

1 ST. AUGUSTINE - ST. JOHNS COUNTY AIRPORT AUTHORITY

2 Regular Meeting

3 held at 4796 U.S. 1 North

4 St. Augustine, Florida

5 on Monday, December 13, 2010

6 from 4:00 p.m. to 5:46 p.m.

7 * * * * *

BOARD MEMBERS PRESENT:

8

JOHN "JACK" GORMAN

9 KELLY BARRERA, Chairman

JAMES WERTER, Secretary-Treasurer

10

BOARD MEMBERS ABSENT:

11

WAYNE GEORGE

12 CARL YOUMAN

13 BOARD MEMBERS ELECT:

14 ROBERT COX

JOSEPH CIRIELLO

15 * * * * *

ALSO PRESENT:

16

DOUGLAS N. BURNETT, Esquire, St. Johns Law Group, 509

17 Anastasia Boulevard, St. Augustine, FL, 32080, Attorney

for Airport Authority.

18

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

19

BRYAN COOPER, Assistant Airport Director.

20 * * * * *

21

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

22 St. Augustine Court Reporters

1510 N. Ponce de Leon Boulevard

23 St. Augustine, FL 32084

(904) 825-0570

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1 PROCEEDINGS

2 CHAIRMAN BARRERA: We'd like to go ahead and
3 call the meeting of the St. Augustine-St. Johns
4 County Airport Authority into session. If we could
5 all stand for the Pledge of Allegiance.

6 (Pledge of Allegiance.)

7 APPROVAL OF MINUTES

8 CHAIRMAN BARRERA: The minutes of the last two
9 meetings were distributed. Do we have any
10 additions, deletions, or changes to the minutes?

11 (None.)

12 CHAIRMAN BARRERA: Hearing none, the minutes
13 stand as approved. The -- a financial report.
14 Jim?

15 FINANCIAL REPORT

16 MR. WERTER: Yes. I looked at it. Was it --
17 I guess it was last week. Looked at it last week
18 and found no abnormalities. And -- are you copying
19 me there?

20 MS. HOLLINGSWORTH: No, I'm not.

21 MR. WERTER: I'm not?

22 MR. WUELLNER: That's okay.

23 MR. WERTER: Okay. And found no deviations.
24 Everything was normal. Signed off on it.

25 CHAIRMAN BARRERA: Hearing no additions or

4

1 deletions to the financial minutes, then they'll

2 stand as approved.

3 AGENDA APPROVAL

4 CHAIRMAN BARRERA: On to agenda approval. Do

5 we have any additions or changes to the agenda?

6 (None.)

7 CHAIRMAN BARRERA: Hearing none, they'll stand

8 as approved.

9 MEMBER COMMITTEE REPORTS

10 CHAIRMAN BARRERA: Member committee reports.

11 TPO. Move on to EDC.

12 MR. WERTER: No meeting this month.

13 CHAIRMAN BARRERA: And the Aerospace? Ed and

14 I both attended the Aerospace Academy meeting last

15 week and went over some of the coursework for the

16 students and some of the opportunities for them to

17 be involved here at the airport.

18 They are looking to fill several interns,

19 including they have about 12 seniors who are all

20 extraordinary that are interested in any type of

21 engineering internships. So they are very

22 interested in matching those interns up with some

23 engineering opportunities. And the other 12 would

24 like to work out here at the airport. So we're

25 hoping to help them be able to fill those spots.

5

1 There is a recruitment session that's going to
2 be coming up in January on the 27th at the high
3 school showcase. I would encourage everybody to be
4 able to attend to speak on the airport's behalf on
5 that. That'll be the opportunity for the Aerospace
6 Academy and the other career academies to showcase
7 their programs.

8 MR. WERTER: When is that?

9 CHAIRMAN BARRERA: It's on the 27th. And it's
10 usually -- of January from 5:00 to 8:00. Doesn't
11 sound like it's --

12 MR. WERTER: International -- World Golf
13 Village?

14 CHAIRMAN BARRERA: At the World Golf Village,
15 correct.

16 MR. WUELLNER: Those -- those should start
17 showing up on your calendar, the one Cindy mails
18 out.

19 CHAIRMAN BARRERA: On the upcoming meeting
20 dates?

21 MR. WUELLNER: We got them to her the other
22 day. So I don't know that she's had a chance to
23 send an update out yet with those on it.

24 CHAIRMAN BARRERA: Okay. TPO, do we -- did we

25 get any feedback from the TPO? Then we'll move

6

1 that back to the -- onto the next meeting.

2 MR. WUELLNER: That would have been last week,

3 but I don't -- I was --

4 CHAIRMAN BARRERA: Right. It was last

5 Thursday on the 9th.

6 REPORTS

7 CHAIRMAN BARRERA: We'll move on to reports.

8 Ron Sanchez?

9 COMMISSIONER SANCHEZ: I don't really have

10 anything unless anyone's got any questions.

11 (No questions.)

12 COMMISSIONER SANCHEZ: Thank you.

13 CHAIRMAN BARRERA: Okay. Harry from SAAPA?

14 MR. RUHSAM: The St. Augustine Pilots

15 Association had their annual Christmas party on

16 December 3rd -- is this on? Can you hear me now?

17 Okay. SAAPA had their annual Christmas party

18 December 3rd. That was -- we had a record turnout.

19 168 people I think was the total count, and Santa

20 Claus was there. And on top of that, we collected

21 toys for Sertoma and that was a real good turnout.

22 And then we held our annual elections last

23 Saturday and new members elected. And our new

24 president, Craig Fordem, is here today and I'd like

25 to introduce him and let him speak briefly about

7

1 the air show that I mentioned last month that's
2 coming up Memorial weekend. So that's all I have
3 for my report. If I can just turn this over very
4 briefly to Craig.

5 CHAIRMAN BARRERA: Craig, would you come up
6 and speak to that? And also to let you know that
7 the kids from the Aerospace Academy are looking
8 forward to helping out in whatever way they can for
9 that.

10 MR. FORDEM: Very good. This is for a tall
11 person.

12 My name's Craig Fordem. I'm the event
13 director and coordinator for the St. Augustine Air
14 Show. We put this event together really by
15 request. A lot of people came to us and requested
16 that we get back in the air show business. And I
17 was very happy.

18 I just came back from the International
19 Council of Air Shows convention in Las Vegas, and
20 when people saw my badge from St. Augustine, they
21 were tickled that St. Augustine is back in the air
22 show business. So, not only are we excited, but
23 other people in the industry are also.

24 Our event is a nonprofit event. Our

25 beneficiaries are going to be the United Way of

8

1 North -- of St. Johns County, the Wounded Warrior
2 Project, the Special Operations Warrior Foundation,
3 and the Naval Special Warrior Foundation. So we
4 have some very good charities to raise money for.

5 We have a full slate of people booked at this
6 air show already and under contract. And while I
7 was at the International Council of Air Shows
8 convention, I took the liberty of actually going
9 ahead and booking about 90 percent of our show for
10 2012, so that we could stay a year out -- stay way
11 ahead of this.

12 We have the full blessing and cooperation of
13 the Airport Authority. They've offered to do quite
14 a bit for us, which we are tickled about. We have
15 the cooperation and blessing of Galaxy Aviation and
16 all of the other businesses on the airport. I
17 won't go through each of the acts that we've
18 booked, but I'm pretty sure we're going to have an
19 F-16 tac demo and an F-18 tactical demo along with
20 the other professionals. I'll leave this sheet
21 with you.

22 Also, Snort is going to be involved with the
23 Team MS760 jets. We're also going to have, I don't
24 know if many of you are familiar, but Robosaurus.

25 But we have that act under contract, and it's

9

1 awesome. And we have shock -- shockwave jet
2 trucks. Those two acts alone are going to draw a
3 huge amount of people here from probably four or
4 five different counties.

5 We have a good event scheduled. Anyone that
6 would like to volunteer, just let us know. Most of
7 the people know how to get ahold of me here. We're
8 going to need a lot of help from a lot of people.
9 So if you want to get involved, let me know. Any
10 questions?

11 (None.)

12 MR. FORDEM: All right.

13 CHAIRMAN BARRERA: Thank you, Craig. We're
14 looking forward to it. Mr. Burnett?

15 MR. BURNETT: I have nothing to report. We're
16 still working through the Hangar 8, 9, and 10
17 issue. Got some new information in fact over this
18 past week related to it.

19 We're -- if you wonder where the difficulty
20 is, without saying that -- if you want to know
21 where the difficulty is without saying it's not
22 anywhere -- it -- out of the three parties we're
23 dealing with, it looks like HydroSwing might be the
24 one that's giving us the most difficulty. So,

25 anyways, I think we will be sending a new letter

10

1 out this week.

2 I just got further information from Bilco
3 today, which I'm not sure how to say other than it
4 wasn't exactly what I would have hoped for. I
5 think we'll be able to get HydroSwing's attention
6 and hopefully have something positive to report to
7 you in January. But as it is right now, it --
8 there's nothing positive to report.

9 In fact, one thing we got at one point in time
10 was that it was not a HydroSwing door. We know how
11 now it was a HydroSwing door. So anyways, that's
12 where the latest is. Apparently there was some
13 merger between two companies at one point in time
14 and the representation was made that it wasn't a
15 HydroSwing door. We have now confirmed it is a
16 HydroSwing door. So we're putting that back to
17 them in writing and that's where we're at at the
18 current moment. More information to follow. I
19 think that that is going to change their opinion or
20 their stance to some degree.

21 CHAIRMAN BARRERA: Okay.

22 MR. GORMAN: Question.

23 CHAIRMAN BARRERA: Jack?

24 MR. GORMAN: What's the possibility, in

25 reality, of -- of recouping some of the lost

11

1 revenue from this situation now?

2 In other words, finger pointing -- we have a
3 finger-pointing contest now and then we -- we have
4 a tremendous amount of lost revenue. And what in
5 reality do you think is going to happen with that?

6 Otherwise, I mean, I'd just throw a jet in there
7 and tell HydroSwing, "Gee, I hope the door doesn't
8 fall on the Lear jet." It might be --

9 MR. BURNETT: Knowing -- knowing you as well
10 as I know you, I know you're joking when you say
11 that to some degree.

12 MR. GORMAN: Half joking.

13 MR. BURNETT: Yes, sir. I think the focus
14 right now is to get the main issue revolved, which
15 is the door fixed. Or, if it's -- if it's
16 appropriate the way it is, getting someone to sign
17 off and certify that it's fine the way it is. But
18 that's -- that's been the -- the primary focus.

19 We've got the other issues, not that they're
20 not as important in -- not that they're not
21 important as well, but that being the primary
22 issue, is to get the hangar to where we know it can
23 be occupied and used.

24 So -- but let's see what this next letter I'm

25 going to send off does in reaction and we'll go

12

1 from there and give you a -- I think I'll have
2 something better to report to you in January. At
3 least more detailed.

4 MR. GORMAN: All right. Thank you.

5 MR. WERTER: Doug? Understanding speculative
6 damages, maybe after we get the door fixed, even
7 though we really can't sue on speculative damages,
8 maybe a demand letter for some sort of compensation
9 for lost income might ring a bell, even though I
10 think it would be pretty weak -- you know, it would
11 be weak in court to demand the monthly rent that
12 was due, if you didn't have someone under contract
13 in -- going in there and we lost the contract
14 because of that.

15 If we had a -- if we had a tenant for that
16 hangar and the hangar became inop, then we have a
17 claim. If we had no tenant for it, I don't think
18 we would. But still if we send a demand letter
19 after it's repaired, maybe we can get some
20 compensation.

21 MR. BURNETT: Yes. And we're dealing with
22 three parties, so it makes it, you know, more --
23 more potential for settling.

24 CHAIRMAN BARRERA: Thank you, Doug. Ed,

25 moving on to the ATC report.

13

1 MR. WUELLNER: Okay. Your numbers are up
2 about 1,580 ops for the month, this -- for November
3 over the last year's November, which equates to
4 about 20 percent.

5 We are shaping up at this point. We have
6 exceeded last year's total operations, the year
7 before's total operations. And at this point, it
8 looks like we will go through and have the highest
9 number of operations we've had in the last four
10 years, which will -- looks at this point if all
11 goes well, we'll come through a hundred thousand
12 takeoffs and landings again this year. So we
13 should come through to about -- round numbers,
14 guessing about 103,000 is probably a pretty good
15 guess right now.

16 We were down as low as 92- at one point. And
17 last year was at 93- or 95-, I forget. We were --
18 but anyway, it was trending downward for the last
19 three years. So the addition of additional flight
20 school capacity and the like has really -- really
21 paying dividend so to speak in the total operations
22 numbers.

23 Now that doesn't necessarily translate to
24 additional revenues, per se, although I -- I would

25 say that there's some degree of revenue increase

14

1 that comes with an increase like this. But it --

2 it's harder to track.

3 I wish this was a higher percentage of
4 jet-related kind of traffic, because that certainly
5 translates to more -- more dollars than light
6 piston. But all in good time, hopefully here.

7 CHAIRMAN BARRERA: Jim?

8 MR. WERTER: But qualifying, let's say we're
9 going after some additional aid or whatever, the
10 numbers look better to whatever government agency
11 is providing us aid, doesn't it?

12 MR. WUELLNER: Well, once you exceed 50,000
13 takeoffs and landings, the classification is the
14 same from that point on. So, you know, the only
15 real danger from a funding matrix is when you drop
16 below 50,000. We're nowhere near that kind of
17 number.

18 MR. WERTER: Okay.

19 MR. WUELLNER: And hopefully never will be.

20 CHAIRMAN BARRERA: Ed, what was our highest in
21 years in general -- generally?

22 MR. WUELLNER: I -- I want to say the first
23 year of tower opening, which was '04, I believe, we
24 were at 118-.

25 CHAIRMAN BARRERA: Okay.

15

1 MR. WUELLNER: Now, keep in mind the ops
2 numbers that we're using and have been using are
3 only applicable to the time when the tower is open.
4 That means the operational hours of the tower,
5 that's the only time we have actual data.
6 Depending on who you talk to, it could be as much
7 as 10 to 15 percent higher when you factor the
8 hours that no one's counting. So between 9 p.m.
9 and 7 a.m., you could possibly pick up 10 to 15
10 percent more total ops.

11 We can't really -- you know, without having
12 someone here to count them, can't really get our
13 arms around what the actual number is beyond that.
14 So suffice it to say that between 7 a.m. and 9
15 p.m., that the numbers you see each month are an
16 accurate representation of total takeoffs and
17 landings during that time of day every day of the
18 year.

19 CHAIRMAN BARRERA: Okay. Moving on to our
20 updates, Ed.

21 PROJECT UPDATES

22 MR. WUELLNER: Sure. First and -- and most
23 important around here is Runway 13/31, that
24 rehabilitation project. The -- at this point, edge

25 lighting's up and operational or functional at this

16

1 point. Centerline lighting, all of the underground
2 work is complete.

3 You're probably aware that all the paving is
4 complete at this point. They are working their way
5 north on the runway grooving requirement.

6 They're -- as I understood it last night,
7 they're -- had moved from south to north, and as of
8 last night are at approximately -- are at the
9 intersection of Bravo 2 and Runway 13/31. So
10 there's approximately 3,000 linear feet left to do
11 runway grooving on moving north. That puts
12 completion Wednesday. When they complete work on
13 Wednesday, it should -- should cover -- you should
14 have the grooving complete.

15 If we can get the -- they've done the layout
16 for all of the pavement markings. It's unfortunate
17 last several days into early last week -- they want
18 to do that right after the grooving's done, within
19 a couple of days after. Unfortunately, the wind
20 has been up such that they have been unable to
21 effectively get pavement markings down. It's
22 forecast to begin laying down tomorrow evening.

23 Hopefully they'll -- it's only about two days'
24 worth of pavement markings once they get going on

25 it. So assuming the wind does lay down next --

17

1 tomorrow, starting tomorrow evening, we should be
2 able to -- they should be able to get most of the
3 markings done that quickly.

4 After Wednesday, regardless, we are
5 instructing the contractor that they will have a
6 decreased hours of availability should the current
7 construction time line extend beyond Thur --
8 Wednesday. So we will ratchet that back. It will
9 not have as much time every night available to
10 them, assuming they need another day or so to
11 finish.

12 That will complete activity until January.
13 And again we'll use a restricted time, but they
14 will come back and they have the centerline
15 lighting installation, the physical placement of
16 the light fixture and -- and of course pulling the
17 wire in the particular -- between the light
18 fixtures. That's -- I'm told is less than a
19 five-day effort at this point. Five-day meaning
20 overnight. So by the time their contract expires
21 or is done by mid-January, the project will be
22 complete and should be up and operational.

23 The lighting is delayed only because of the --
24 some sort of an extension that's placed to bring

25 the light fixture to the pavement elevation from

18

1 the can that's been installed under the pavement.

2 And those have to be ordered. And they're due to

3 arrive here at the end of the month. So as soon as

4 they're in place, the schedule will -- we'll be

5 able to publish the schedule as to when they're

6 actually installing the lights.

7 Again, we ask pilots, please check NOTAMs and

8 the like. We have on a few isolated cases been

9 able to accommodate some -- some after-closure kind

10 of operations and will continue to do that over the

11 next couple of days should they occur. But by and

12 large, we're trying to give them as much time as

13 possible to get them out of here. At this point,

14 we're -- everybody's had enough of them. We just

15 want the job done and get out of here. It's

16 becoming operationally difficult as we get close to

17 Christmastime in particular.

18 ARFF facility's due to begin right after the

19 first of the year. That's current time line on

20 that. Don't expect any issues. That's a six-month

21 contract time. So, in June, that facility should

22 be complete at this point. You -- I think we've

23 informed you in the past grants are executed, all

24 that kind of stuff, so it should go off without a

1 At this point, safety area project's due to
2 start shortly after the first of the year also. We
3 are waiting on one document at this point, a
4 variance document that every -- all other permits
5 are in place at this point and in our hands. So
6 that's due any time.

7 It was a technicality in that that couldn't be
8 issued until after the Corps of Engineers' permit
9 was executed, which was about ten days ago. So it
10 should show up almost any time. There weren't that
11 we're aware of any issues related to it, but it was
12 just going to take it -- this process, and at --
13 the Corps of Engineers permit had to be in place
14 before it could be issued. Contracts awarded as
15 you -- and as I said we'll start construction in
16 January.

17 Next project, sustainability, I happened to
18 notice Mariben was here, but suffice it to say
19 they're going to put a -- they'll be doing a
20 workshop on that matter in January, I think's the
21 time. I suspect we'll try to schedule that ahead
22 of your 24th meeting. And we'll get a time and all
23 that set with you guys.

24 MS. ANDERSEN: February.

25 MR. WUELLNER: I'm sorry?

20

1 MS. ANDERSEN: February.

2 MR. WUELLNER: It's going to be February. All
3 right. But that will go over basically the balance
4 of the project at that point. I think we're on
5 schedule to wrap this up in March per their
6 schedule and get it submitted to FAA. So that
7 should complete the sustainability or -- early into
8 spring this year. Anything -- any questions of
9 that, Mariben's here. Feel free to grab her and --
10 and get your questions answered should you have any
11 at this point.

12 Issues reporting. We had one noise-related
13 complaint, unidentifiable relative to an airplane,
14 but it was a low-flying airplane kind of call
15 during the daytime. Does not appear to be airport
16 in origin, despite where it's geographically
17 located. No one's been able to figure out what it
18 was. So at this point, we've closed the matter.

19 Public park development. Bryan's got a short
20 presentation in response -- I mean, it's just a
21 couple of minutes long, in response to last month's
22 request that we come back on our plan of attack
23 through April of this year. So I'll invite Bryan
24 to come up and we'll get that accomplished.

25 MR. COOPER: You said a short presentation?

21

1 MR. WUELLNER: Very short. Very short.

2 MS. ANDERSEN: He said two minutes.

3 MR. COOPER: We were able to get it down to 30
4 minutes.

5 MR. WUELLNER: Well --

6 MR. COOPER: At the November meeting, staff
7 was asked to provide an estimate, I want to read
8 this to make sure I get this right, of the costs
9 for the minimum required to prepare the most
10 primitive path to the observation area for use by
11 April of this coming year. In this report, I'm
12 also going to provide a little bit of additional
13 information that's relevant to accomplishing this
14 as safely allowing the public to get there.

15 This, again, shows the design that was
16 accepted many years ago by the board with the
17 minimum path shown in red. The observation area is
18 up to the upper right-hand side where they'll be
19 viewing the runway, which is also shown on the far
20 right of the picture. So that's the main area that
21 we're going to be talking about.

22 The current status of the -- of the park
23 project is about 10 percent of the project is -- as
24 designed is completed. The portion that's

25 completed is down on the bottom left-hand corner

22

1 with a little bit of trail to the east of that into
2 the heavily wooded area. That -- click that,
3 Cindy. That's completed. That's what we've got,
4 but that part on the -- on the -- that second part
5 there that's completed, even though the trails are
6 in, it's not the way we want to get it completed
7 before we start having the public use it.

8 Now, I want to go ahead and talk just a second
9 about the purpose and use of the park. When we
10 first conceived this, the area was chosen to be
11 developed as a limited public use area. But we
12 recognized the need to buffer the airport expansion
13 from the neighborhood to the south.

14 In the planning phase of that, we also
15 realized that we could accomplish some new ideas as
16 well as some goals. One of the ideas, such as a
17 wellness trail and such as an environmental
18 education function and then accomplish the -- the
19 stated goal that we had of an airfield observation
20 deck or observation area. This presentation is
21 just basically going to talk about that.

22 Now, you asked about the cost. I want to get
23 to -- and what it would take to get there by April.

24 There are five cost areas which include some small

25 trail improvements, basically two or three areas to

23

1 keep the public out of the couple of swales and
2 ditches, some temporary signage at the observation
3 area itself, and then marking to show the people
4 how to get there.

5 A large portion of that section of the trail
6 is just an open field where you would come in on
7 one area, and instead of putting a finished trail
8 in, we'll just put some markers up showing where to
9 exit that trail on the other end.

10 The next slide I want to show you will
11 indicate some tree and brush clearing that's going
12 to have to be done to make this usable. There's no
13 labor -- I mean, no parts involved in that, but
14 just some labor. And then due to some security and
15 safety requirements, this area is right next to the
16 salt marsh which is adjacent to the runway. So
17 we're going to have to put some fencing up there.
18 That total price for all of this is going to be
19 well under \$4,000, but I used a conservative
20 number.

21 That area that we're talking about, this is
22 the observation area, the temporary one that would
23 be looking northward Runway 6 and 13. You can see
24 that -- or Runway 31. You can see that that area

25 needs to be cleared out, some of those trees. But

24

1 they're going to have to be cleared anyway for the
2 eventual Taxiway Bravo extension.

3 This is looking southeast from that area
4 toward the approach end of 31. Underbrushing there
5 will be cleared out. And this is looking from that
6 area straight across toward the VOR and toward the
7 runway. We'll clear it on either side of that.

8 This doesn't involve material cost, but just
9 in-house staff working on that.

10 Now, of course the -- the ultimate goal is to
11 end up with a future observation deck that's part
12 of the original design. This would be adjacent to
13 that same area we're talking about. This would be
14 a deck, fencing, more extensive signage, some
15 seating. Could accommodate 25 or 35 people at a
16 time. And hopefully we'll be able to put some kind
17 of audio device in there that would give you the
18 communication between the tower and the aircraft
19 approaching.

20 Also under development that needs to be in
21 place or will be in place prior to the April
22 opening of this other is a park policy to include
23 among other items rules and regulations addressing
24 such things as fires, alcohol, firearms, littering,

25 things that we need to put in place before we have

25

1 people coming in and saying, "Well, you didn't tell
2 me I couldn't do that."

3 The hours that the park would be available, we
4 have choices. Dusk to dawn, airport hours, tower
5 hours, daily -- daylight hours. We know we don't
6 want them in there at 2 o'clock in the morning. So
7 we'll address this before that.

8 And the use of the park. We -- we anticipate
9 special groups or special uses -- requests by
10 groups might be a wedding reception or a wedding or
11 a group -- company picnic or a family picnic or
12 something like that. We'll go ahead and set that
13 policy. And of course we'll put a directional
14 informational sign as to how to get yourself
15 through there. It's about 25 acres, so you could
16 get lost in there.

17 And finally on the ongoing planning and
18 development that will be subject to future reports,
19 includes updated cost estimates for other phases
20 such as the dock, the kayak launch, boardwalk,
21 wellness trail, environmental education function.

22 Those are things we'll try and pull those numbers
23 out for those individual items.

24 And then we'll prepare or establish a content

25 of signage for special use, like the wellness trail

26

1 and environmental education. That's getting a
2 little more complicated than I thought it was going
3 to be.

4 And we'll take an another look at other
5 sources of funding. Nonaviation-type grants, a
6 park group or a special group with a fundraising
7 function such as we discussed at last month's
8 meeting and take a second look at that. And of
9 course we'll probably go ahead and look at
10 accepting large donations from board members. And
11 finally, we'll continue the trail development to
12 using volunteers and airport staff. Do you have
13 any questions about that?

14 CHAIRMAN BARRERA: Bryan, I do, and then I
15 know Jack does. What provisions are being made for
16 people who might be special needs to get to the
17 observation deck? People who might be in a
18 wheelchair. People who might need to use a cane.
19 Someone who might need -- who might not be able to
20 easily maneuver those trails.

21 MR. COOPER: On the -- years ago, that was
22 discussed at length, and the decision was made not
23 to build the park with ADA compliance in mind. We
24 said it was going to be a primitive development.

25 However, it's come up two or three times since

27

1 the -- the observation deck might be a little
2 different.

3 Now, we've got two or three ways that we're
4 discussing approaching that. For the construction
5 of the ARFF facility, we're putting in a small
6 roadway or ability to get some vehicular traffic
7 back almost to that observation area. That's one
8 method we're looking at.

9 Another method might be something crossing
10 Foxtrot, walking across that with parking like over
11 near the tower. There's two or three ways that
12 we're look -- looking at that. We haven't come to
13 any conclusions yet. But the original instruction
14 given us or the direction was not to worry about
15 ADA compliance due to the prim -- primitive park
16 status.

17 CHAIRMAN BARRERA: It's good to hear that
18 there's a road you could almost take there, but
19 Doug, what would our -- what is our legal
20 responsibilities as far as that concern with ADA
21 compliance as a public facility? That's something
22 if you could research and let us know if we have
23 any responsibilities in that regard.

24 MR. BURNETT: Because of the nature of it

25 being a park, I want to say that I'm comfortable

28

1 with the ADA issues from a standpoint of the trail
2 is not going to be a problem. Clearly we'll have a
3 parking lot where it -- the parking lot has
4 handicap parking places.

5 Unloading from there and traversing through
6 the trail, it's not something that has to be paved.
7 We have parks throughout our nation. Obviously we
8 don't have pavement on our beaches, for example.
9 There are wheelchairs that are capable of
10 traversing flattened trails.

11 And so, the reasonable accommodation, it may
12 be that we need to have some sort of reasonable
13 accommodation ramp going onto the ultimate platform
14 or observation -- the observation platform that's
15 at the end. But as far as the trail out to the
16 platform, it -- you know, a -- a -- a surface of
17 some kind that's wide enough to traverse is all
18 that's required.

19 CHAIRMAN BARRERA: If you could just
20 double-check that, because I know that in my
21 discussions with other people at other airports,
22 that's a hot topic.

23 MR. BURNETT: Okay.

24 CHAIRMAN BARRERA: That would be great.

25 MR. BURNETT: Will do.

29

1 CHAIRMAN BARRERA: Jack?

2 MR. GORMAN: A picture's worth a thousand
3 words. I would encourage the board members just to
4 walk it.

5 I did an extensive walk with Bryan and it's a
6 lot simpler than it -- it's a lot simpler to look
7 at than it is to talk through. It's actually just
8 an open field. It's quite flat, the area that is
9 open. And I would agree with Doug that it's really
10 not an issue to get through as far as ADA
11 compliance. You can -- it's easily gotten to.

12 As far as right now to open it by April, it
13 just looks like a little bit of signage so you can
14 see where to -- which direction to go. And with a
15 slight bit of brush cutting -- and of course being
16 a tree hugger, I'd keep a couple of the little
17 bitty trees but -- and a little bit of brush
18 cutting and signage, you're already.

19 I mean, you can walk right out there now. And
20 the only thing that you are stopped by this -- this
21 giant, it's a built overbuilt, this swale of
22 cement. But that doesn't inhibit you from looking
23 at the airplanes. And so it's a good observation
24 area now with a little bit of brush cutting.

25 That's it. Simple. You should go on out and take

30

1 a look.

2 CHAIRMAN BARRERA: Thank you, Jack. Do we
3 have any other board comment?

4 (None.)

5 CHAIRMAN BARRERA: Thank you, Bryan.

6 MR. COOPER: Uh-huh.

7 MR. WUELLNER: Okay. Moving on, benchmarking.

8 MR. COOPER: Did you want me to run through
9 that again, Cindy?

10 MS. HOLLINGSWORTH: No.

11 MR. RUHSAM: It's so pretty.

12 MR. BURNETT: While -- while we're doing that,
13 Madam Chair, if I might provide an update to the
14 Authority about one other item.

15 CHAIRMAN BARRERA: Certainly.

16 MR. BURNETT: That is you'll recall your
17 special meeting that you had last month regarding
18 the purchase of the commerce center park. That did
19 close on Friday. The airport now owns that
20 property. It went smoothly without anything
21 abnormal.

22 We were able to get some documents that the
23 bank or perhaps the prior developer had supplied to
24 the bank, which were just helpful to know about the

25 history of the property in general. So, it -- it

31

1 went well. And nothing to report other than you've
2 got a -- about a seven and a half acre parcel of
3 property now that's right adjacent to the airport.

4 CHAIRMAN BARRERA: Great. Thank you.

5 MR. FORDEM: Can I make one more comment at
6 the end?

7 CHAIRMAN BARRERA: Well, since we have a
8 technical difficulty, this would probably be the
9 best time. Since we haven't gone onto our agenda
10 item. We'll recall up Craig Fordem to speak about
11 the air show.

12 MR. FORDEM: I just wanted to make a point of
13 letting everyone know our -- one of our primary
14 purposes for holding our event is to showcase the
15 airport to the community and to get the community
16 to come out here and be involved.

17 We've coupled this event up with Memorial Day
18 weekend. There's absolutely nothing going on North
19 Florida for that weekend, so we have nothing to
20 conflict with our event. And we've also involved
21 the local schools' and colleges' art departments to
22 help us design a commemorative poster. So we're
23 trying to get as many people in the community
24 involved as we can. Thank you.

1 benchmarking, Ed.

2 MR. WUELLNER: Okay. I think we've popped the
3 slide up now.

4 Benchmarking. T-hangars, occupancy's at a
5 hundred percent. Corporate small, 75. We still
6 have a waiting list, however no takers on that
7 small size corporate. The 90 percent level on
8 standard corporate hangars reflects the single
9 hangar, that Hangar 10 that is out of service
10 currently. That's why the number's not at a
11 hundred.

12 We don't have the 2010 jet fuel numbers for
13 November yet. We should have them any day, but
14 they're not -- they weren't available as of today.
15 You can see the jump in self-fuel avgas from last
16 year to this year is up about a smidge over 5,000
17 gallons this year. So it's, you know, almost --
18 almost a third increase. So it's good news and
19 reflective of flight school activity in particular
20 at this time of year. We'll see how that balance
21 of the month holds out, but it looks pretty good so
22 far.

23 CHAIRMAN BARRERA: Last month, how far down
24 was our jet fuel in gallons? Was it 30,000 gallons

25 down?

33

1 MR. WUELLNER: What little memory cells I

2 have --

3 CHAIRMAN BARRERA: Michael, do you remember?

4 MR. SLINGLUFF: Last month? Yeah, it was down

5 about 30,000. The runway closes are impacting our

6 ability tremendously.

7 CHAIRMAN BARRERA: So probably that much.

8 MR. SLINGLUFF: Yeah.

9 MR. WUELLNER: That segment of -- of flying

10 has not recovered as quickly as -- in terms of

11 generating revenue at this point. And -- and the

12 runway closure is certainly not helping, either.

13 CHAIRMAN BARRERA: Thank you.

14 MR. WUELLNER: Which brings your first agenda

15 item.

16 ANNUAL AUDIT PRESENTATION

17 CHAIRMAN BARRERA: Okay. We'd like to invite

18 Carl, Riggs & Ingram up. Mr. Monk and --

19 MR. WUELLNER: Clayton.

20 CHAIRMAN BARRERA: -- Clayton.

21 MR. MONK: Thank you, very much. My name is

22 Harold Monk and I'm a partner with Carr, Riggs &

23 Ingram here in St. Augustine. And it's a pleasure

24 to be with you again and to be able to present the

25 results of the audit for the year ended September

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1 30th of 2010. And introduce Clayton Meng.

2 Clayton is the senior supervisor on the job
3 and was on-site through the work and completed most
4 of the work. So, Clayton, why don't you step up
5 and go through the audit.

6 MR. MENG: All right. As Harold said, my name
7 is Clayton Meng and I'm the audit senior in charge
8 of the fieldwork here at the -- at the airport and
9 have been for several years now.

10 And before I get started, I'd just like to
11 thank all of the airport staff, particularly Ed,
12 Donna and Cindy and the rest of your staff. We
13 acknowledge and understand that the audit process
14 is not necessarily the easiest thing to go through.
15 And your staff does a great job every year of
16 giving us exactly what we need to get the job done,
17 so we're very appreciative of that.

18 What I'm going to do quickly is I'm going to
19 go through the results of the audit and -- because
20 I'm sure that's what you're interested -- most
21 interested in, and then I'm going to go through
22 some highlights of the financial statements that I
23 think would be of particular interest to you. And
24 then of course we'll entertain any questions that

25 you might have.

35

1 So if you'll turn with me in your -- in your
2 bound copy of the financial statements to Page 22,
3 the Schedule of Findings and Questioned Costs,
4 we'll go through some of those highlights. All
5 right.

6 Now, if you'll notice, I'm sure as you're
7 aware, as your financial statement auditors, we're
8 engaged to express an opinion about whether your
9 financial statements are fairly presented in
10 accordance with generally accepted accounting
11 principles.

12 And you'll note under item 1, under the
13 Summary Of Auditors' Results, "The independent
14 auditors' report on the financial statements
15 expressed an unqualified opinion." And that
16 doesn't sound too special, but in auditor speak,
17 that's the opinion you're going for. That's the
18 highest level of assurance that a CPA can provide.
19 And in layman's terms, that's -- that's what it's
20 all about.

21 You'll also notice under item number 2, "The
22 audit disclosed no significant deficiencies in
23 internal control over financial reporting." And
24 while we are not engaged to express an opinion

25 about internal control, we are required to obtain

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1 an understanding of your internal controls and if
2 anything comes to our attention during the audit
3 that we deem to be a significant deficiency in
4 terms of internal control, we would be obligated to
5 that to you. And as you can see, we have nothing
6 to report. So again that's good news from your
7 perspective.

8 You'll also notice under item 3, "The audit
9 did not disclose any noncompliance," this would
10 material to the financial statements. Again, we're
11 not auditing for compliance, but we would be
12 obligated to bring anything to your attention, and
13 in that regard we have nothing to report.

14 Items 4 and 5 -- actually 4, 5, and 6 deal
15 with your single audit. That's -- since the
16 Airport Authority expended \$400- to \$500,000 of
17 federal and state grant expenditures, they were
18 subject to federal and state single audit. And
19 you'll notice that under items 4, 5, and 6, we had
20 nothing to report regarding internal control over
21 compliance in regards to your major federal or
22 state project or program. So again, that's good
23 news from your perspective. No news is good news.

24 So since we're done with that, if you would

25 turn to Page 6, we'll hit some of the highlights of

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1 the financial statements that you might be
2 interested in. And then we'll take any questions
3 that you might have.

4 Okay. The first number you're probably going
5 to key in on on Page 6 is the increase in total
6 assets. Obviously this year was a busy year as far
7 as capital construction goes, and you can see a
8 little over \$7 million increase in total assets and
9 that you can -- you can see that's almost primarily
10 all capital asset related.

11 And the next item you're probably going to
12 want to key in on is the corresponding increase in
13 total net assets. It's about a \$7 million increase
14 there as well. And you'll also notice that most of
15 that's taken up by invested in capital assets, net
16 of related debt. And then you'll see a decline in
17 unrestricted net assets. That's the net assets you
18 have available to spend.

19 If you would turn to me -- with me to Page 7,
20 we'll go to your Statements of Revenue, Expenses
21 and Changes in Net Assets or your governmental
22 income statement. And you'll see that total
23 operating revenue is up slightly from last year,
24 from 2009.

25 And you're probably going to key on real quick

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1 that operating income before depreciation -- you
2 can see that's down a little more than \$200,000
3 from last year. And you can see that the --
4 there's a -- an increase in your total operating
5 loss for the year. And of course that deficit,
6 operating loss is made up via property taxes and
7 capital grants.

8 And you can see that we have an ending change
9 in net assets a little over \$7 million, which is a
10 significant increase from the prior year of
11 \$4,900,000. So that gives you your ending net
12 assets of about \$78 million, again of which keying
13 in, if you interested, on Page 6, \$2.5 million of
14 that is unrestricted. And those are the things
15 that would interest me if I were you in your
16 position. But I'm certainly open to take any
17 questions you might have.

18 CHAIRMAN BARRERA: Do we have any board
19 questions? I know that we've had this for a couple
20 of days to mull over.

21 (None.)

22 CHAIRMAN BARRERA: Okay. We'll open it up for
23 public questions. Mr. Campbell?

24 MR. CAMPBELL: Oh, that one. This is --

25 that's not in relation to this.

39

1 CHAIRMAN BARRERA: Okay. This is just on the
2 audit presentation.

3 MR. CAMPBELL: Oh, yeah.

4 CHAIRMAN BARRERA: I didn't have a mark.
5 Which one did you want to speak on, so I don't call
6 you each time?

7 MR. CAMPBELL: Oh, actually, I just had a -- I
8 guess a question more than anything else.

9 CHAIRMAN BARRERA: Okay. We'll put you at the
10 public comment towards the end.

11 MR. CAMPBELL: Okay.

12 CHAIRMAN BARRERA: Right now, we're just doing
13 the audit.

14 MR. CAMPBELL: Okay.

15 CHAIRMAN BARRERA: So we'll get back to you --

16 MR. CAMPBELL: That's fine.

17 CHAIRMAN BARRERA: -- when it comes to up your
18 part. Vic?

19 MR. MARTINELLI: Yeah. I think that you will
20 all recall during the days when Mr. Manual was
21 looking for ownership of this airport by the
22 county, one of the issues that we brought up and
23 it's a very strong point is the market value of the
24 assets on this airport, which technically I guess

25 the county owns. So, since we are a St. Johns

40

1 County airport, do we have a figure on today's
2 market value of the assets?

3 MR. MENG: The financial statements are not --
4 fixed assets are not -- in accordance with
5 generally accounting principles are not based on --

6 MR. MARTINELLI: No, I understand that. I was
7 just wondering if there was some way that we could
8 get that number. Because I think it's very
9 significant. Because that really is what the
10 shareholders own in this airport. And it's a
11 significant figure. It's --

12 MR. MONK: That number would be very
13 significant. But that work would have to be done
14 outside of the audit process, as that's a totally
15 different type of engagement, primarily using
16 appraisers to -- since most of your assets are real
17 estate and related buildings and hangars and such,
18 it would require a significant amount of work on
19 the part of an appraiser.

20 MR. MARTINELLI: Do we have the net value of
21 those assets?

22 MR. MONK: We have the net book value.

23 MR. MARTINELLI: Right. What is the net book
24 value total?

25 MR. MENG: Well, if you look under total

41

1 amount of current assets, that would be 76.172
2 million dollars.

3 MR. MARTINELLI: Okay. So we were thinking in
4 terms of about 80 million very very conservatively
5 a year ago. And so I think it's probably a pretty
6 good figure. And I -- I would suggest you-all keep
7 that in mind, because that's a very very important
8 figure to the owners of the airport.

9 CHAIRMAN BARRERA: And to the St. Johns County
10 taxpayers.

11 MR. MARTINELLI: Correct.

12 CHAIRMAN BARRERA: Reba?

13 MS. LUDLOW: No comment. He covered it.

14 CHAIRMAN BARRERA: Okay. Moving it back to
15 board. Discussion?

16 MR. WERTER: No comment.

17 CHAIRMAN BARRERA: Jack? Anybody? Well, then
18 do we have a motion to adopt the results of the
19 audit?

20 MR. WERTER: I move that we adopt the results
21 of the audit report dated September 30th, 2010,
22 2009 as a -- as delivered and that's it.

23 CHAIRMAN BARRERA: Okay. Do we have a second?

24 MR. GORMAN: Can we actually adopt it? Do we

25 have a quorum?

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1 CHAIRMAN BARRERA: We do have a quorum.

2 There's the three of us.

3 MR. GORMAN: Just the three of us? Okay.

4 That's fine. I'll second it.

5 CHAIRMAN BARRERA: Okay. All in favor -- is

6 there any more discussion?

7 (None.)

8 CHAIRMAN BARRERA: All in favor, aye?

9 MR. GORMAN: Aye.

10 MR. WERTER: Aye.

11 CHAIRMAN BARRERA: Aye. None opposed. The

12 most passes. Thank you both very much. We

13 appreciate your hard work and we appreciate the

14 staff's hard work. This is truly a reflection of

15 the management and the staff that we have to --

16 MR. MONK: Thank you.

17 CHAIRMAN BARRERA: -- have these strong

18 audits.

19 MR. MONK: Yes. They do a very good job and

20 it's always a pleasure to work with them.

21 MR. MENG: Thank you, very much.

22 CHAIRMAN BARRERA: Thank you.

23 INTERMODAL CENTER DEVELOPMENT DISCUSSION

24 MR. WUELLNER: Okay. Next item we have is the

25 intermodal center development discussion. And I

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1 just -- you-all received a -- a memo a few weeks
2 back related to this, and I promised within that
3 memo to kind of get a discussion started.

4 It will probably go across several meetings,
5 but what we want to do is make sure that we
6 collectively development a strategy for -- or
7 related to intermodal. I think some of the core
8 issues have not really been vetted entirely by this
9 board.

10 My -- my goal is that we're all on the same
11 page by the end of that process, all talking about
12 an identical project and all aware eventually of
13 the process that will -- that we'll eventually go
14 through to make that project a reality should --
15 you know, however it ends up being defined.

16 To that extent, we wanted to provide some
17 relevant background information that I covered in
18 the memo. But it basically talks about how we --
19 you know, what's -- what's involved in moving that
20 project forward.

21 And some of the key items is where this plugs
22 into funding long term has more to do -- this
23 particular kind of project is going to need to go
24 through the normal TPO kind of funding process for

25 the lion's share of the money involved in this.

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1 It's not an aviation project in it -- in its
2 entirety. There may be components that we can plug
3 into the aviation program at the state and federal
4 level. But there are also components of this
5 project that would have to be pursued in a more
6 conventional kind of funding mechanism in terms of
7 transportation funding.

8 And by that, one of the steps that gets in
9 this is we'd end up getting it included in the
10 transportation work program that the county
11 ultimately adopts and then ultimately forwards that
12 to the TPO process. And then those projects get
13 identified, funded -- or prioritized, funded, and
14 the like through DOT, Florida DOT that is, and then
15 of course identified federal funds that can be
16 participate -- or provided into the project.

17 But not getting the cart before the horse, one
18 of the first things we probably need to start --
19 start working through is, what is that facility?
20 What are we talking about in the context of
21 project? What is that -- what exactly is the --
22 the intermodal center?

23 You know, some of that -- some of the things
24 you need to be aware of is our bigger picture

25 projects that involve the -- the long-term status

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1 of tenants on the airport, the availability of
2 property on the airport, how that plays into its
3 relationship with other modes of transportation
4 such as water access, such as rail access,
5 automobile truck kind of access, as well as
6 aviation access items.

7 And I think it's pretty obvious that the --
8 that some of these modes of transportation need to
9 have some interconnectivity while others can simply
10 be hosted on airport property but aren't
11 necessarily going to need interconnectivity on the
12 property. And we want to -- we want to work
13 through those items and make sure we're all talking
14 about the thing.

15 We aren't going to do that today. But that's
16 going to be one of the first steps, is kind of
17 defining what that -- what do we see as a vision
18 collectively so that we're all sharing that same
19 direction.

20 One of the updates, if you missed this over
21 the last, just the last week, and it's been in the
22 newspaper and we get a release from the Federal
23 Rail Administration, but effectively a couple of
24 states had funding pulled out of the high speed

25 rail effort. Ohio and Wisconsin, if my memory's

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1 correct.

2 That money was reappropriated to states who
3 had ongoing high speed rail projects in the queue,
4 may have received funding in the past or had
5 received funding already. And it was a way of
6 augmenting some projects. Florida was a pretty
7 good recipient of that money. I think to the tune
8 of 300 million additional dollars. By my math
9 calculation, that pretty well funds the federal
10 obligation to the high speed rail corridor that was
11 brought forward by the state between Tampa and
12 Orlando.

13 Now, that -- that being said, I'm not going to
14 talk about that particular project per se, but
15 suffice it to say that now federal funding as it
16 will be -- continue to be pursued by the state can
17 include other rail projects that may meet the
18 definition of high speed rail. That includes the
19 Florida East Coast rail corridor may very well now
20 because of the priority project with the state,
21 appears to be funded. They may be able to move
22 down to the next project and begin pursuing federal
23 participation in it.

24 No guarantees on the time line. You've got a

25 lot of things in play at the federal level,

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1 including are they going to have money for this,
2 are they going to appropriate money for this, those
3 kinds of things. There may or may not be that
4 program in the future. There's a lot, you know, on
5 the table. But suffice it to say, the project may
6 be in a better position to be funded within the
7 next couple of years. Not -- I'm not talking
8 intermodal. What I am talking about is the
9 reestablishment of rail.

10 So we want to be in poss -- in the best
11 possible position to make sure our community's
12 ready for that and that we are -- you know, have
13 the most information on the table related to that
14 to have and form discussions on a county-wide
15 level.

16 To do that, our recommendation is that we --
17 that one of the first things we talk about in
18 January is perhaps pursuing the funding to do an
19 update of that feasibility study that was done
20 about ten years ago. And -- and I think that's the
21 place where we probably want to start this, because
22 we need to take a fresh look at the data that was
23 used in '02 or '03 related to that.

24 It was a jointly funded project with Florida

25 DOT. I see no reason that they wouldn't

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1 participate in that again. We update the numbers.
2 We take a fresh look at the facility. We get new
3 construction-related dollars in place. We look at
4 the feasibility and -- and viability and the
5 sustainability, all of those "ability" kind of
6 words, and to make sure that that's -- it's still a
7 good project in St. Johns County.

8 With that completed or at least pretty far
9 along, we'll -- project -- specific project
10 components will be in a position to compete and get
11 in the queue through the TPO process for funding.
12 And then hopefully ultimately one day that will
13 result in realizing the entirety of an intermodal
14 solution in St. Johns County. But that's -- you
15 know, we're getting the cart -- cart before the
16 horse in many respects.

17 It's a multiyear effort. We always envisioned
18 this thing, I know the previous authorities did
19 too, as a phased kind of approach. It was not
20 something that someone was going to go scare up,
21 you know, all of the money at one time and build it
22 all at once and everything would happen. But as
23 modes of transportation become available or become
24 viable in St. Johns County, we need to consider

25 them for inclusion in that intermodal mentality.

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1 So -- so, with that, I guess there's not a
2 whole lot to really have detailed conversation, but
3 if you have input on what the process might look
4 like, how our discussions might go forward, my goal
5 is -- just over a couple of months, is to kind of
6 work through these as part of an agenda item.
7 We'll kind of have those discussions. See if we
8 can't get all on the same page. Get your input,
9 public input that attends the Authority meetings,
10 anybody that wants to kind of get in there and talk
11 about the process as we move forward.

12 And then later on as the money becomes
13 available or matching money becomes available to do
14 this -- the detailed study, there'll be other
15 public input points at that as well as the
16 Authority's involvement in getting something that
17 ultimately becomes, quote unquote, the plan. And
18 we'll -- you know, we'll just kind of work through
19 that over a couple of months.

20 I didn't want to really belabor it today. I
21 know -- you know, we're kind of in a transitional
22 state with the board. So, you know, the input of
23 one group may not be exactly the same as the next,
24 and we'll just work through that. But I think with

25 being able to start discussions fresh, everybody

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1 will have the same picture of where we're going.

2 And hopefully there will be general agreement in

3 it. Yes, sir?

4 CHAIRMAN BARRERA: Jack?

5 MR. GORMAN: Two interesting -- and this is a

6 bit out of the box, but two interesting

7 observations. And this isn't directly apropos, but

8 one is, right-of-way issues slow everything. The

9 reason that Tampa/Orlando has any money is because

10 they don't have the right-of-way issues that you do

11 along the east coast.

12 The other thing is, is that right-of-way

13 issues are dictated by the lack of out of the box

14 engineering ability of the FDOT and the DOT.

15 They -- they don't need right-of-way if they

16 adopted engineering that -- that actually used the

17 monorail or the -- or the high flying concept to

18 actually use, for instance, right down the middle

19 of 95. But they're in the box. They don't -- they

20 won't adopt that engineering. And because of that,

21 they have right-of-way issues using the track that

22 exists and having to expand the track for

23 right-of-way.

24 So until the existing government gets out of

25 the box as far as their acceptance of engineering,

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1 the east coast development of high speed rail is a
2 bit abridged. It has not a lot of ability to move
3 really quickly. For instance, like I said, between
4 Tampa and Orlando, there was no issues so they got
5 the money.

6 MR. WUELLNER: Right.

7 MR. GORMAN: Just -- just food for thought.

8 MR. WUELLNER: Well, you're correct. And I
9 think the long range thinking between Tampa and
10 Orlando always supported some sort of rail corridor
11 in -- in the I-4 right-of-way --

12 MR. GORMAN: Sure.

13 MR. WUELLNER: -- between the two. For
14 back -- going back when I worked in Tampa in the
15 early 80s, it was a -- they were already working
16 through the idea, not necessarily how to get there,
17 but they were preserving that right-of-way and
18 making sure there was enough space between the two
19 lanes of traffic to run a lot of it right down the
20 middle of the interstate. And you're -- you're
21 dead on it. That's new rail development. Hence
22 the price is so expensive. But the corridor was
23 there.

24 The east coast is kind of the opposite

25 problem. You've got rail there that's not likely

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1 to go away and you now are integrating an --
2 arguably an entirely different mode of
3 transportation with high speed rail. They can't
4 share common facilities and the like.

5 And probably even as important or more
6 important is the fact that the right-of-way is
7 actually owned in the private sector, not in the
8 public sector. So you've got that -- that issue of
9 ownership, liability, all of the things that go on
10 in the logical corridor.

11 Plus the fact a lot of the east coast service
12 actually runs through the downtown areas of many
13 older -- old cities, to be honest. And that high
14 speed rail does not lend itself to an urban --
15 downtown urban environment of the character that's
16 on the east coast of Florida, which then could
17 throw the project potentially in a high speed rail
18 out to the interstate. But, again, I don't think
19 accommodations are made there either.

20 MR. GORMAN: The only way the bullet train
21 would ever work is using the center of 95. And yet
22 the existing in-the-box like I said engineering
23 acceptance won't accept, for instance, some of the
24 European designs that could do that.

25 MR. WUELLNER: Yeah, you'll have to --

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1 MR. GORMAN: Just food for thought.

2 MR. WUELLNER: -- be able to get over or under
3 all of the crossings that exist on the corridor,
4 and that's expensive no matter how you go about it.

5 CHAIRMAN BARRERA: Joe?

6 MR. CIRIELLO: Yes. Back a number of years, I
7 think I was on the board when this idea first came
8 up. And concentrating all your transportation
9 modes in one specific area right off the top
10 sounded like a good idea.

11 Well, then the county commissioners and the
12 board, and I don't remember if St. Augustine Beach
13 people were in on the meeting, but sat there and
14 listened to what was being said. And it appeared
15 that everybody -- not the board members, but the
16 commissioners and everybody else was aiming at the
17 Authority to go and grab this thing by the tail and
18 do it all. And at that time, I think it was going
19 to be \$24 million, if I remember Red -- or Ed, to
20 build this thing.

21 Well, during the meeting, I asked one
22 question, and I think Mr. Jacalone answered it. I
23 said this multimodal unit, to my opinion, wasn't
24 just a big benefit for the airport. In fact, you

25 can't hardly convince me it's going to be much

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1 benefit at all except for the rents. It's not

2 going to enhance the aviation side.

3 I said, so why isn't everybody in the
4 community, the motels, the stores, the gas station
5 and everybody cooperating with this thing? Why do
6 you want us to push it? Do the financing, do the
7 building -- or the planning, and then manage it.

8 If I remember correctly, Jacalone's response was,
9 Well, we're county commissioners. We have so much
10 on our plate we don't have the time, and you guys
11 are just one little area. You can handle it better
12 than we can, so we want you to do it. Well, that
13 didn't set right with me. I didn't quite like
14 that.

15 And there were certain individuals going
16 around saying that it was going to be such a great
17 idea for the airport aviation-wise. It was going
18 to get an airline service here and everything. And
19 I got to thinking, well, nobody's going to get on
20 that train, get off at St. Augustine to get on an
21 airliner, or get off and go into the flight schools
22 and take flying lessons when they can get airliners
23 anywhere from down south where this thing was going
24 to end at Miami all the way up. So those ideas

25 didn't quite set well with me.

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1 Well, lately I've been thinking a lot about
2 this since I'm going to get involved again. I
3 don't recall -- now maybe because I haven't been
4 involved real strong through this thing. I would
5 like to see specifics.

6 Now, right now, all I'm hearing is an idea.
7 Multimodal, we're going to bring cars and this and
8 everything in. But no specifics, the number of
9 buildings, what buildings, who's going to occupy
10 them. And then along with that, a commitment,
11 financial commitment that somebody's going to come
12 in there and -- and, you know, rent all of this
13 stuff.

14 And then during the campaign, I heard how it
15 was going to cause employment. Well, if you get
16 the taxicab company to leave wherever their
17 headquarters is to come out here, unless you charge
18 less rent than they're paying now, they're not
19 going to come out. And if they do, all you're
20 doing is relocating from one location to another.
21 You're not causing more employment.

22 The car rentals. In the phone book out of
23 five car rentals, two of them are stationed here
24 right at the terminal, and one -- the third one

25 lists the airport as they serve the airport, too.

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1 So, the benefit you would get from the car rentals
2 is getting rid of the space that they're
3 maintaining in the terminal, and you could rerent
4 that out to somebody else.

5 Now, I don't remember if there was going to be
6 a restaurant in this thing. Is it going to compete
7 with flight, the -- our restaurant or is it just
8 going to relocate? And therefore, there won't be
9 any more new employment there.

10 So, I -- all you're doing is relocating jobs
11 from one area to the other with the car rentals,
12 the taxis. The bus company's moved a few times
13 since I've lived here from Malaga Street to 207,
14 and now I don't know where it's at. To tell you
15 the truth, I couldn't drive to the bus station
16 right now.

17 So I'm a little wishy-washy on this idea. And
18 right now, I have no -- no legitimate input until
19 January. But I would like to see specifics.
20 What's going to be built? Who's going to occupy
21 it? And then get some commitments financially that
22 they'll come. Now, probably somebody will use the
23 term, "If you build it, they'll come." Now, I want
24 to see commitments and specifics before I get on

1 CHAIRMAN BARRERA: One of the things, Joe, I
2 would ask you to think about is this airport is in
3 the transportation business. That's what we do.
4 We transport people. We do transportation. We do
5 transportation funding. Ed's background has -- has
6 a course in intermodal transportation. That's what
7 we do.

8 So joining all of those different modes of
9 transportation in one place makes sense because
10 that's already what we do. Whether or not people
11 interchange, they have the possibility to
12 interchange. And I think when we've been talking
13 about this intermodal center, we've been looking at
14 it as a phased-in project.

15 We have no intentions of building a big
16 monstrosity ever for people to come to, other than
17 in phases. So when we're looking at those
18 financial commitments, we're looking at one phase
19 at a time.

20 Furthermore, it also opens up our airport to
21 intermodal funding that's only available through
22 being able to provide more than one service of
23 transportation. And I'm not talking about
24 transportation from a carriage to a cab or a

25 carriage to a bus or a carriage or a bus to a

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1 train. I'm talking about true intermodal. And
2 that, we have the expertise and the ability to do.
3 And that's how we would benefit, because we already
4 do that. We already understand transportation
5 here.

6 So as you go through, I want you to keep those
7 things in mind as you're going forward. Jim?

8 MR. WERTER: Yes. At -- when was that meeting
9 we went to for AMTRAK at the city hall when
10 St. Augustine was campaigning for it?

11 AMTRAK's primary focus was -- as far as
12 business goes, besides the tourist business, was
13 servicing the school for the deaf and blind. And
14 what was the other faction there, too? There was
15 a -- oh, Flagler College. And -- so that would be
16 the traffic that they're focusing in. Plus the
17 on-ground, not necessarily air tourist people
18 coming here on train or on buses from the immediate
19 regional area. You know, when I say local area,
20 I'm talking Georgia, South Florida, whatever. They
21 go on vacations, come to see St. Augustine.

22 So that's the business that AMTRAK has
23 expressed to -- to us in general what they're
24 looking to focus in. Not necessarily a -- as a

25 Madam Chairperson put it, the transfers from

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1 airplanes to trains, you know.

2 With that, with the added tourist business
3 coming there, I see the car rental servicing
4 expanding. Not just, you know, relocating, but
5 expanding. Those offices, when I look over there,
6 they're small offices, and I -- Michael can confirm
7 that, there seems to be a want for those -- those
8 office spaces in the terminal as is. So, it's not
9 like they would remain vacant.

10 So I see an expansion in the car rental
11 business and what we get in collateral commerce
12 from these people coming through to go to
13 St. Augustine or the population leaving
14 St. Augustine on weekends, vacations, whatever.
15 And when I say the population, I mean Flagler and
16 the deaf and blind school, they did the studies and
17 those places vacate on weekends. They're ghost
18 towns.

19 So, that's some of the market that AMTRAK was
20 looking at. Okay. So the perception that oh,
21 we're looking to make a heavy tie-in -- which may
22 work in the immediate general area as far as I
23 don't want to park my car there; I'll just hop a
24 train to catch an overnight flying when we could

25 get the commercial traffic back here, you know, we

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1 may get some of that.

2 On a personal level, I've been dying to have
3 AMTRAK come through here because I have relatives
4 down south and I hate that four-hour drive. I'd
5 rather jump on AMTRAK and I'd rather park my car up
6 here than downtown. So those are some of the
7 things also you've got to keep that broad
8 perspective to look at. And what AMTRAK, not us
9 per se, but what AMTRAK has said they're looking
10 at, and they've done the marketing studies.

11 CHAIRMAN BARRERA: A couple of other things to
12 keep in mind, Joe, is that we had a Bahamian
13 delegation come in and tell us that they absolutely
14 would like to be able to clear Customs and hop on a
15 train here. So, that -- that potential from the
16 charter business now that we have Customs on the
17 field exists. And there are people who are
18 interested in it.

19 But we also have -- well, now with the TSA and
20 with the different security measures that are in
21 place, a lot of those things are going to be
22 rolling over into rail and that's been announced.
23 So those kind of things we already deal with.

24 MR. CIRIELLO: Well, I don't like it.

1 attributes that we bring to the table, and kind
2 of -- and as you go forward, just things to kind of
3 keep you updated on.

4 MR. CIRIELLO: I hear what you're saying, but
5 what's wrong with getting specifics and commitment
6 financially from somebody ahead of time? I
7 think -- that's what I'm saying that I'd like to
8 see.

9 MR. WERTER: Well, on -- if I may.

10 CHAIRMAN BARRERA: Go ahead.

11 MR. WERTER: On the marketing level, it's hard
12 to get commitments on something that right now is
13 undetermined whatever. When a structure is going
14 up, that's when you see people come over and say,
15 "Oh, the building's going up, I want space in that
16 building."

17 MR. WUELLNER: Well --

18 MR. WERTER: You know, that's basic when you
19 see it, isn't it?

20 MR. WUELLNER: May -- maybe you want to take a
21 step back here, because you're already beyond the
22 first level of discussion that we want to have in
23 January, which is to define what this is. And I --
24 you know, we're already -- you know, I hear what

25 you're saying and I think you're dead on. That's

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1 exactly a critical question that's got to get

2 fleshed out at some point here.

3 But until we know what we're trying to

4 accomplish, we can't go peddle that and get the --

5 you know, develop revenue streams and commitments

6 and the things that you're after. That's the next

7 logical step after that.

8 I think until you can explain the project

9 collectively and individually then, you know, we

10 can't really get to the detail you're looking for.

11 We will get there because we have to get there.

12 Those are -- they're fundamental questions that you

13 raise there, Joe.

14 MR. CIRIELLO: Well, in light of what

15 Mr. Werter said, I can remember way back when the

16 idea of this new terminal came up. Aero Sport at

17 the time had that little octagon-shaped building or

18 whatever it was for his headquarters.

19 And when this terminal was designed, it was

20 designed in the -- with that great big baggage door

21 and everything with the idea of enticing a

22 commuter. They weren't talking about major airline

23 service; they were hoping to get commuter service

24 in.

25 And they -- I can remember sitting at one of

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1 the meetings, and I don't remember if it was Jim or
2 somebody said, "If you build it, they'll come."
3 Well, that terminal's been there X number of years.
4 That baggage door has been there and you still
5 haven't got a commuter airline here to use it. So,
6 as Mr. Werter said, you start building it, people
7 are going to line up saying, "What are you
8 building? I want in on it." But you can't
9 convince me of that.

10 CHAIRMAN BARRERA: Bob?

11 MR. COX: Considering the dynamics of the
12 airport we have here, is there -- are you aware of
13 or can we find out how many Cat -- Cat IV, Cat III
14 airports that have developed intermodal
15 transportation systems throughout the U.S., and
16 then take that and let's see what their business
17 model became before and after -- and it's probably
18 in depth and maybe something -- but this is just an
19 idea for something to look at into the future that
20 may give us an idea or a baseline as to -- and I'm
21 almost positive to say, you know, that we're going
22 to find out that it was here one time and it was up
23 here, you know, after they came up with the
24 intermodal transportation.

25 How many -- and I don't know offhand, I used

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1 to -- how many Cat IV airports are in the country?

2 Do you know offhand?

3 MR. WUELLNER: Well, that classification
4 changed.

5 MR. COX: Rounded.

6 MR. WUELLNER: That whole thing changed.

7 MR. COX: Oh, did it?

8 MR. WUELLNER: Yeah. I don't know the number
9 of Cat X or whatever it is --

10 MR. COX: It's thousands.

11 MR. WUELLNER: Yeah.

12 MR. COX: Let's just say it's thousands. So
13 there ought to be a number of airports, even if
14 there's a half dozen, that we could say, here's a
15 baseline and this is, you know --

16 MR. WUELLNER: Absolutely.

17 MR. COX: Just as a percentage.

18 MR. WUELLNER: And there have been quite a few
19 in the -- in the news or, you know, or not the -- I
20 don't mean like national news, but a lot of these
21 intermodal projects have gotten up and running in
22 the last couple of years or are moving now in a lot
23 of communities across the country and they're
24 finding that that synergy between the modes of

25 transportation to be valuable in a lot of ways and

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1 also to cut the development costs associated with
2 each mode of transportation, because there's
3 commonality of facility in many cases.

4 MR. COX: The positives we have going here,
5 just in the dynamics of the area and the -- where
6 we're at and this airport is at with the deep water
7 port in Jacksonville, the probability of being able
8 to use -- you know, do barge cargo traffic here,
9 the railroad across the street, probability that
10 major airline traffic coming in here, I think we've
11 just got such -- such positive energy going forward
12 to -- to look forward on this that it's
13 unbelievable.

14 And I think it's good to talk about it and to
15 move out into the future and discuss these things
16 and let's see what we can come up.

17 MR. WUELLNER: Yeah. And one of the beautiful
18 things of this community right now is that you --
19 we haven't made yet the classic mistakes that many
20 communities have over the years. And I -- it's
21 normally attributable to older larger communities
22 where --

23 MR. COX: Right.

24 MR. WUELLNER: -- you know, rail developed

25 independently. Air came about, you know, tens of

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1 years after rail's peak and the facilities were
2 built at different locations. And then the -- the
3 bus segment, you know, went to where the major
4 arteries were within the community and there was a
5 total lack of integration of these facilities.

6 And now you're seeing in those cities and
7 urban environments where they're spending
8 incredible amounts of money to try and relink them
9 because it just makes sense to be together and they
10 need to have some connectivity. You have that
11 opportunity in this general area to do it right or
12 do it better than --

13 MR. COX: Agree with you there.

14 MR. WUELLNER: -- you know, the traditional or
15 old school model of this stuff.

16 MR. WERTER: One last?

17 CHAIRMAN BARRERA: Jim?

18 MR. WERTER: I'm sorry.

19 CHAIRMAN BARRERA: Into the mic.

20 MR. WERTER: Right here. One of the other
21 things that you have to look at today as opposed to
22 years past is -- and having been with Ed on one of
23 our solicitations for airliners and charters
24 services, is the changing demographics, how the --

25 over the past ten years, the shifting of

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1 demographics has focused to the south, which makes
2 the probability of success higher for the project
3 now.

4 MR. COX: Great point.

5 MR. WERTER: As long as the project -- and I
6 agree you just don't take one big structure and
7 slap it in there. It's a progressive development.
8 You know, you add on as you go along. So it's a
9 progressive development of this multimodal
10 situation, not let's plunk down a whole big chunk
11 of change and build everything all at once.

12 We had great success with Skybus, you know.
13 Unfortunately Skybus went broke, you know. We're
14 still waiting to hear on, you know, several
15 different major airlines, major players as well as
16 regional players. So, from the airline success --
17 the airline perspective of the terminal, it's
18 looking good.

19 The shifting demographics would help that.
20 You know, we've discussed that to death. But it
21 would also help the -- the -- you know, the rail
22 situation as well. So, it's something to keep in
23 mind, the -- because of the shifting demographics
24 makes it a more feasible venture.

25 CHAIRMAN BARRERA: Okay. We'll open this item

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1 up for a public comment. Reba?

2 MS. LUDLOW: I do. Thank you, I think that's
3 all very good discussion and comment and things
4 like this. I think -- I think we really should go
5 back to the initial comment that Ed made. We need
6 to develop a strategy, you know, and a process of
7 how to bring this in. And so all this conversation
8 is one thing, but we still need a step-by-step
9 strategy. And I think he was really on the right
10 track with that.

11 CHAIRMAN BARRERA: Thank you, Reba.
12 Mr. Campbell, is this what you wanted to speak on,
13 the intermodal?

14 MR. CAMPBELL: I don't know. Maybe.

15 CHAIRMAN BARRERA: Did it have anything to do
16 with intermodal?

17 MR. CAMPBELL: With anything what?

18 CHAIRMAN BARRERA: To do with what we just
19 have been talking about.

20 MR. CAMPBELL: Yeah. I mean, I guess.

21 CHAIRMAN BARRERA: Go up.

22 MR. CAMPBELL: I -- I'm really -- my name's
23 Bruce Campbell and I am retired. I'm a relatively
24 new resident of St. Augustine. I've been here for

25 two years now.

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1 On a -- on a personal basis, my wife has had
2 circumstances that has caused her in the two years
3 we've been here to fly out of here 15 times. In
4 fact, she's gone now. And after the 3,000 miles in
5 trips back and forth to JAX -- and I've seen all
6 kinds of things in the paper that look encouraging
7 along the way -- I guess my question is, where are
8 we as far as actually getting some commercial air
9 traffic in here?

10 CHAIRMAN BARRERA: Ed?

11 MR. WUELLNER: Well, I -- I can't really go
12 into details, but suffice it -- I think the safe
13 place to speak is that we -- I'm tangled up here.
14 I -- I think the safe place that I can say is that
15 I think we've got some extremely strong
16 possibilities leaning on probabilities for 2011.

17 We have been actively and aggressively
18 marketing this airport and community to virtually
19 anyone in the airline business that will sit still
20 long enough to hear that message. And it's -- it's
21 paying off. I feel very good that we'll have
22 really good news, you know, this coming year. I'm
23 sorry I can't give you a lot of details, but --

24 MR. CAMPBELL: No, no, you know, that's fine.

1 this point.

2 MR. CAMPBELL: This is -- this is a list here
3 that is a composite of lists that St. Augustine has
4 fallen on in various publications and so on over
5 the last two years.

6 U.S. News & World Report last year picked
7 St. Augustine as the number one place in the
8 country to retire. I'm retired. I worked in
9 education. I worked in Wisconsin. I worked in
10 Texas. I now live here now. I draw pensions from
11 both of those places and all that money's spent
12 right here. It doesn't have to be made here. I
13 don't have to have a job here to do it. And so,
14 you know, having retirees here is good.

15 This year, in fact I think it's even the one
16 that's on the newsstand right now if anybody's read
17 it, is the Smart Money magazine came out and --
18 with their top 10 again of places to retire, and
19 they picked St. Augustine at third. However, they
20 were the first ones that -- that -- that said,
21 Okay, here's the great things about it, but here's
22 the detracting things. And the detracting thing
23 was no commercial airport, you know, nearby.

24 And -- and if you have retired people come

25 in -- I mean, I'm sorry, I think retired people are

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1 great, so when you have them here, they're good.

2 They spend money. They have kids here and they fly

3 out all the time. And to be honest with you, this

4 trip to Jacksonville back and forth is just getting

5 to be, you know, a drag.

6 And I've been excited to see the different

7 things happen in the newspaper with the change of

8 the name of the airport and all that. So if

9 there's anything that I can do or personally, you

10 know, help organize people or do anything to try to

11 up the process, I'd be more than interested.

12 MR. WUELLNER: Great.

13 CHAIRMAN BARRERA: Mr. Campbell, if you could

14 give Ed that piece of paper along with your name

15 and number and contact information, I'm sure he

16 would love to --

17 MR. WUELLNER: Or we can make a copy of it or

18 something.

19 MR. CAMPBELL: Yeah. You can -- you're

20 certainly welcome to it. I just --

21 MR. WUELLNER: We just --

22 MR. CAMPBELL: It's also the number -- one of

23 the top places in the country for holiday cheer.

24 The best dog walking.

25 MR. COX: Best dog walking?

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1 MR. CAMPBELL: Yeah.

2 MR. COX: Best airport dog walking.

3 MR. CAMPBELL: And also -- and also one of the
4 top places in the country if you want to feel like
5 you're in Europe.

6 CHAIRMAN BARRERA: Plus we have one of the
7 best airports within the nation, truly. We've
8 got -- we've got a great pilot group. We have a
9 great group of volunteers and we have a great staff
10 and a great board. So they should be on that list,
11 also.

12 MR. CAMPBELL: I'm encouraged. Thank you.

13 MR. WUELLNER: Thank you for your comments.

14 CHAIRMAN BARRERA: Sacha?

15 MS. MARTIN: Sacha Martin, 133 Coastal Hollow
16 Circle. I'm also on -- I volunteer on the airport
17 public relations committee. And so I was very
18 involved with the Skybus adventure. The county had
19 used their abilities in -- I'm trying to think of
20 the name of the -- Nick Sacia's, Economic --

21 MR. WUELLNER: EDC.

22 MS. MARTIN: EDC and the Chamber to do exit
23 interviews of people coming off of the Skybus
24 planes. And I personally also did not only exit

25 interviews -- well, exit interviews of people both

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1 coming and going out of St. Augustine.

2 And I was amazed to find that there were
3 people coming in here whose final destination was
4 Pensacola to go to some sort of sports championship
5 or Hilton Head for what you go to Hilton Head for,
6 you know, vacation. There were a lot of people
7 going to time shares in Orlando and Daytona, and
8 they preferred to fly into St. Augustine for a wide
9 number of reasons which I won't go into now.

10 But I think perhaps if we can find out if the
11 chamber has their -- their exit interviews
12 tabulated in some form, I think it would be helpful
13 to the fact that if you get off -- I know I used to
14 go to Newport Rhode, Island every weekend from New
15 York City, and I would take the train from New York
16 to Providence, and then I'd take the bus from
17 Providence to Newport. And they were located
18 across the street from one another, which made it
19 totally possible. If that hadn't been that way, I
20 don't know how I would have gotten to Newport,
21 Rhode Island because I didn't have a car at that
22 point in time.

23 And I think that the -- that kind of thing --
24 to get to Vermont, I used to take the train and

25 then I would go to another mode of transportation

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1 to get to the Vermont and the ski area.

2 And it would make it so possible for people to
3 go from Boston to Florida and then get on a plane
4 and go to the Bahamas. And I think the
5 possibilities are amazing. But my point was that
6 the people that I spoke with were willing to come
7 to St. Augustine to go to something that was going
8 to take them four more hours to get to.

9 One person that I spoke to who came of course
10 from Columbus to start with, they actually lived in
11 West Virginia. And I said, "West Virginia? You
12 drove four hours or five hours to get to Columbus
13 to come here?" And then get on -- get a rental car
14 and go for the week to Orlando. And they said,
15 "It's better than driving 17 hours or 19 hours,"
16 you know.

17 So there is definitely a thing there. And I
18 suggest maybe we contact the Chamber and see if
19 they still have that -- those exit interviews. I
20 think I have mine. I don't know if I ever typed
21 them up, but I'd be willing to do that.

22 CHAIRMAN BARRERA: Thank you, Sacha. Take you
23 up on that. Vic?

24 MR. MARTINELLI: I think that, if I understood

25 Ed correctly, he's asking for a big picture look

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1 and a feasibility study, which upon completion
2 would answer all of these questions or should
3 answer all of these questions.

4 And so, if you'll look at the whole project in
5 a very broad sense, the first thing it has to do is
6 make economic sense. If it doesn't make economic
7 sense, then there's no sense in doing it from a
8 business point of view, and this airport is a
9 business. And so I would suggest that instead of
10 getting mired in these details and talking about,
11 you know, the attraction of the airport, et cetera,
12 et cetera, that should be disclosed as a result of
13 a feasibility study. So let's concentrate on a
14 feasibility study.

15 And I would suggest that you add to that
16 feasibility study a framework or a skeleton of what
17 the future organizational structure will be,
18 because that's going to be a very important thing
19 in determining how you economically structure the
20 revenues and the expenses that ultimately will tell
21 you the economic result of what you're looking for.

22 So, I would suggest the first thing you do is
23 get into the feasibility study and see where
24 that -- and include in that again the

25 organizational structure you see down the road and

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1 how that will facilitate the economic benefit that
2 you hope to get.

3 CHAIRMAN BARRERA: Thank you, Vic. Coming
4 back to the board, do we have any further board
5 discussion on this item?

6 (None.)

7 CHAIRMAN BARRERA: Okay. Seeing no further
8 board discussion, we'll move on to the next agenda
9 item and look forward to talking about this more in
10 January.

11 AIR SERVICES SECURITY DISCUSSION

12 MR. WUELLNER: We were asked to provide some
13 background and basis related to the letter that we
14 received from Representative Mica and Mr. Youman
15 brought forward at the last meeting, which -- which
16 we had not received at the staff level, but
17 apparently it was disseminated all over the
18 country, wherein Mr. Mica had asked that airports
19 consider looking at private security options in the
20 provision of we've grown to expect as traditional
21 TSA kinds of services at the airport, meaning
22 basically checkpoint or -- checkpoint kind of
23 screening activities.

24 We -- we've been able to sit back for several

25 weeks and listen to the various points of view on

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1 this from around the country, and my -- my
2 suggestion is that we don't -- we don't really need
3 to jump into an opinion right now or weigh into
4 this because we don't currently have service.

5 I think it's worth having a -- at least a
6 light duty discussion about it when service comes
7 back and have the discussion as to what method you
8 might want to try and accomplish that requirement
9 through whether it's private sector or public.

10 Mr. Mica's point of view was that it would
11 be -- it would not be an airport obligation in
12 terms of funding, that the private sector can do
13 this service, still be paid by the federal
14 government to do the service; however, in that
15 process, there might be additional flexibility in
16 deployment of TSA kinds of personnel on the -- on
17 the private sector. So it might provide
18 flexibility that's not necessarily in place under a
19 federal wage kind of scenario.

20 So my -- my suggestion is that we just kind of
21 hold -- hold that discussion until we're closer to
22 reestablishing service. By then, I think a lot
23 more is going to kind of flesh out on that. You
24 know, frankly in Northeast Florida, we had, by all

25 accounts, a superior group of TSA people we were

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1 working with that always remained flexible to what
2 we needed here and the requirements and balancing
3 those requirements with the regulatory side, and
4 then just, you know, been a pleasure to work with
5 and I believe probably do that in some of the best
6 ways possible within the -- the confines of their
7 rules.

8 So, you know, I'm not immediately saying it
9 makes any sense to really give a long look at
10 private. But at the point where it's actually on
11 the table and needs to be discussed, it may make a
12 lot of sense. Our TSA guys were willing to do day
13 at a time, certain periods of the day, and deploy
14 those people out of -- TSA screeners out of
15 Jacksonville on a part-time basis, and they were --
16 they were very flexible in working with us.

17 And right away I'm not sure what -- what the
18 overall issue is other than Representative Mica's
19 wholesale concern that that agency has just
20 mushroomed into this, which I think we can probably
21 agree, into this giant federal bureaucracy that's,
22 you know, now up to something like 70,000 employees
23 in just a few years. And that the costs associated
24 with that may not be representative of what the

25 benefit is and that some of this could be done in

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1 the private sector more efficiently and more cost
2 effectively.

3 And in many cases, that might be true. I'm
4 just not sure in a small deployment like we're in,
5 it would -- it may make any sense. But we can --
6 we can kind of work through that when we get closer
7 to air service if that's agreeable.

8 CHAIRMAN BARRERA: Okay. We have a couple of
9 public comment items, on this item. Reba?

10 MS. LUDLOW: No comment.

11 CHAIRMAN BARRERA: Vic?

12 MR. MARTINELLI: No comment.

13 CHAIRMAN BARRERA: That's all the public
14 comment I show for that. We can open it up for
15 board discussion. Jack?

16 MR. GORMAN: There's only one thing. In other
17 words, as far as equipment goes, as far as the
18 screening equipment, the TSA is providing that and
19 you're -- in other words, how is that structured as
20 far as the cost to the airport?

21 MR. WUELLNER: How it was?

22 MR. GORMAN: As far as the screening equipment
23 itself? In other words, you were using Reveal
24 equipment, weren't you?

25 MR. WUELLNER: Yeah it -- all of the equipment

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1 associated with TAS screening was provided by TSA.

2 MR. GORMAN: By TSA, exactly.

3 MR. WUELLNER: And they -- they make the
4 choices as to what actually comes in here in terms
5 of equipment and the methods they employ to do
6 screening.

7 MR. GORMAN: Right. And that would be my
8 secondary question, would be if you used a private
9 firm, then would -- would the cost of the screening
10 equipment would be for the airport or for --

11 MR. WUELLNER: No. I don't -- I don't think
12 it transfers --

13 MR. GORMAN: Doesn't make any difference?

14 MR. WUELLNER: The understanding is the -- the
15 program that supports being able to do it on the
16 private sector still -- I'm unclear as to whether
17 the private vendor is responsible to acquire the
18 equipment or whether it's purchased --

19 MR. GORMAN: That's the question.

20 MR. WUELLNER: -- needs to be TSA. I don't
21 believe at any point it's -- it's been represented
22 to us that it wouldn't affect the airport side of
23 it at all in terms of cost. Whether that's indeed
24 true or not, you know, I -- I can't really tell

25 you.

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1 I -- I think that it's just -- you know, it's
2 important also to know that it doesn't change one
3 rule related to what the requirements are relative
4 to airport security. It's just simply a matter of
5 who's providing them and then ultimately I guess
6 the choice is relative to who -- who pays or how
7 much is -- how much does it cost on the -- on the
8 federal government does it or private sector does
9 it.

10 MR. GORMAN: In other words, if I might just
11 go out on a limb here, in other words, your -- I
12 contextly -- in context, you're saying if it ain't
13 broke, don't fix it. In our level of service, we
14 probably ought to just go with the TSA. In other
15 words, while in the big picture which Mica has to
16 have, it might -- he's looking to reform the issue.

17 MR. WUELLNER: There are definitely some
18 airports very interested in the private side of it.
19 And I -- and I think the most classic example that
20 probably most of us can relate to is the
21 introduction of contract towers into the air
22 traffic control system, in that you have private
23 contractors providing, you know, air traffic
24 services and being paid for by the federal

25 government.

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1 You could also look at that as one of the
2 scenarios wherein a lot more value was added to the
3 system as contract towers than if they were
4 traditionally done by FAA. It requires fewer
5 personnel. The air rates are lower than the FAA's.
6 There are a lot of benefits. They're flexible on
7 working with the individual airports. They're not
8 tied in union and regulatory kind of rules with --
9 with FAA directly because it's handled
10 contractually.

11 That may or may not transfer as a -- as an
12 example why you might want to consider private --
13 the private approach to that in the context of TSA.
14 I don't know. The jury's out on that because it's
15 really only being done in a couple of spots right
16 now. They were prototype kinds of approvals that
17 let them, essentially gather some data.

18 So I -- personally I'd want to see a lot more
19 data on how the contractual part of it would
20 happen. Is it -- is it done like air traffic
21 control services where an entire region of the U.S.
22 has an identified contractor to provide those
23 services and, you know, you don't have a choice of
24 who it is or anything else and it's just whoever

25 they've hired for that -- for that service? I -- I

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1 don't know. I haven't seen any of that get -- you
2 know, get reduced to writing so to speak on the
3 federal side.

4 MR. GORMAN: Okay. Thank you.

5 CHAIRMAN BARRERA: Any further board comment?
6 Bob?

7 MR. COX: One comment. And you're pretty
8 aware of my feelings on the private versus TSA, but
9 I just make the analogy for everybody here is would
10 you rather have St. Johns County Sheriff's
11 Department providing your police force or Wackenhut
12 Security? Because here's what -- I'm serious.

13 Here's what ends up happening, is the private
14 contractors cut every single penny they can out of
15 the program. So when you start doing that, they
16 start downgrading quality. They start downgrading
17 time.

18 I mean, these are things for us to consider as
19 we move forward with it. But for future reference,
20 I would be strongly against using a private
21 security firm to -- to do any kind of our security
22 stuff for us. Thank you.

23 CHAIRMAN BARRERA: Any further board
24 discussion?

1 CHAIRMAN BARRERA: Okay. We'll move on to the
2 next item and we'll defer this item until we get
3 closer to air service.

4 EXECUTIVE DIRECTOR EVALUATION DISCUSSION

5 CHAIRMAN BARRERA: Now we'll -- we have
6 another agenda item, our performance evaluation
7 follow-up.

8 At our last board meeting -- prior to our last
9 board meeting, we administered the -- Ed's
10 evaluation, and he had an excellent evaluation.
11 His contract provides that he can be awarded a
12 bonus with that excellent evaluation. And after
13 administering his evaluation to him, Ed relayed to
14 me that he was not interested in receiving a bonus
15 in these uncertain financial times. In reporting
16 that back to the board, the board wanted to discuss
17 this further. So we are opening it up for board
18 discussion.

19 Let me go on the record that I am opposed to
20 issuing a financial bonus to someone who as the
21 recipient doesn't want it and, two, the economic
22 times don't call for it. But with that, we'll open
23 it up for board discussion. Do we have anybody who
24 would like to speak on that agenda item?

25 MR. WERTER: Well, I guess I'll take the lead.

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1 It -- it's a sorry thing, because of the economic
2 situation, for a man who's done such a job for the
3 board. I commend his altruistic sentiment about
4 rejecting any bonus at this time. If we -- if we
5 so decide to vote that way, we should keep that in
6 mind next year.

7 Unfortunately, one of the main spearheads for
8 discussing this is not present today. I don't know
9 how to go about it, but I guess if he's that
10 adamant to it, I guess we can't really force --
11 force it on him. So...

12 CHAIRMAN BARRERA: Well, I'll share with you
13 in my discussion with him, other airports have done
14 some downsizing and Ed would rather invest any
15 money that he has back into his people. And so
16 that's a sign of a quality executive director.
17 It's the sign of somebody who's financially
18 prudent, and I think it's reflected in his
19 evaluation.

20 Okay. We have this as an item for public
21 comment, so I'll open it up for public comment,
22 seeing no further board discussion. Reba?

23 MS. LUDLOW: I think that's very commendable
24 of Ed, and it really saves a lot of adverse comment

25 or adversity, you know, regarding him because

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1 there's always going to be somebody that says, why
2 is he taking money? Is there any other way to
3 compensate instead of a monetary bonus? Is there
4 not something else that, you know, we could do?

5 CHAIRMAN BARRERA: Ed -- Ed's feedback to me
6 was that the strong evaluation was his reward and
7 that knowing that he had the support of the board
8 behind him was compensation enough.

9 MS. LUDLOW: Yeah, but we don't want him to
10 take that strong to -- that, you know, strong
11 recommendation and go somewhere else with it,
12 either. So, I mean, I'm just thinking of things
13 like cars, homes, you know, those kind of things,
14 you know, rent. We're not sure what your whole
15 package is anyway. But, you know, there are some
16 nice things that can be done. So...

17 CHAIRMAN BARRERA: Thank you, Reba.
18 Mr. Campbell?

19 MR. CAMPBELL: I would just say, could you get
20 him to work for Lehman Brothers or Bank of America
21 or somebody like that?

22 CHAIRMAN BARRERA: Mr. Martinelli?

23 MR. MARTINELLI: Oh, boy. Anyway, I think all
24 of you are aware of what I think of Ed over the

25 years. And so everything that he has said and had

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1 said doesn't surprise me, because that's the kind
2 of man he is.

3 I would also, though, like to speak to I'll
4 call it precedent, because if you decide on a bonus
5 amount and you offer that and then he refuses it, I
6 think you've not departed from the program. And in
7 the future, that will be the program and it stays
8 the program.

9 So, my suggestion would be -- I know he'll
10 refuse it, because he said so many times, but my
11 suggestion would be that you determine the amount,
12 you have made the offer, and then he refuses the
13 offer, and he refuses it in writing with his good
14 reasons behind it, so that that all becomes a
15 matter of record. That's I think how you document
16 it.

17 CHAIRMAN BARRERA: Thank you, Vic. Back to
18 the board for discussion.

19 MR. WERTER: How about a gift card to Denny's?

20 CHAIRMAN BARRERA: Are you buying?

21 MR. WERTER: I'll buy. I don't know about
22 that procedure about making an official offer of
23 bonus and a referral. I just don't know how that
24 sits.

25 MR. MARTINELLI: Refusal, not referral.

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1 MR. WERTER: Excuse me, refusal.

2 CHAIRMAN BARRERA: I -- my suggestion would be

3 as we set financial goals and look at the goals in

4 the new year, that we look at new revenue that

5 comes in and how we can compare that and be able to

6 look at it as we go into the evaluation going to

7 the future.

8 My concern would be, without any new revenue,

9 it makes it difficult to be able to reward

10 financially. And I think that those are all things

11 that we can determine along with our list of

12 priorities.

13 And again, Jack, I ask that you and Buzz and

14 any member from the public send your feedback to us

15 so that we can discuss that as the priorities going

16 forward, because your input's valuable on those

17 goals at the start of the new year. Okay. Do we

18 need a motion on this?

19 MR. BURNETT: If there's no action to be

20 taken, then there's no motion that's necessary.

21 CHAIRMAN BARRERA: Well, at this point, I

22 don't see that there's any action to be taken.

23 Unless anybody from the board standpoint would like

24 to make a motion.

25 MR. WERTER: Well, I can make it official this

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1 way. I move that we accept Ed Wuellner's rejection
2 of a bonus for the year of 2010 not to be held in
3 any sort of negative fashion in any future
4 determination of bonuses from Mr. Wuellner and
5 leave it at that.

6 CHAIRMAN BARRERA: I'll second that. All in
7 favor, aye?

8 MR. WERTER: Aye.

9 MR. GORMAN: Aye.

10 CHAIRMAN BARRERA: Aye. motion passes
11 unanimously.

12 MR. WERTER: I'll still get you the Denny's
13 gift card.

14 PUBLIC COMMENT

15 CHAIRMAN BARRERA: I now would like to open it
16 up for public comment in general. Do we have any
17 public comment at the end of the meeting?
18 Mr. Sanchez?

19 COMMISSIONER SANCHEZ: Madam Chair, I just
20 wanted to mention that tomorrow morning at 9
21 o'clock, we have a special county commission
22 meeting. I'm sure some of you have heard about all
23 the things we've been doing trying to put ourselves
24 in a position to increase the economic development

25 in our county.

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1 We've had three or four different studies
2 done, including the impact fee reduction study.
3 We've had numerous other things going on. And all
4 of that is going to be presented to the board
5 tomorrow morning. So if any of you want to attend,
6 it should be very educational, and probably go
7 along with a lot of what you would be looking for
8 here as far as information goes. Thank you.

9 CHAIRMAN BARRERA: And, Ron, if we can't
10 attend, we can watch that live on Government TV
11 on -- on the computer.

12 COMMISSIONER SANCHEZ: Yes. Right.

13 CHAIRMAN BARRERA: For those of us in the
14 office.

15 COMMISSIONER SANCHEZ: Yeah, I'm sure it will
16 be aired. Thank you.

17 CHAIRMAN BARRERA: Thank you. Any further
18 public comment?

19 (None.)

20 AUTHORITY MEMBERS

21 CHAIRMAN BARRERA: Then we'll go to Authority
22 members. Jim?

23 MR. WERTER: A couple of things. First, about
24 some of the things that were said today that kind

25 of sparked old memories.

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1 Way back when when I lived in the Baymeadows
2 area when I first came over in the Navy, thinking
3 and being an old New York City kid riding the
4 subways to school all the time, I kept thinking to
5 myself, why can't they put a monorail service down
6 the center of I-95, and it was funny that that was
7 addressed today.

8 As far as the multimodal situation, I'm glad
9 that we're going to maybe formulate some firmer
10 ideas as to what direction to take this next -- you
11 know, at the next meeting. It's something I ran
12 on. I'm very much for that idea, with the changing
13 demographics, and I could see how it could suit
14 people in general.

15 There was a third thing, but I think I'll just
16 leave that one alone because I can't remember it.

17 So...

18 CHAIRMAN BARRERA: Thank you, Jim. Jack?

19 MR. GORMAN: No particular comment. It was a
20 good meeting.

21 CHAIRMAN BARRERA: Bob, did you have anything?

22 MR. COX: No, ma'am. Thank you.

23 CHAIRMAN BARRERA: Joe?

24 MR. CIRIELLO: No.

25 CHAIRMAN BARRERA: Thank you, everybody, for

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1 coming out and staying at this time. And the
2 meeting is adjourned. We look forward to seeing
3 everybody at our next meeting on January the 21st
4 (sic). And we'd like to officially thank Jack and
5 Buzz for their representation to our board and I
6 will again thank you on the 24th.

7 MR. BURNETT: 24th.

8 MS. LUDLOW: And say thank you to the old
9 board.

10 CHAIRMAN BARRERA: That's what I just did, but
11 thank you.

12 (Meeting adjourned at 5:46 p.m.)

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1 REPORTER'S CERTIFICATE

2

3 STATE OF FLORIDA)

4 COUNTY OF ST. JOHNS)

5

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

7 that I was authorized to and did stenographically report

8 the foregoing proceedings and that the transcript is a

9 true record of my stenographic notes.

10

11 Dated this 17th day of December, 2010.

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

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