't -- it
9 shouldn't be 3,000 as it's shown here. It should
10 be 15- .

11 (Whereupon, Mr. Brunson leaves the room.)

12 CHAIRMAN COX: It's 15- in our sheet.

13 MR. WUELLNER: I think somewhere, I managed
14 to move it out of the way here. All right.

15 So anyway, 15,000 square foot. And the
16 reason here is your -- your lease policy
17 discourages, and in fact, it prohibits the
18 development using Airport Authority assets of
19 storage facilities for someone to lease from you

20 and turn around and do an entirely sublease

21 arrangement. So, it's kind of a discouraged

22 activity that we're trying to do.

23 So, we're saying, look, you've not only got

24 to come in here -- you're only leasing property

25 from us, that's it. You're going to build your

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1 own building. It's going to be at least big
2 enough to house a minimum number of aircraft, and
3 you're on your own. We're not going to
4 participate that.

5 It's also the only one that doesn't allow,
6 for Mr. Gorman's edification, shared parking. If
7 they want to come in here and -- and cut into the
8 airport's bread and butter, by golly, they're
9 going to provide every facility necessary.

10 Multiple commercial or specialized commercial
11 operations are things like a guy -- find some of
12 them here. A guy doing just avionics or just
13 propeller work or sales of maintenance equipment
14 or something related to airplanes, they're not
15 full-blown maintenance facility, as envisioned
16 earlier. It's something smaller in scope.

17 Again, previously you had a thousand -- you
18 had no provision -- I'm trying to read it here.
19 Specialized, you had no provisions for it, that's

20 correct. And now it's again a 50 x 60 kind of

21 facility, 3,000 square foot.

22 We get to multiple commercial services.

23 Right now, your policy requires, if you want to

24 do, for instance, aircraft storage and aircraft --

25 well, I'll pick two that are plausible. Flight

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1 instruction and aircraft charter. Currently, and
2 in the future, you literally add those two
3 together, the requirements, and that becomes the
4 minimum requirement to do it. So, we -- we spell
5 that out.

6 But keep in mind, there are times when
7 that -- that line may not make sense, and that's
8 when we come in with the variance process and go,
9 all right, you know, it's the same airplanes; why
10 are we requiring twice as much ramp? Maybe --
11 maybe it's a case where a grant and a variance for
12 any particular pair makes some sense.

13 Independent operators. This is where the --
14 the meat, if you will, or the blood and guts of
15 dealing with the smaller operator on the airport
16 comes in. And literally, this covers all the --
17 the kind of wild stuff out there. A guy coming in
18 wanting to do a week's worth of ag. spraying in
19 support of the mosquito district, or the guy wants

20 to pull banners in and out of the airport.

21 They're legitimate commercial operations, but

22 they're not necessarily the scope that you would

23 require them to become a tenant on the airport.

24 So, if -- we literally made the distinction.

25 If it's an individual trying to do that for a very

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1 short period of time or a limited period of time,
2 then they simply execute an operating agreement,
3 pay the fee associated with it, and life goes on.
4 We don't require them to get into a lease
5 arrangement or a long-term arrangement for
6 facilities.

7 But if you're going to be here all the
8 time -- the distinction here might be the guy
9 pulling banners here is here a half a dozen days a
10 year -- and I'm making numbers up a little bit.

11 But he's here half a dozen days of the year, but
12 scattered throughout the year he has an operating
13 agreement that only allows one guy in here to pull
14 banners at a time with him.

15 (Whereupon, Mr. Brunson enters the room.)

16 MR. WUELLNER: And it's a -- kind of a
17 limited commercial impact on the airport. Versus
18 the gentleman we've been talking to about starting
19 up the maintenance facility and getting that

20 legitimized.

21 Now, here's a guy that wants to be here every
22 day of the week every year. And we have a
23 provision in here to allow that kind of activity
24 to happen, but you're going to be limited in the
25 scope of what you can do on the airport, and that

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1 being limited to one employee. You can't have,
2 you know, three guys in vans working on three
3 airplanes on the airport. That's a full-blown
4 business, and you need to legitimize it within the
5 context here.

6 In most cases, you can't do subleases -- or
7 flying clubs, I think I already mentioned that.

8 Subleasing assignments, there's -- it's
9 really silent in your old policy. And same way
10 with environmental; it's not really dealt with in
11 your old policy. Subleases and assignments within
12 the context we normally do in our commercial
13 leases, you may be able to sublease a part of your
14 leasehold. You may not, depending on the
15 particular negotiated agreement. Same way with
16 assignments of the lease itself.

17 The environmental, it's -- we now have a
18 requirement in the -- in that, that we're telling
19 them right up front, you're going to comply with

20 every local, state, and federal requirement
21 related to protection of the environment and --
22 and the people -- and people. And as such, you're
23 also going to comply with the SWPP plan,
24 stormwater pollution prevention plan, and the
25 spill prevention and control and containment plan

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1 for the airport.

2 So, if you're going to be here, you're going
3 to -- you're going to be under a pretty intense
4 microscope as to what you're doing and how
5 you're -- how you're dealing with the environment.

6 The old lease required insurance, but it was
7 vague about -- it didn't have any kind of limits
8 attached to it. And our new one will have
9 insurance requirements, and we'll -- we'll detail
10 those requirements probably in the next phase.

11 The old one has no right to appeal any
12 decisions made under the policy. So, if the
13 square peg doesn't fit the round hole, you either
14 make it round or you move along. It's pretty
15 inflexible under the '95. The proposed one, with
16 that variance ability, allows us to be a lot more
17 responsive to the individual needs under
18 commercial operating.

19 Don't know if you want to --

20 CHAIRMAN COX: Oh, I'm sorry. I didn't see

21 you, Vic. Go ahead.

22 MR. MARTINELLI: Quick question. A shop like

23 Aircraft Engine Works up by Craig or Showalter's

24 Pilot Shop, where would that fit in this?

25 MR. WUELLNER: If it's a stand-alone entity,

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1 it'd come under independent operators, probably.

2 MR. MARTINELLI: Okay. So, there's not --
3 there's no square footage requirement then.

4 MR. WUELLNER: Right. And some things, we've
5 got to be -- be careful, and they're not
6 necessarily technically commercial aviation. It's
7 just a retail business, as an example, in which
8 case doesn't plug in here; you'd just deal with
9 them as you would. For instance, pilot supplies,
10 it's not really a commercial aviation venture in
11 the sense that it's --

12 MR. MARTINELLI: He also handles some parts,
13 too.

14 MR. WUELLNER: That would -- that would --
15 that would trigger the other -- that would bring
16 it into this.

17 MR. MARTINELLI: Yeah.

18 MR. WUELLNER: Yeah. But it's one of those
19 things; you've just kind of got to evaluate what

20 someone wants to do --

21 MR. MARTINELLI: Okay.

22 MR. WUELLNER: -- and find out where it plugs

23 in.

24 MR. MARTINELLI: I was just concerned with

25 the 3,000 square feet, because you wouldn't need

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1 that kind of a square footage for that kind of a
2 store, I don't think.

3 MR. WUELLNER: Correct.

4 MR. COOPER: He would come under that
5 requirement, but that's where the variance comes
6 in. He comes in and says, look, I don't need
7 3,000 square feet; what I'm requesting to use is
8 just 500 square feet. And the board decides, is
9 that true or not.

10 MR. MARTINELLI: Okay.

11 MR. WUELLNER: You're kind of doing that
12 already in spots. We're just doing it informally,
13 and we need to make it consistent so that we apply
14 it to everybody that comes in the same way.

15 MR. GORMAN: Just a quick question as to this
16 variance concept. This variance comes from the
17 director or the board? Is there an appeal right?

18 MS. GREEN: There's an appeal process.

19 MR. GORMAN: Yeah, I haven't read that. I'm

20 sorry I was late.

21 MR. WUELLNER: It's a little different.

22 MR. GORMAN: Just to clarify.

23 MR. WUELLNER: Yeah. This is a preleasing

24 kind of appeal process. So, if the standard

25 doesn't fit with what somebody wants to do, they

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1 can come to this board and ask to -- to change a
2 requirement or modify it in a logical sense, and
3 you decide whether that happens.

4 CHAIRMAN COX: At the variance.

5 MR. WUELLNER: After the lease, it's under
6 the other type of appeal where three out of five
7 of you need to agree to hear, you know, some
8 administrative kind of problem. And we're
9 trying -- we're working on the words to get that
10 better. It's not quite that way yet.

11 MR. GEORGE: Which one of these categories
12 covers restaurants?

13 MR. WUELLNER: Restaurant's a nonaviation
14 use.

15 MR. GEORGE: Commercial?

16 MR. WUELLNER: So, it would be a standard
17 commercial. It'd be a standard commercial
18 approach. It would be outside of this. You're
19 only required, in fairness --

20 MR. GEORGE: It says commercial, not aviation

21 commercial.

22 MR. WUELLNER: It -- it should say -- all

23 right. We'll get the word "aviation," because it

24 is supposed to be -- it is limited in scope to

25 aviation things.

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1 MR. GEORGE: Okay.

2 MR. WUELLNER: And it comes out of the
3 federal requirement to keep the playing field even
4 for commercial aviation operations. You have no
5 requirement to keep the playing field even for
6 restaurants --

7 MR. GEORGE: Okay.

8 MR. WUELLNER: -- or rental car companies.
9 You can --

10 MR. GEORGE: Or clubs.

11 MR. WUELLNER: -- say how you want to do it.

12 MR. GEORGE: Or clubs.

13 MR. WUELLNER: Clubs, yeah.

14 CHAIRMAN COX: Mr. Slingluff?

15 MR. SLINGLUFF: If we can do a sort of a
16 "what if" scenario -- you could either do it about
17 the FBO, but let's use Kramer's avionics shop,
18 which is part of his maintenance operation. And
19 we give somebody a company in Jacksonville that

20 says, you know, I think I'm -- I want to open up a
21 GPS store at the St. Augustine Airport. How --
22 and he wants a variance, because he certainly
23 doesn't need 3,000 square feet. But he now wants
24 to have some space to compete with somebody who
25 has 8,000 square feet. How -- how does that work

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1 and how would the board deal with that type of
2 scenario?

3 MR. WUELLNER: Well, first and foremost, I'm
4 not -- based on what you just described, I'm not
5 entirely convinced at this moment it would be a
6 commercial aviation operation, just selling GPSs.
7 If the scope were limited to aviation GPS, and I'm
8 going to, you know --

9 MR. SLINGLUFF: Aviation GPS.

10 MR. WUELLNER: -- assume that's what you're
11 doing here.

12 MR. SLINGLUFF: Yeah.

13 MR. WUELLNER: And, again, that they're
14 outside of a sublease arrangement with the FBO --

15 MR. SLINGLUFF: Right.

16 MR. WUELLNER: -- then I think you've got to
17 consider that when you get to the appeals process.

18 You go, look, you've -- if that's all that guy's
19 doing, that he's competing with, an 8,000 square

20 foot is selling aviation GPSs, and this guy's
21 coming in to compete fairly, then he needs to meet
22 at least the minimum requirements of 3,000 square
23 foot in this case.

24 You wouldn't necessarily force him to do 8-,
25 but he certainly needs an entry level commitment

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1 to -- to the lease.

2 CHAIRMAN COX: To meet the minimum.

3 MR. GEORGE: You have to take a look at the
4 services provided by the company that's got 8-
5 versus the services here.

6 MR. WUELLNER: I mean, if he's competing, as
7 an example -- just to further your example, if
8 he's competing with Kramer, who also sells GPSs,
9 well, obviously Kramer's got a higher square
10 footage requirement because that's just a piece of
11 the business.

12 MR. SLINGLUFF: Yeah.

13 MR. WUELLNER: And we've been very careful,
14 also -- just so you know, we continue the -- the
15 previous policy decisions that only full FBO
16 operations are eventually going to be authorized
17 to do retail fuel sales.

18 So, we still create no method for somebody to
19 come in and just decide they're in the fuel

20 business and that's all they're going to do.
21 Because that -- that becomes an unfair situation
22 with your existing FBO and FBOs in the future.
23 You can't just pull the bread and butter out
24 of a business and say that's it. Well, you can,
25 but you're -- you're going to have problems with

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1 it.

2 CHAIRMAN COX: Are we down to interpretation
3 and severance?

4 MR. WUELLNER: Yeah. I think I -- I think I
5 already kind of overviewed those.

6 CHAIRMAN COX: Okay.

7 MR. WUELLNER: If you've got specific
8 questions, I can certainly try to -- try to deal
9 with them there. Among --

10 CHAIRMAN COX: The first one is left up to
11 you, and that's it.

12 MR. WUELLNER: Page 26, I guess?

13 CHAIRMAN COX: Right.

14 MR. WUELLNER: Again, today's not a --

15 CHAIRMAN COX: Right.

16 MR. WUELLNER: -- decision day or anything
17 else. My -- my suggestion is --

18 MR. GEORGE: Why can't it be a decision day?

19 MR. WUELLNER: Because it's a workshop, first

20 of all.

21 CHAIRMAN COX: Workshop. So, take -- take

22 these home and look at them and make

23 suggestions --

24 MR. WUELLNER: What -- what I'd like to do

25 is, at your pleasure, either the -- the September

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1 meeting, if you want to do it that early, or the
2 October meeting, that we invite your commercial
3 tenants to that meeting so that they're available
4 to have input in it, in a little larger -- or a
5 little more effective notice to them of what the
6 discussion is, provide them a copy of this.

7 CHAIRMAN COX: Well, provide --

8 MR. WUELLNER: If you want to make changes,
9 we can certainly get that -- you can do that
10 today, unless you tell me you want to do something
11 different.

12 CHAIRMAN COX: Make the changes that we've
13 suggested here and send this out to the tenants
14 now so that they can overview -- you know, have an
15 overview of it, and then come to the September
16 meeting and --

17 MR. GEORGE: Good idea.

18 MR. WUELLNER: We'll make it a regular agenda
19 item at the next meeting. And if there's no

20 input, there's no input; you can adopt, you can do
21 what you want at that point, like you would a
22 normal agenda item. Is that -- everybody wants to
23 do that?

24 CHAIRMAN COX: Works for me.

25 MS. GREEN: I think the September meeting is

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1 great.

2 CHAIRMAN COX: Okay. Yeah.

3 MR. WUELLNER: The sooner the better, from
4 our perspective.

5 CHAIRMAN COX: Yeah. Well, I totally agree.

6 MR. WUELLNER: Okay. That's all I've got for
7 you on this. And we'll also get you a copy
8 between now and then of the -- of the kind of
9 changes to the actual text in the lease policy
10 where all of the scrivener's errors and that kind
11 of stuff are -- are corrected.

12 It will also make reference that once this is
13 adopted, it becomes a replacement appendix for the
14 minimum operating standards that are in the
15 appendix of the lease policy.

16 So, we'll -- we'll get you all of that stuff.
17 You can look it over. I don't think you're going
18 to find most of the lease policy issues are, you
19 know, particularly significant. I don't think

20 you're going to have any issues with that.

21 Bu we'll have it there and you can consider

22 it from an adoption standpoint in September.

23 CHAIRMAN COX: Any other comments?

24 MR. BURNETT: One -- one very briefly. And I

25 don't want to belabor that point. But one thing,

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1 you know, you hear about variances going on all
2 the time related to land development issues over
3 at the County. And one thing that happens is
4 neighboring property owners get notified. And I
5 think if you, here in this setting, when someone
6 comes in and asks for a variance, the person with
7 the Kramer-type situation, Kramer would get
8 notified, I would think, and have the opportunity
9 to come in and explain why it was unfair and offer
10 suggestions.

11 CHAIRMAN COX: Absolutely.

12 MR. BURNETT: Same thing with Galaxy, would
13 have the opportunity, so I think that would be --

14 CHAIRMAN COX: Or any commercial tenant on
15 the field felt that they were being --

16 MR. BURNETT: Yeah, I think that would be an
17 integral part of your evaluating variances, is
18 who -- who does this impact and what do they have
19 to say about it?

20 CHAIRMAN COX: Right. I would agree with
21 that. If There's no further comments, the minimum
22 commercial aviation operating standards workshop
23 is adjourned.
24 (Whereupon, the meeting adjourned at 3:33 p.m.)
25

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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

7 that I was authorized to and did stenographically

8 report the foregoing proceedings and that the

9 transcript is a true record of my stenographic

10 notes.

11

12 Dated this 28th day of August, 2006.

13

14

JANET M. BEASON, RPR-CP, RMR, CRR
Notary Public - State of Florida
My Commission No.: DD531390
Expires: April 30, 2010

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