

1 ST. AUGUSTINE - ST. JOHNS COUNTY AIRPORT AUTHORITY

2 General Meeting

3 held at 4796 U.S. 1 North

4 St. Augustine, Florida

5 on Monday, March 21, 2005

6 from 4:01 p.m. to 5:56 p.m.

7 * * * * *

8 BOARD MEMBERS PRESENT:

- 9 WAYNE GEORGE, Chairman
- BOB COX, Secretary-Treasurer
- 10 RANDY BRUNSON
- SUZANNE GREEN

11 BOARD MEMBERS ABSENT:

- 12 JOHN "JACK" GORMAN

13 * * * * *

14 ALSO PRESENT:

- 15 DOUG BURNETT, Esquire, Rogers, Towers, Bailey,
- 16 Jones & Gay, P.A., 170 Malaga Street, St. Augustine,
- FL, 32084, Attorney for Airport Authority.

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

18 BRYAN COOPER, Assistant Airport Director.

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8	A. Mr. Bruce Maguire - County Commissioner	Absent
	B. Mr. Michael Slingluff - Aero Sport, Inc.	Absent
9	C. Mr. John Leslie - Grumman St. Augustine	Absent
	D. Mr. John Roderick - S.A.P.A.	12
10	E. Mr. Bjorn Ottesen - F.A.C.T.	Absent
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1 P R O C E E D I N G S

2 CHAIRMAN GEORGE: All right. Now let's get
3 started with the -- our normal meeting, and let's
4 call that to order. This is our normal March
5 meeting, and we'll start with the Pledge of

6 Allegiance to the flag.

7 (Pledge of Allegiance.)

8 MS. GREEN: They're just getting the agendas.

9 She hadn't put them out.

10 CHAIRMAN GEORGE: Oh, she hadn't put them
11 out.

12 MR. BURNETT: Mr. Chair, if I may make one
13 comment. I know you're going to do this anyways,
14 but so everyone knows, those folks wishing to make
15 public comment will get the opportunity -- on our
16 last item, will get the opportunity --

17 CHAIRMAN GEORGE: Absolutely.

18 MR. BURNETT: -- again when it comes back up
19 to discuss the --

20 CHAIRMAN GEORGE: Okay.

21 MR. BURNETT: -- Master Plan.

22 MR. WUELLNER: I think we're up with you now.

23 CHAIRMAN GEORGE: Okay. We're up.

24 MR. WUELLNER: I said I think we're up with
25 you now (indicating).

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1 CHAIRMAN GEORGE: We have the minutes from
2 the last meeting. Wait for our quorum to get
3 here.

4 (Pause in the proceedings.)

5 3. - APPROVAL OF MEETING MINUTES

6 CHAIRMAN GEORGE: Okay. Next item is -- is
7 the approval of the minutes from February. Are
8 there any corrections or comments to make on
9 those?

10 (No comments or corrections.)

11 CHAIRMAN GEORGE: Hearing no comments, we'll
12 have it, you know, stand as approved.

13 4. - APPROVAL OF FINANCIAL REPORTS

14 CHAIRMAN GEORGE: Financial reports for
15 February? Mr. Cox isn't here. I didn't get a
16 copy of it myself.

17 MR. WUELLNER: I think we're still awaiting
18 them.

19 CHAIRMAN GEORGE: Huh?

20 MR. WUELLNER: I think we're still waiting.

21 We're still waiting on them.

22 MS. GLASSER: We don't have them.

23 CHAIRMAN GEORGE: Okay. So, we will -- we'll

24 postpone the review of the February minutes

25 (sic) --

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1 MR. WUELLNER: Till April.

2 CHAIRMAN GEORGE: -- financial report until

3 next month.

4 5. - APPROVAL OF MEETING AGENDA

5 CHAIRMAN GEORGE: Meeting agenda. Any

6 corrections or approvals to the meeting agenda?

7 Other than we will continue the Master Plan update

8 as the third item under action items.

9 MR. WUELLNER: Actually, you were going to

10 cover it as part of project updates. It's -- it's

11 still just informational versus action, so...

12 CHAIRMAN GEORGE: Okay. Project updates is

13 fine.

14 MR. WUELLNER: Unless you intend to make some
15 kind of action, you don't need to do anything.

16 CHAIRMAN GEORGE: I was just trying to make
17 it fast enough that some people did come for those
18 action items.

19 MR. WUELLNER: It will actually be before it
20 would be in the agenda, so...

21 CHAIRMAN GEORGE: Okay.

22 MR. WUELLNER: It'll be under project
23 updates.

24 CHAIRMAN GEORGE: All right. We'll put it
25 under project updates, then.

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1 MR. WUELLNER: The only other item I would
2 call your attention to is -- is Mr. Gorman, at
3 last month's -- actually the month before's
4 meeting -- he delayed it for the last meeting --
5 had an item that he had asked us to add to the
6 agenda. One was access -- gate access policy, and

7 tied to it was the generic statement about other
8 policy reviews, which I still have yet to get any
9 real definition of.

10 I -- I don't know whether you want to
11 preserve a spot on there. We did not add it
12 because we were still a little unsure whether he
13 was actually going to be in attendance or not
14 since it was kind of his item.

15 We did provide you -- if I didn't provide
16 you, it's going to get handed out here in just a
17 second -- a copy of that gate access policy. And
18 I -- I think in talking to them -- talking to him
19 at all, his interest is in minimum operating
20 standards versus anything else.

21 We provided you -- we've got a copy to give
22 you, a minimum operating standards. If you wish
23 to create an agenda item for that, we did not put
24 it on there, perhaps mistakenly. He has indicated
25 he was coming; is that not correct?

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1 MS. OCHKIE: Correct.

2 MR. WUELLNER: So, he may show up and we
3 don't have a place for it, so...

4 CHAIRMAN GEORGE: Well, we're at the agenda
5 approval, so I would suggest we trans -- we put
6 that on next -- next month's.

7 MR. BRUNSON: I would delay it. I'd like to
8 hear what he's --

9 MR. WUELLNER: I just don't want it to be my
10 fault.

11 CHAIRMAN GEORGE: I'm sorry. Mr. Brunson,
12 what did you say?

13 MR. WUELLNER: It will be, anyways.

14 MR. BRUNSON: I said I'd rather delay it so
15 we can hear what his thoughts are.

16 CHAIRMAN GEORGE: Exactly, right.

17 MS. GREEN: I think that's right. He's --

18 CHAIRMAN GEORGE: He's done some
19 investigation, so we'll delay it until next month.

20 MS. GREEN: He's done some investigation and

21 written some documentation, so I think we need to

22 hear what he needs to --

23 CHAIRMAN GEORGE: Okay. Well, in -- in light

24 of that --

25 (Whereupon, Mr. Cox enters the room.)

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1 MR. COX: My apologies for being late.

2 CHAIRMAN GEORGE: All right. In line with

3 that, we had talked about having a workshop where

4 each one of the board members could talk about

5 what -- the things that were important to them and

6 the direction that they wanted to go, and I'm not

7 so sure that that wouldn't be more appropriate at

8 that workshop.

9 But at the last meeting, I think at

10 Mr. Brunson's request, we postponed that workshop

11 until the month of April. So, that will be

12 covered by then, too. Maybe you can find out from

13 Mr. Gorman which one he wants to put it under.

14 MR. WUELLNER: Okay.

15 CHAIRMAN GEORGE: Whether he puts it on the
16 April meeting or the workshop.

17 MR. WUELLNER: Okay.

18 CHAIRMAN GEORGE: Okay. Any other items on
19 the agenda that need to be added or --

20 MS. GREEN: I was just going to update people
21 on what happened over St. Johns County today, but
22 I can do that under comments.

23 MR. WUELLNER: Yeah. I think I've already
24 got a -- in the revised agenda item, you've got
25 under committee reports up there, on your green

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1 sheet, on the upper right side --

2 CHAIRMAN GEORGE: Yeah.

3 MR. WUELLNER: And under "EDC" was kind of
4 where you and Mr. Brunson kind of can kick that
5 around with St. Johns County.

6 CHAIRMAN GEORGE: Did you go to Tallahassee?

7 MS. GREEN: I did.

8 CHAIRMAN GEORGE: Okay. Let's -- let's make
9 sure that that is included on the committee
10 reports then, okay?

11 MR. WUELLNER: With your -- this is probably
12 as good a time to talk about it. It's not an
13 agenda item to change for this meeting, but in
14 developing future agenda items, there -- there are
15 always a few oddball items that don't really --
16 aren't really action items per se, but you -- you
17 folks need to be more -- need to be informed on,
18 and they're not really projects in and of itself.

19 Would there be any objection to creating a
20 classification perhaps early in the meeting as
21 more in the line of housekeeping, just things you
22 need to be aware of or -- you know, for instance,
23 AAAE meetings, things like that? They're not --
24 not necessarily actionable, but we'd like to keep
25 you informed on them.

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1 CHAIRMAN GEORGE: Absolutely.

2 MR. WUELLNER: But we'll put that on as
3 necessary.

4 MR. BRUNSON: Great idea. Information.

5 MR. WUELLNER: It's not on there this time,
6 but we'll -- we'll make provisions for it.

7 CHAIRMAN GEORGE: Well, speaking of that, I
8 neglected to bring to everybody's attention at the
9 last meeting, Christine had included a handout for
10 the annual AAAE conference that's coming up May
11 the 1st and 4th in Seattle. I went to the one in
12 L.A. two years ago, and it was -- gave me a great
13 insight into the depth of -- of the industry
14 and -- and what information was available to us.

15 And I think that Suzanne went last year.

16 MS. GREEN: Yes, I did. And it definitely --
17 a wealth of information.

18 CHAIRMAN GEORGE: So, I would strongly
19 recommend that somebody, if you want to go, to let
20 us know. And, Mr. Brunson, you coming on board, I
21 don't know if you can make it May the 1st or 4th,

22 but that would be a good way for you to, you know,
23 really open some eyes about what -- what is
24 available out there for our help and what other
25 people are doing.

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1 MR. WUELLNER: And we're going to need to
2 know if you intend to do that in the next couple
3 of days, really, in order to --

4 CHAIRMAN GEORGE: Okay. Mr. Cox, you said
5 you had already been to one many years --

6 MR. COX: I've been to several of them, yeah.

7 CHAIRMAN GEORGE: Okay. So -- but if you
8 want to go to this one, that's fine.

9 MR. COX: That's all right. I'll let Randy
10 go. Actually, it's really -- you'd really -- it's
11 very in-depth.

12 CHAIRMAN GEORGE: If someone would just bring
13 this to Mr. Gorman's attention, you know, this
14 specific item, Christine, I would appreciate that.

15 Okay. Hearing no other changes then, you
16 know, to the agenda, we'll let the agenda stand as
17 modified. Okay?

18 6.A. - COUNTY COMMISSIONER

19 CHAIRMAN GEORGE: Reports. Mr. Maguire?

20 MR. WUELLNER: Will not be in attendance.

21 6.B. - AERO SPORT, INC.

22 CHAIRMAN GEORGE: Mr. Slingluff?

23 (Absent.)

24 MR. WUELLNER: I don't see.

25 6.C. - NORTHROP GRUMMAN

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1 CHAIRMAN GEORGE: Mr. Leslie?

2 (Absent)

3 6.D. - SAAPA

4 MR. WUELLNER: Pilots Association,

5 Mr. Roderick?

6 MR. RODERICK: We have a vice-president in

7 our club of public relations, Warren Rauhafer,

8 and he started on a quest to publicize the
9 airport. He's going to start in the north part of
10 the county with a more friendly newspaper, the
11 Ponte Vedra Recorder. He's already started
12 interviewing different aspects of the airport,
13 both commercial and public.

14 And he's going to -- for example, SK
15 Logistics, Ring Power, Allison's restaurant, all
16 the people around here who make the place work,
17 public and private.

18 He's going to write the articles, and then
19 he's also going to send copies to The
20 St. Augustine Record, and we hope they'll publish
21 them there, too.

22 CHAIRMAN GEORGE: Thank you. For your
23 information, we feel that The St. Augustine Record
24 is also friendly to us. So they're -- or St.
25 Johns County.

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1 MR. RODERICK: We all have opinions.

2 CHAIRMAN GEORGE: Touché.

3 6.E. - FACT

4 CHAIRMAN GEORGE: Bjorn is not here.

5 6.F. - AIRPORT ATTORNEY

6 CHAIRMAN GEORGE: Our attorney. Mr. Burnett?

7 MR. BURNETT: A couple of things. First, let

8 me be the one to put it on the record that

9 Mr. Gorman forwarded in his thoughts for the

10 workshop meeting and the agenda, and I think

11 you've all been provided that on a one-page sheet.

12 For the members of the public, it's here.

13 We'll make it a part of the record. And if anyone

14 wants to read it, I'll set one over there on the

15 table, if anyone would like to read what

16 Mr. Gorman had to say about today's workshop and

17 his agenda as far as what his thoughts were on --

18 on the items. At least it looks to the ones that

19 he had an interest in. The other --

20 CHAIRMAN GEORGE: The other board members

21 should get their comments in so that we can get it

22 organized, too.

23 MR. BURNETT: The other -- two things that

24 I'd like to comment on.

25 One, very briefly, the impact fee issue

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1 related to the airport's payment of impact fees,

2 we had gotten -- this is going back three and a

3 half years ago or three years ago.

4 The airport had gotten an opinion from the

5 FAA that they find that airport revenues can't be

6 used -- as the FAA determined -- defines airport

7 revenues, those revenues can't be used to pay

8 impact fees. But the airport derives revenues

9 from other sources, such as leasing of homes

10 and -- and a whole huge sort of other things where

11 they can take the money to pay those impact fees.

12 So, it's a technical response, but the bottom

13 line comes down to the airport, at least at this

14 time, pays the county impact fees.

15 CHAIRMAN GEORGE: I'm sure that Staff will
16 monitor to make sure that we do have this other
17 income to pay impact fees, and if not, bring it to
18 our attention.

19 MR. BURNETT: Uh-huh.

20 MR. WUELLNER: It's actually kind of --
21 the -- it's actually kind of the opposite. The --
22 we pay -- we are not obligated to pay impact fees
23 based on the revenues we derive from the operation
24 of the airport.

25 Where we become required to pay impact fees

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1 is a determination FAA made that the ad valorem
2 proceeds that you currently collect are not, for
3 purposes of FAA, revenues. And as such, those can
4 be allocated for the payment of impact fees.

5 So, until you get off of ad valorem, we're
6 obligated at this point to pay -- pay impact fees.

7 CHAIRMAN GEORGE: I thought impact fees were

8 just on new construction.

9 MR. WUELLNER: They are relative to new
10 construction.

11 CHAIRMAN GEORGE: Okay. Fine. So --

12 MR. WUELLNER: Of course, if you don't build
13 anything, you don't pay any, but...

14 CHAIRMAN GEORGE: Okay. All right.

15 MR. BURNETT: But the T-hangars and those
16 sorts of things, that will be paid.

17 MR. WUELLNER: Currently, we pay them. We --
18 we currently pay impact fees on everything the
19 Authority builds that's normally subject to impact
20 fees.

21 Once we are off ad valorem, there's a strong
22 possibility, if not a certainty, that we will not
23 be obligated to pay impact fees from that point
24 forward, as long as we're off ad valorem.

25 CHAIRMAN GEORGE: All right. We'll address

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1 that then, I guess, if there's a problem.

2 MR. BURNETT: Couple of other things. This
3 past month, we did work on a couple of issues
4 related to the self-fuel. And I can tell you on
5 a -- on a sort of related issue, we looked at
6 fairly in depth a legal issue related to the
7 airport's sale of fuel and -- and other aspects of
8 the -- of the business side of that operation with
9 legal implications.

10 The other thing that we've work -- been
11 working on, and your staff had a meeting on, was
12 with Aero Sport continuing to neg- -- negotiate,
13 and discuss the lease terms in the FBO lease, the
14 master lease. That'll take --

15 CHAIRMAN GEORGE: I thought that had been put
16 to bed months ago.

17 MR. BURNETT: There's still some ongoing
18 issues related to it.

19 CHAIRMAN GEORGE: Are we paying the rent on a
20 monthly basis?

21 MR. WUELLNER: No, they are paying it.

22 CHAIRMAN GEORGE: Fine.

23 MR. BURNETT: Yes.

24 CHAIRMAN GEORGE: Okay. All right.

25 MR. WUELLNER: It's not a dollar issue. It's

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1 the lease document itself that's --

2 CHAIRMAN GEORGE: Okay.

3 MR. WUELLNER: -- getting hammered.

4 CHAIRMAN GEORGE: All right.

5 MR. BURNETT: So, that's all I have.

6 CHAIRMAN GEORGE: Okay.

7 6.G. - ATCT MANAGER

8 CHAIRMAN GEORGE: Mr. Knight from the tower?

9 MR. KNIGHT: Good afternoon.

10 MR. WUELLNER: I think we -- I think it's

11 off. This slide.

12 MR. KNIGHT: Good afternoon. Basically, for

13 the months of January and February are almost

14 equal with what we did last year for January and

15 February. I don't remember the numbers exactly

16 off the top of my head.

17 What is interesting, though, is roughly two
18 weeks ago, we hit our highest traffic volume for a
19 single day. Previous was 746 operations. We had
20 840 operations for a given day. Any questions?

21 CHAIRMAN GEORGE: I'm having trouble
22 following the chart now that we're getting so many
23 lines on it. Do you have a pointer that you can
24 maybe point to or come up here and say this line
25 represents this?

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1 MR. KNIGHT: I don't know if I can use the
2 pointer, but...

3 MR. JUFKO: Push the button.

4 MR. KNIGHT: Okay. Little dashed line here
5 (indicating), calendar year 2003. And from
6 January, we had just under 8,000 operations, and
7 you see how it went throughout the year.

8 The dash line is 2004 (indicating), which is

9 last year's. And we started off with a nice peak
10 for January, just under 12,000 operations. A
11 little bit slower in February (indicating).

12 A significant peak, right near 16,000 ops, in
13 March of last year (indicating). And then it
14 tapered off and we had some hurricanes during this
15 period (indicating).

16 For this year, we're using the solid line
17 (indicating), which perhaps that's why you're a
18 little bit off. The solid line is what we've done
19 so far for this year, January (indicating), which
20 is less than January last year, but higher than
21 February last year; and therefore, cumulatively,
22 it's roughly the same amount of ops for the first
23 two months of the year, that we did last year.

24 CHAIRMAN GEORGE: Okay.

25 MR. KNIGHT: Does that make sense?

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1 CHAIRMAN GEORGE: On your Master Plan, do we

2 do a year based on a fiscal year or a calendar
3 year?

4 MR. JUFKO: Calendar.

5 CHAIRMAN GEORGE: Hmm?

6 MR. JUFKO: Calendar.

7 CHAIRMAN GEORGE: Okay. Maybe what would be
8 just as meaningful would be to have a
9 cumulative -- a second chart that shows
10 cumulative. In other words, in the year '03, take
11 January from February that adds to it. So, you
12 show it going all the way across. And that way, I
13 know -- see, I take a peak in March, and I don't
14 know how much that affects the offset, you know,
15 in June. But if I have it cumulative going across
16 there, it might tell us how we stand year-to-date.

17 MR. KNIGHT: Okay.

18 CHAIRMAN GEORGE: What do you guys think?

19 MS. GREEN: I can read this. It's okay.

20 CHAIRMAN GEORGE: Hmm?

21 MS. GREEN: I can read this. Sorry.

22 MR. WUELLNER: I'm laughing because I'm

23 going, "Welcome to my world."

24 MR. BRUNSON: Buzz, I'll explain it to you

25 later.

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1 CHAIRMAN GEORGE: Thank you. If you'd put a

2 dollar sign on it, I'd know it.

3 MS. GREEN: David, I have a question.

4 Because of our Super Bowl that we had, which of

5 course we anticipated and were to capacity, but

6 we're having the same average ops as we did last

7 year. Is that because we were just at capacity

8 last year, too, in January, February, and March

9 combined?

10 MR. KNIGHT: February was the Super Bowl. In

11 reality, we did less operations probably because

12 Super Bowl was in town for that week. We only did

13 roughly almost 1,200 ops for a six-day period,

14 where we generally average about 400 ops a day.

15 MS. GREEN: So, they sat and stayed, in other

16 words.

17 MR. KNIGHT: Exactly. Most of the pilots
18 here, local area, elected not to fly, which we
19 have asked them not to fly, to help with the Super
20 Bowl event.

21 MS. GREEN: Okay.

22 MR. WUELLNER: And I think it's also
23 important to point out, David, that you guys
24 since -- I mean, moving into March, just a quick
25 look at some of the data, I mean, you've already

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1 experienced the single busiest day we've had in
2 our -- in recorded history of the tower, has
3 occurred already this month. So, you get a feel
4 for how dramatically the traffic picks up, weather
5 permitting, moving into this time of the year.

6 MR. KNIGHT: To date, we've covered over
7 8,000 operations for this month, which means that
8 we're pretty close to on track with coming close

9 to that peak in March. Thank you.

10 CHAIRMAN GEORGE: Thanks.

11 7. - PROJECT UPDATES

12 CHAIRMAN GEORGE: Project updates. No.

13 Yeah.

14 MR. WUELLNER: Yes.

15 CHAIRMAN GEORGE: Project updates.

16 MR. WUELLNER: Real quickly, outstanding

17 projects, if I can get them out here. Estrella

18 Avenue parking lot; land acquisition in Araquay

19 Park; south development area apron design; hangars

20 8, 9, and 10 up in the corporate -- northeast

21 corporate area; and runways -- runway 2/20; the

22 terminal office buildout, which would be the

23 second-floor project; marketing and public

24 relations; airport leasing activities; and the

25 Airport Master Plan, which is where we'll pick up

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1 the discussion of the workshop prior to this

2 meeting.

3 All right. First out of the blocks, Estrella
4 Avenue parking lot. Clearing and grubbing on that
5 lot, which it was -- was and is a part of what was
6 the airport maintenance facility project when it
7 was quoted -- or bid -- well, put together as a
8 design/build project with Danis, and we waited
9 forever on permits. That's why that thing is just
10 now kind of in construction.

11 The site rough-in is ongoing, and we're still
12 looking at completion by the end of April at the
13 latest. So, that will augment not only
14 maintenance facility parking day in and day out,
15 kind of an employee parking lot, if you will, but
16 it also augments what is North American Top Gun
17 hangars H and I down there, which was woefully
18 under -- underprovided in terms of parking from
19 its -- from its concept. So, that will alleviate
20 a lot of congestion down the street here.

21 Next project's Araquay Park land acquisition.
22 Let you know that we're negotiating with several
23 owners as to final purchase prices back there as a

24 result of the eminent domain action. And we
25 expect to be entering into mediation with the

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1 balance of those residents over the next several
2 months to resolve the valuation issues that are
3 out there on that. And I guess that's pretty much
4 where it is.

5 South development area apron design. You're
6 going to see preliminary sketches related to
7 this -- or a sketch related to this a little bit
8 later in the agenda item. I think we provided it
9 as part of your packet, too, so you've kind of
10 already had a quick look-see.

11 Initial survey and geotech work is already
12 complete, and got some layout sketches in
13 development, which is where they're looking for
14 some input from you folks, make sure that's
15 consistent with what you're thinking. And 30
16 percent plans we'll be talking about again in just

17 a few minutes.

18 And hangars 8, 9, and 10 here, preliminary
19 engineering is ongoing at this point. And I --
20 I'm guessing we're probably on a time line of
21 about May to put that on the street.

22 Home demolition update. There's not a lot to
23 update you here. The efforts are ongoing on homes
24 not previously awarded. By "awarded", I mean
25 those that weren't bid on and -- and are not being

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1 moved off of the property. Understand several of
2 them were physically removed from the property
3 this weekend, and there's several -- at least one
4 or two more this weekend.

5 And I -- I suspect you'll begin to see more
6 of a consistent flow of -- of homes that were bid
7 on and decided to move out of the neighborhood.

8 And any sold homes, as I said, are just, you
9 know, being moved per that contract. Mr. Brunson?

10 MR. BRUNSON: Yeah. Do we still have homes
11 available?

12 MR. WUELLNER: We have a few homes that have
13 not been -- either were not offered yet, we've
14 recently taken occupancy of, or ones that, in the
15 original opinion of the building inspector that we
16 used, which was Valdes, John Valdes here in town,
17 were not really movable. And as a result, they
18 were -- I think by general agreement of the
19 Authority back last fall, we did not include in
20 the bid process and were subsequently just kind of
21 moved on to the demolition schedule.

22 I think there may be one or two of those that
23 have not actually been demolished yet, but were
24 not bid.

25 MR. BRUNSON: Okay. And I was approached

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1 this weekend by someone's interest, and the
2 procedure is just for them to call you?

3 MR. WUELLNER: Well, it -- it gets a
4 little -- we've had -- I'm sure we've had the same
5 conversation with this particular individual, if
6 my -- my -- if I were a betting man, anyway.

7 And a part of the problem is, this individual
8 elected not to bid on properties and then decided
9 that he was entitled to them after the fact and
10 should be able to walk in and just take them,
11 which is inconsistent with the policy of -- of
12 disposing of surplus property, first of all.

13 I think we've adequately communicated to them
14 that if those properties are offered again, he's
15 certainly welcome to present his bid for those
16 properties consistent with those requirements that
17 everybody else had to do.

18 Otherwise, depending on the particular
19 property, it may already be in a demolition
20 contract. Several of these properties, we've
21 offered two and three times to the public in the
22 various times we've had offerings to try and get
23 somebody that was interested in moving them.

24 Obviously, there's a financial benefit to moving
25 them in our case versus paying for demolition.

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1 So, certainly if they want to contact us --

2 MR. BRUNSON: Different person, but I know
3 what to do with.

4 MR. WUELLNER: Okay.

5 MR. BURNETT: If I could also comment on
6 that, the removal of structures, some of them,
7 from a -- from a construction standpoint, can't be
8 moved because of the methods of construction.

9 But the other point is, is there's a Building
10 Department issue of whether some structures can be
11 relocated based on whether or not the Building
12 Department is going to subsequently issue that
13 person a permit, because if they're in such a
14 state of disrepair, the Building Department's not
15 going to let them be moved because they're not
16 going to issue a permit.

17 MR. WUELLNER: That's a really good point.
18 We've had several of those. And in particular,
19 some of the mobile homes have run into this, where
20 they were acquired for -- you know, for whatever
21 amount of money, and with the desire to move them
22 off, thinking they'd be easy to move, and the
23 County has since come back and said the age of the
24 home and -- consistent with the new FEMA
25 guidelines, they're not going to allow them to be

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1 moved. And basically the County, in a few cases,
2 stepped up and reimbursed these folks for what
3 they paid us for the home. Basically everybody
4 ended up washing on the deal. And the County
5 actually removed the mobile home and disposed of
6 it. So, everybody ended up in a win-win there,
7 but it's not going to be occupied somewhere else
8 in the county. It's -- it basically went to the
9 landfill at that point.

10 And we're finding that in older mobiles;
11 they're just simply not going to make the
12 structural grade to be allowed to be resited
13 somewhere else. And you find that with some of
14 the older homes, too, depending on how they were
15 constructed.

16 Okay. Runway 2/20. Not a lot to update
17 here, but look -- looking like the material list
18 is coming together on that -- on that, that being
19 we're getting the stuff in -- in-house and in
20 stock. I'm guessing sometime during the months of
21 April and May, we'll get that wrapped up. It's
22 not a big project here. But I -- I suspect we'll
23 have it operational and usable 24/7 beginning
24 sometime in April or May.

25 Terminal office buildout is the next

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1 significant project. We informed you last month
2 that most of the interior -- interior metal

3 studwork was for the most part accomplished, and
4 most of the rough-in electrical and mechanical
5 kind of work, AC work was pretty much complete,
6 which remains to date. Now we're moving on to the
7 Drywall work up on the second floor, which will be
8 obviously followed by finishing, doing the
9 flooring and -- and that type of thing.

10 Still on a schedule to occupy this very early
11 April, assuming we can get a CO that fast once
12 work's complete, which is always a variable in
13 there.

14 Since there's no site work and the like, you
15 know, we should be able to avoid the requirement
16 for as-builts and going through that whole painful
17 process of survey work. So, anyway, early April
18 is our optimistic goal.

19 Airport marketing and public relations. No
20 new significant developments. I do want to let
21 you know that at least I'd like to explore with
22 y'all, moving forward as the Master Plan is
23 completed, so this is probably more a summer kind
24 of discussion, but I'd really like to work toward

25 putting a Master Plan insert informational kind of

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1 document together that would be inserted in the
2 newspaper, general circulation of the newspaper.
3 It's probably a paid kind of advertisement, but
4 basically details what the Master Plan concluded
5 and what those long-range plans are and provide an
6 informational opportunity out there for the
7 general public to see what -- what all's on the
8 horizon for the airport, and including how you
9 plan to pay for it and, you know, those kind of
10 details so that some of the basic questions out
11 there that people feel generally uninformed about,
12 it's a factual basis. So, we'd like to pursue
13 that with you as we move forward. It's not a
14 this-month or next-month thing, but it's coming
15 up. Summer's sneaking up pretty quick here.

16 Leasing activities. Nothing significant to
17 report. However, we are discussing, and I suspect

18 we'll have some -- a mess of lease agreements for
19 you here very shortly on the second floor up
20 there. We've got a bunch of them interested and,
21 you know, it's just a matter now of getting the
22 building to the point where you'd be comfortable
23 signing a lease agreement relative to an occupancy
24 date.

25 So, I would suspect most of our leases will

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1 have a startup date of somewhere around May 1st,
2 as soon as we get a better handle on when the CO's
3 issued. So, looks good so far. Have well over
4 half of it pretty well committed.

5 CHAIRMAN GEORGE: Good.

6 MR. WUELLNER: That's the other half of that
7 line. Sorry about that. And brings us to the
8 Airport Master Plan update, which is where we left
9 off.

10 CHAIRMAN GEORGE: Before we go back to the

11 Master Plan, I think we need to open public
12 comment for all the projects that we've talked
13 about, because if we spend 15 or 20 minutes on the
14 Master Plan, people might forget anything they
15 might have had. So, any comments thus far on the
16 project updates?

17 (No public comments.)

18 CHAIRMAN GEORGE: Okay. Any board comments
19 on the project updates?

20 (No comments.)

21 CHAIRMAN GEORGE: Okay.

22 MR. JUFKO: Okay. We were -- we were talking
23 in the intermediate term, and we're hitting the --
24 this critical part here in 2010, where it's the
25 year we're -- the last component of the runway

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1 extension process and, therefore, we end up with a
2 significant chunk of change here that will be
3 expended for that year if we stay according to

4 this schedule.

5 And also, there is -- you'll notice here,
6 this -- this isn't designed -- this is more a
7 working document for us, but we've -- we've coded
8 some of the revenue-generating projects in green,
9 money, to give you an idea of how -- how that kind
10 of filters throughout the process.

11 Normally, we -- when we do one of these
12 financial plans, the financial plan is done for a
13 period of about five years. In this case, we've
14 gone for a period of up to 2015, almost 11 years
15 or so, because we wanted to bring it in line with
16 your current program that you have now.

17 Also, you'll see some more -- more hangar --
18 we have some small projects in here and some
19 not-so-small projects. We'll point out that
20 there's some service road permit here on the north
21 side (indicating).

22 All of these projects that we pull out,
23 whether it's here in the intermediate term or even
24 in the long term, is in support of the key

25 alternative concepts that we've come up for the

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1 areas of the airport, whether it be the runway
2 configuration, whether it be the north GA, south
3 GA, or even on the west side of the airport.

4 Those concepts that we ended up with as part
5 of the process are the driving force behind some
6 of these projects. And the actual phasing of
7 them, the general phasing comes -- general phasing
8 comes out of the actual alternatives, but the
9 specific breakdown, we go back to our requirements
10 to try to break it out and tie it to the forecast
11 whenever possible.

12 I wanted to bring up -- and that's why my
13 phone is buzzing here. I had an e-mail here that
14 talked about project costs. I didn't mention this
15 before, but all the project costs here are also
16 escalated using CPI. You can't compare apples and
17 oranges here. You've got to be on the same

18 playing field here.

19 Typically, when we -- we come together with
20 one of these financial plans to -- to show our
21 ability to pay our bill, if we do build these
22 projects, we'll go forth and say, okay, these are
23 2005 dollars. Whenever you get around to building
24 that project, here's the formula you use to
25 calculate. Go to your local bank or financial

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1 institution, get the CPI, and here's how you'll
2 calculate what those projects cost today. That's
3 typically how we would present this.

4 In this case, since we are going out such a
5 period of time, we wanted to make sure that we
6 were comparing apples and apples. So, rest
7 assured these prices have escalated. And I guess
8 the sooner you build some of these projects, the
9 cheaper it will be, figuratively speaking. Yes,
10 sir.

11 MR. COX: Make sure I understand it, so what
12 you're saying is the price that you've got -- your
13 extrapolation is a million dollars more actually
14 in 2011.

15 MR. JUFKO: Because they were -- yes, because
16 they are the prices that were used to do this were
17 in 2005.

18 MR. COX: And then using CPI from --

19 MR. JUFKO: Yes, sir. You weren't part of
20 the earlier meeting --

21 MR. COX: No, I know it.

22 MR. JUFKO: -- but we had a CPI forecast --

23 MR. COX: Okay.

24 MR. JUFKO: -- that takes us through this
25 period --

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1 MR. COX: Right.

2 MR. JUFKO: -- that we relied on to

3 extrapolate our revenues and our costs, expenses,

4 and so on.

5 MR. COX: Thank you.

6 MR. JUFKO: Just some key -- more hangar
7 development throughout. And you just can't go out
8 there and build it all at once. I guess you
9 could.

10 It's -- it is -- if we go back to the other
11 time frame and then we'll see some of these in the
12 longer term as well, in the T-hangar projects, we
13 tried to take them in groups of 36. You're not
14 just going to run out there and build 12,
15 typically. If you can build them in a group --
16 you're more than welcome to build a row of
17 T-hangars in 12. But if you have the means to
18 build the 36 and -- and you have some sense that
19 there's this demand, this pent-up demand to fill
20 them, build them. That's -- that's -- that's what
21 we say. Because that money -- and for Mr. Cox,
22 that the sooner we're building up front in the
23 short term, the first five years, what I had
24 mentioned to the rest of the group here was that
25 if we get that revenue in the stream, we'll be

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1 able to benefit from that back here in 2010 when
2 the runway is being built.

3 Now, we did have a couple of shortfalls that
4 we'd already discussed of how we would perhaps go
5 about meeting that.

6 And then the last area here is long-term
7 demand. There are a few years left in here that
8 we broke out individually because it fell within
9 that window that I had mentioned. And there --
10 there's some improvements.

11 Now we're starting to look across -- across
12 the street, some real long-term improvements that
13 fit into this window of opportunity, but by then
14 we'll have already revisited a lot of these
15 projects over the course of not only one, but two
16 Master Plan updates.

17 So this is our, you know, our take. So, a
18 lot of those long-term projects end up here in

19 this long-term section. You may never build it in
20 20 years. You know, that -- that's the reality of
21 this. But you need to at least project and get a
22 sense of what -- what's the cost of some of these
23 projects?

24 And we -- this is the remainder of the
25 expansion, both in the north and south GA areas

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1 (indicating). It's aprons, hangars, and the like,
2 intermodal facility, tower across the street.
3 Starting to really get into the runway development
4 and the environmental that goes with that. And
5 these are all long-term type of projects.

6 Primarily a lot of that activity, other than
7 this north/south stuff here, is focused across the
8 street. And that's really big picture kind of
9 stuff, based on what we had thrown out there.
10 Much more detailed study in subsequent Master
11 Plans, we'll -- we'll look at that and kind of

12 revise that whole picture.

13 But that -- that primarily is -- is our
14 snapshot of the Master Plan and the projects. The
15 overall, if I could find the one -- it's in the
16 actual documents here that summarizes for each
17 period.

18 MR. WUELLNER: Probably one other point
19 you --

20 MR. JUFKO: Go ahead.

21 MR. WUELLNER: Just -- just you haven't made
22 the correlation yet. Probably half, or
23 approximately half of the total capital
24 development costs you're talking about occur after
25 the first ten years. So, when you're -- when

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1 you're staring at that 180-some-million-dollar
2 number, you know, almost half of it's after that
3 10-year period, so...

4 MR. BRUNSON: Is this the first time the

5 community center has showed up in our projection
6 of 2016?

7 MR. WUELLNER: As a project?

8 MR. BRUNSON: Yeah.

9 MR. WUELLNER: It's the first time it's shown
10 up anywhere as a project.

11 MR. BRUNSON: Okay.

12 MR. COX: Buzz, it's your phone.

13 MR. WUELLNER: Is that what that is?

14 MR. JUFKO: Yeah.

15 CHAIRMAN GEORGE: Sorry.

16 MR. JUFKO: There are projects, and -- and
17 that's -- that's a good point, because that --
18 that project in particular, you know, maybe --
19 maybe it finds its way into, you know, the
20 previous window. But either way, you still have a
21 number of significant projects coming on line.

22 It's all going to be a balance.

23 And as we showed in the cash flow analysis,
24 after a certain point, those hangars that you
25 built early on, theoretically you're -- you're

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1 banking now. So --

2 MR. WUELLNER: I -- I would think that
3 community center project specifically is one that
4 would be significantly earlier than it is shown
5 here.

6 MR. BRUNSON: Good.

7 MR. WUELLNER: I mean, I'm thinking somewhere
8 in the time line of runway completion somewhere in
9 the area of --

10 MR. JUFKO: You'd have to wait until that
11 was --

12 MR. WUELLNER: -- 2010, 2013 range, rather
13 than 2016, 2023.

14 MR. JUFKO: Yeah. It would put it -- it
15 would put it probably right towards the tail end
16 of the intermediate term. You want to make sure
17 that you got all that dredging and --

18 MR. WUELLNER: Right.

19 MR. JUFKO: -- runway project out of the way.

20 CHAIRMAN GEORGE: What we're saying, that
21 you're going to move it then?

22 MR. WUELLNER: Likely.

23 CHAIRMAN GEORGE: Okay.

24 MR. WUELLNER: There will be --

25 MR. JUFKO: There are several projects that

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1 move. We don't think it will affect the
2 overall -- I mean, there are going to be changes
3 in the flow.

4 MR. WUELLNER: Yeah.

5 MR. JUFKO: But in seeing where the money
6 shortfalls have been coming up and the amount of
7 the shortfalls, I -- I don't expect any of the
8 changes that we're going to make to affect that
9 greatly. It would take some of the major south
10 area development or some of the runway to make a
11 significant change. So, that's basically what I

12 have for here.

13 And as Ed mentioned earlier, there's no
14 guarantee. There's no free lunch, no guarantee
15 we're going to get the funding. We're going to
16 compete like every other airport for federal
17 funding and state funding.

18 We have just showed you what is possible, if
19 the money is available. And that also works into
20 how this is phased in the real world. Not so much
21 theoretically as this exercise suggests.

22 CHAIRMAN GEORGE: Well, it sounds like that
23 you and Ed have some more tweaking to do --

24 MR. JUFKO: Uh-huh, little bit.

25 CHAIRMAN GEORGE: -- on phasing and stuff

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1 like that.

2 MR. JUFKO: Nothing major as -- as Ed had
3 mentioned. It's something we can take care of
4 over the course of day or two and --

5 CHAIRMAN GEORGE: Do you plan on presenting
6 it back to us after you've done that, or do you
7 think it's minor enough, Ed, that --

8 MR. WUELLNER: I think you're going to see it
9 as part of the overall --

10 MR. JUFKO: Document?

11 MR. WUELLNER: -- quote, unquote, final draft
12 version you'll see next month. I mean, it should
13 include those revised -- all of the revisions made
14 today, because we're at that meeting effectively
15 going to ask you to agree to allow that to be sent
16 to FAA and FDOT for --

17 CHAIRMAN GEORGE: Right.

18 MR. WUELLNER: -- their --

19 CHAIRMAN GEORGE: That's next month?

20 MR. WUELLNER: -- for their look-see, yeah.

21 Following a workshop again, so -- or not a
22 workshop, but an extended agenda item, probably.

23 And you'll have -- I think the anticipated is
24 you're going to have this, you know, a version of
25 the final, if you will, what, a week, ten days

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1 out, so you're going to have some time with the
2 document also. So, if you've got things you still
3 aren't comfortable with, it can always be delayed.

4 CHAIRMAN GEORGE: Yeah.

5 MR. WUELLNER: So, it's not something we need
6 to shove down your throat in April. But -- but it
7 would be nice for schedule purposes to keep it
8 moving, so...

9 MR. JUFKO: Another point, at that meeting
10 when we're asking for your blessing, you're not
11 adopting it. That's the technical terminology.
12 That's after it comes back from FAA and they --
13 you know, we've addressed comments, you will go
14 that route.

15 But also, if you do have comments, you could
16 still go forth and accept it pending these such
17 and such comment as addressed and, you know, we
18 direct the Authority to -- to send it on.

19 CHAIRMAN GEORGE: Okay.

20 MR. WUELLNER: The crux of the comments
21 you're going to get from FAA and DOT surround the
22 plan sets, not the document itself, so...

23 MR. JUFKO: That's true.

24 CHAIRMAN GEORGE: Okay. Any public comment
25 on the Master Plan?

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1 Any board comment? Oh, yes.

2 MR. JONES: My name is Joe Jones, 4672 5th
3 Avenue. Not so much as in dollars, but were you
4 going to give a presentation about where the
5 runways and stuff are still, or is this going to
6 strictly be dollar term today?

7 CHAIRMAN GEORGE: I think that the -- one of
8 the agenda items is the south development area,
9 present the engineering concept for where
10 everything is going to go.

11 MR. JONES: So, you are going to show where
12 everything is going to go? I was just curious

13 about the --

14 MS. GREEN: That's just the apron.

15 MR. JONES: -- runway y'all keep talking

16 about, that everything's like based around it.

17 MR. WUELLNER: April.

18 MR. JONES: But you just keep talking about

19 how you have to get permitting and, you know, go

20 to DEP.

21 What if they don't bless that? What happens

22 with the rest of the projects? You know, say you

23 can't go in there and dredge and fill whatever

24 there?

25 CHAIRMAN GEORGE: I think that -- that the

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1 extension of the runway was primarily done for --

2 to help the economic impact to -- to the airport.

3 For instance, presently Grumman, on every

4 Navy contract, I think, or maybe it's everybody

5 except the Navy, they have to request an exception

6 to allow them to use the St. Augustine facility
7 because we're not 8,000 feet on our runway.

8 That's basically what it is.

9 By us extending it, we have a better chance
10 of putting Grumman or other defense contractors in
11 a position to use St. Augustine as their facility
12 for overhaul or whatever the project might be.

13 In the event that we don't get the approval,
14 then there's some significant impact to Grumman to
15 have to continue to request an exception, you
16 know, every year. But the overall volume of
17 activity from aircraft coming in, which was what
18 the southern general aviation area was all about,
19 the absence of getting that runway extension, I
20 don't think will have that much of an impact on
21 why we need that land and --

22 MR. JONES: Okay. I was just curious,
23 because I know he just keeps coming back with the
24 runway for this project and the runway for that
25 project. That's all. I was just curious if the

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1 runway was just that key to everything.

2 CHAIRMAN GEORGE: Yeah. Does that --

3 MR. JONES: Yeah. Then not being able to --

4 be able to permit it, how does it affect the other

5 projects?

6 CHAIRMAN GEORGE: Yeah, well, I -- I don't

7 think they affect -- it affects the other projects

8 at all. It -- it could affect the --

9 MR. JONES: I was just curious. It keeps

10 coming back. That's why I was going there.

11 CHAIRMAN GEORGE: You know, right now, the

12 airport provides about a hundred million dollars a

13 year in economic impact to the county. Grumman,

14 for instance, has a facility in Louisiana that has

15 a big runway. We would like to see all of

16 Grumman's projects come here as opposed to go to

17 Louisiana. So --

18 MR. JONES: The only reason I was asking,

19 because you know where they're doing that new

20 Guana research thing in Guana? They show all of
21 this area as part of Guana -- Guana Aquatic
22 Preserve. So, that's -- so, that's like state
23 legislated. But it's already a state preserve.
24 So, it don't seem -- seem like we're going to go
25 in there and take it.

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1 CHAIRMAN GEORGE: Yeah. We have to build our
2 case for it.

3 MR. JONES: Right. That's why I was just
4 curious --

5 CHAIRMAN GEORGE: Yeah.

6 MR. JONES: -- like how much that runway
7 affects everything else.

8 CHAIRMAN GEORGE: I don't think it has any --

9 MR. JONES: Right. Well, that's the answer.

10 CHAIRMAN GEORGE: Okay.

11 MR. JONES: That's all -- that's all I was
12 asking.

13 CHAIRMAN GEORGE: Okay.

14 MR. JUFKO: Just to let -- there is a
15 process, and that's -- and it's a step-by-step
16 process. And that's why, when we were discussing
17 earlier the Environmental Impact Statement, that's
18 who you're -- there will be a lot of information
19 in that process that will help determine whether
20 this goes forward or, you know, how fast it goes
21 forward or if it doesn't at all, these types of
22 things.

23 MR. BURNETT: And -- and I'll comment very
24 briefly on the environmental issues to the extent
25 from a legal standpoint of what I know about it.

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1 You can mitigate environmental impacts, both
2 with on-site mitigation, and the airport in fact
3 has granted conservation easements to the Water
4 Management District in the past for that purpose.
5 Or, you can mitigate off-site, which is typically

6 a function of money, by buying other property to
7 exchange for your environmental impacts that you
8 have at the airport.

9 MR. JONES: But if it's a preserve, it will
10 be almost like the Okefenokee Swamp or something
11 like that. You just don't go in there. It's off
12 limits for good.

13 MR. WUELLNER: It's a significant --

14 CHAIRMAN GEORGE: That's why the whole
15 process of making application for what --

16 MR. JONES: That's why I was curious.

17 CHAIRMAN GEORGE: Yeah.

18 MR. WUELLNER: A significant portion of the
19 project is already owned by the Airport Authority
20 in terms of property.

21 CHAIRMAN GEORGE: Yeah. But good point to
22 bring up. But that's why this is a plan. As we
23 run into a roadblock or something, then we have to
24 reassess it.

25 Any other public comment?

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1 (No further public comment.)

2 CHAIRMAN GEORGE: Any board comment?

3 (No board comment.)

4 CHAIRMAN GEORGE: Thank you.

5 MR. JUFKO: Thank you.

6 CHAIRMAN GEORGE: Is that your end of project
7 updates?

8 MR. WUELLNER: Sí. Yes.

9 8.A. - COMMITTEE REPORTS - MPO

10 CHAIRMAN GEORGE: Okay. We -- at the last
11 meeting, we had realized -- realized that we had
12 some committee board members that were attending
13 various committees, and so we had decided to add
14 to the agenda just a quick summary of what's
15 happening in those particular areas.

16 So, I'm the MPO representative, but I was out
17 of town last week, but I think Mr. Brunson --

18 MR. BRUNSON: And -- and Jack Gorman is your
19 alternate, and he wasn't able to attend, so I
20 attended. And nothing earth-shattering to report.

21 But it was attended by, as you know, the mayor and
22 city councils and county commissioners from here
23 and Clay County, and it's a great organization
24 with a lot of input. And -- but mainly they
25 talked about roads and road projects and nothing

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1 that would affect the airport.

2 The Jacksonville Airport Authority was in
3 attendance, and there was not too much comment
4 made about the airport. But I'm sure that you
5 know more about what might be coming up, that we
6 need to be there.

7 8.B. - EDC

8 CHAIRMAN GEORGE: Okay. EDC, I think
9 Mr. Brunson, you went to an Economic Development
10 Committee Council meeting.

11 MR. BRUNSON: At the last board meeting, we
12 approved that I would be the liaison to go to the
13 EDC meetings. We just had an EDC meeting, so I

14 haven't attended one as an official liaison.

15 But we did have the Tallahassee-St. Johns
16 County visitation, and I was invited to the
17 luncheons and I could not go. But I understand
18 our board member, Suzanne Green, went, and Bob,
19 with the EDC there?

20 MS. GREEN: Right. I met with some of the
21 EDC members. But as you said, that the mayor was
22 there. We had people from transportation. It was
23 a gamut.

24 MR. BRUNSON: Yeah. Yeah. And basically,
25 the EDC has their agenda items that they're trying

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1 to lobby for, and I look forward to working with
2 them.

3 CHAIRMAN GEORGE: Good. Suzanne, you went to
4 Tallahassee with them or --

5 MS. GREEN: Right. I went over to
6 Tallahassee with all of our commissioners and some

7 members from Economic Development, Mayor of
8 St. Augustine, some other people from Water, and
9 just various government elected officials,
10 basically, for St. Johns County Day. And the
11 people that put it on, it was sponsored by the PGA
12 and a lot of other corporations from St. Johns did
13 an excellent job. Really promoted St. Augustine
14 and the historical end of it.

15 But we met with numerous legislators and
16 senators and reps. And we had an agenda. And
17 believe me, we split up into five or six different
18 teams and hit everybody that we could that dealt
19 with areas that we had issues on. And basically
20 one was libraries. We had Mary Little from
21 libraries. We had transportation and historical
22 preservation, as historical preservation is
23 money-driven, and then libraries was for reading
24 programs. And we fit in the transportation, as
25 far as the airport came.

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1 So, as the big agenda item for the
2 transportation dealt with the 312 extension, and
3 they -- I was questioned as to how that affected
4 the airport, if at all.

5 I was questioned about the Master Plan, which
6 I thought was interesting. But that was by
7 Senator Fasano, who's from New Port Richey area.
8 But he's head of appropriations, so that was
9 important for us. And he was asking me about what
10 our Master Plan was doing with the other side of
11 U.S. 1. He asked about our runway extension, if
12 we had done that yet. So, it was interesting how
13 key he was on things going on in our area.

14 I was introduced to the First Coast
15 Manufacturers Association. They had a big
16 function there. There must have been a hundred
17 people there. And Bruce Maguire introduced me in
18 the middle of their dinner to all of these people.
19 And as they're eating, I got fired questions all
20 about the airport. "What were your ops?" David,

21 that's why I asked you.

22 I got questions about operations during Super

23 Bowl, what kind of impact it had some St. Johns

24 County. Were we ever going to be commercial?

25 What about longer runways? I mean, just on and on

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1 and on.

2 So, I thought it was interesting that the

3 airport was on an agenda, or at least that many

4 people were asking us questions about it. So, I

5 think the flier you were talking about in the

6 paper is a very, very good idea.

7 Impact fees were a huge issue. Mr. Maguire

8 and I sat for about three hours and went over what

9 we can do, you know, how that's going to affect

10 the airport, as well. But, I mean, obviously

11 they're worried about the county as a whole.

12 And the MPO. One of the reps, and I don't

13 remember which one -- it was not one of our St.

14 Johns County reps. It wasn't Don Davis or -- or
15 that. But one of the other reps that we talked to
16 asked what our MPO thought. So, I thought that
17 was significant. Obviously, MPO has some impact,
18 being a member of it. And I know that was
19 something we wrestled with as far as the cost of
20 it, but I thought that was an interesting comment
21 that they brought up.

22 And then lastly, there was bantering about
23 possibly having a lobbyist for St. Johns County to
24 actually get in there and make sure we get some
25 funds.

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1 312 is supposed to be -- I'm not sure it's
2 fully funded, but funded to what the Governor has
3 in his budget. So, that's got pretty much a
4 priority item. Jim King said it's going to be a
5 priority item for him. Now, whether that -- how
6 much that impacts us or not. But it's really

7 important to get your appropriations items high on
8 the list. And that's where the lobbying comes in.

9 Some of our historic issues are down. We
10 went and found out where we were. There may be
11 one up top, but most of them got pushed down
12 because other areas have bigger lobbyist groups.

13 But it was very informative. And I think we
14 should have at least one member go when they do
15 that once a year, because it really answers a lot
16 of questions.

17 CHAIRMAN GEORGE: I thought that the County
18 did have a lobbyist that was on their payroll
19 that --

20 MS. GREEN: Not --

21 CHAIRMAN GEORGE: -- came from there and --

22 MS. GREEN: Not my understanding, because
23 Mr. Maguire was saying he would really -- I know
24 it's a budget issue. It's a sensitive budget
25 issue.

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1 CHAIRMAN GEORGE: Right.

2 MS. GREEN: But he was talking about having a
3 paid lobbyist for St. Johns County. And I don't
4 know that answer; I just know it was a discussion.
5 But St. Johns County was very well represented, I
6 think.

7 CHAIRMAN GEORGE: Is it not considered
8 protocol to -- for us to contact directly some of
9 these senators that have an impact? For instance,
10 they asked questions about our Master Plan. When
11 we complete the Master Plan, would it be
12 appropriate for a note from you that says, "You
13 asked about our Master Plan; it's just been
14 published and I thought you might want a copy of
15 it"?

16 MS. GREEN: I don't think that's
17 inappropriate at all. You can send it, but what
18 was geared for St. Johns County Day was it was
19 timely because they were going into committees to
20 do appropriations as we spoke.

21 CHAIRMAN GEORGE: Ooh, okay.

22 MS. GREEN: So, that's why I think they timed
23 it when they did, because the budgets were being
24 done, so it's a hot agenda item. And they
25 actually listened to you and said, "Oh, okay."

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1 Well, that's item number S88 and S89 that's coming
2 up at my meeting at 1 o'clock."

3 So, I don't think it's inappropriate at all
4 if we wanted to send it as a follow-up. But the
5 timeliness was hot.

6 CHAIRMAN GEORGE: Well, since you just got
7 back, would you mind documenting who asked us and
8 why it was important so we'll have their name,
9 that as the Master Plan comes up, you know, that
10 will be our tickler, you know, to go back?

11 MS. GREEN: Sure.

12 CHAIRMAN GEORGE: Okay. Mr. Cooper?

13 MR. COOPER: Yes. I just wanted to make a
14 comment about that 312 extension. As the 312

15 extension is planned, there were no exits off of
16 it from Highway 16 till it reintersected U.S. 1
17 north of the airport.

18 However, in meetings that we've had with the
19 consulting firm that was designing that, we had --
20 and with DOT, we had requested that they consider
21 an extension coming off of it into the airport,
22 for a west entrance to the airport.

23 CHAIRMAN GEORGE: Right.

24 MR. COOPER: And that -- that's not in
25 concrete yet, but it is being thought about. And

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1 it is one thing where we could get some assistance
2 from the MPO, because their opinion on that is
3 going to probably be the way that comes down.

4 If we feel that we really need that exit for
5 a westerly entrance to the airport coming off of
6 312, we need to stay on top of that one as it's
7 being designed. Otherwise, it won't have any

8 effect on the airport, except to possibly relieve
9 traffic on U.S. 1, would be the only impact to us.

10 But on the other hand, if there's an exit off
11 of -- of 312 coming to the airport, it will change
12 the value of -- of industrial property over here,
13 and also access to the airport.

14 CHAIRMAN GEORGE: Okay. If you wouldn't mind
15 giving me the names of the people that you talked
16 to and where this stands, as the MPO
17 representative from here, I will generate a letter
18 and, you know, try to present it at one of the MPO
19 meetings, that this is something that we consider
20 vital to the future and need to consider it right
21 now.

22 So, rather than just letting it drop and wait
23 for word of mouth, we'll take it and push it back
24 on a positive basis.

25 MR. COOPER: Okay.

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1 8.C. - INTERGOVERNMENTAL AGENCY

2 CHAIRMAN GEORGE: Okay. The other committee
3 report is -- there is an Intergovernmental Agency
4 meeting that meets once a month. As a matter of
5 fact, we allow them to meet here in our conference
6 room. And it's about ten different agencies
7 within the county, and they all have a
8 representative that comes in and they spend a
9 couple of minutes saying here's what we're doing,
10 you know, and it just gives us an opportunity to
11 see what's happening, what's important to them,
12 and more importantly, if in fact it impacts the
13 airport at all.

14 I'm on that board and was elected the
15 chairman of that, you know, for the next year.
16 So -- yeah, right. That and the dime. But
17 anyway, it's an information type of thing, and I
18 think one of the things we're going to try to do
19 is to get something we can publish. But that's
20 something we'll bring up at the next meeting.

21 This last meeting was basically just

22 information. I didn't see -- don't remember
23 anything that really impacted the -- the airport.
24 But, Mr. Cooper, do you?
25 MR. COOPER: No.

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1 CHAIRMAN GEORGE: Okay. Any public comment
2 on the committee reports? Yes, sir.

3 MR. HICKOX: Actually, a question maybe
4 directed either to Mr. Burnett or to -- to Susan
5 (sic). You had a discussion earlier of the effect
6 of impact fees. I'm sorry.

7 MR. WUELLNER: It is on.

8 MR. HICKOX: The effect of impact fees. Your
9 future construction here, I'm curious, since
10 you're still an ad valorem collecting agency, has
11 anybody explored whether or not you can share the
12 income from the impact fees?

13 The school department does. Several other
14 county agencies do. And as a taxing authority,

15 you certainly should be within the qualifying
16 range of an agency that might share in some of
17 that \$9,000 per house.

18 CHAIRMAN GEORGE: Great point.

19 MR. HICKOX: Just curious.

20 CHAIRMAN GEORGE: Mr. Burnett?

21 MR. BURNETT: It -- you have to look at what
22 the impact fees are for. We don't have -- the
23 County doesn't have an impact fee just for, we put
24 a tax on our citizens for building something. The
25 County has impact fees for the primary one, the

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1 one that hits you the -- the pocket the most, is
2 road impact fees for improving roads, which I
3 foresee where you could get in a situation where
4 it may be beneficial where the airport is building
5 a road or it's something that the airport's paying
6 impact fees, and the roads that need to be
7 improved are related to the airport. And so maybe

8 there's some benefit there to be derived.

9 But, I remember going through this a few
10 years ago, looking at -- looking at the impact
11 fees a lot and the impact fee situation and not
12 being able to find a way to get relief.

13 Now, there's the potential that you could
14 make the sale to the County that the airport
15 should be exempt from the impact fees, and the
16 County could pass -- I'm not sure of the legality
17 of it without having looked at it. This is sort
18 of off the cuff.

19 But the airport may be able to -- excuse me,
20 the County may be able to exempt the airport from
21 impact fees. And part of that might be -- or part
22 of the impetus for that might be the fact that the
23 airport's striving to get off the tax rolls and
24 it's going to take longer for the airport to get
25 off tax rolls if they're paying that -- having to

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1 pay those higher impact fees. That may be
2 something that would be worth taking a look at.

3 CHAIRMAN GEORGE: Your -- your creative
4 thoughts on any way we can maneuver around that,
5 that's just money back in our pocket to do, you
6 know, other projects. That's good.

7 MR. HICKOX: Keep in mind your growth and
8 expansion is based on the growth and expansion of
9 the County.

10 CHAIRMAN GEORGE: Right.

11 MR. HICKOX: New people coming is affecting
12 that.

13 CHAIRMAN GEORGE: Yeah.

14 MR. BURNETT: I mean, I certainly could draft
15 the ordinance and -- and send it to the County and
16 see what kind of reaction we have.

17 MS. GREEN: Well, just from listening to some
18 of them, I think the reaction might be positive
19 for the airport. I don't -- I think most of our
20 commissioners were very concerned about the
21 commercial impact on St. Johns County and
22 inhibiting commercial business coming here because

23 of the great amount of impact fees that went up on
24 the commercial end of things.

25 But I agree with Doug. Just from listening

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1 to it and reading -- there's a doctor who prepares
2 all of these reports.

3 MR. BRUNSON: Nicholson (phonetic).

4 MR. HICKOX: He's from the University of
5 Florida.

6 MS. GREEN: Right. He has, throughout the
7 state. And I read through the report that he had
8 for St. Johns County, and it deals with fire; it
9 deals with police; it deals with primarily roads,
10 like Doug said. And they even talked about you
11 leave your house, you go to work. People that are
12 at work, why are you taxing the same entity that
13 drove from the house when you build your home and
14 now we're taxing them again on a commercial
15 building? But then you get into the fire and all

16 of that other kind of stuff.

17 So, I agree with Doug; I'm not sure where we

18 fit on that, other than we're taking it from the

19 County to give it back, you know --

20 MR. HICKOX: Exactly.

21 MS. GREEN: -- robbing Peter to pay Paul.

22 So, I think that's a good idea, Doug, and I'm not

23 sure how we could do it, but...

24 CHAIRMAN GEORGE: I agree.

25 MR. BURNETT: And the -- from -- from what

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1 I've heard from the board, the sale might be the

2 fact that the airport is striving to get off of

3 the tax rolls, and -- and that may be the thing

4 that makes it palatable to the County.

5 CHAIRMAN GEORGE: Good. Because if you look

6 at the construction we've got over the next five

7 years, seven years, that's going to be some

8 significant impact fees.

9 MR. WUELLNER: Oh, yeah.

10 CHAIRMAN GEORGE: Yeah. So, any other board

11 members object to having --

12 MR. COX: No.

13 CHAIRMAN GEORGE: -- counsel do that? Okay.

14 If you wouldn't mind taking that as an action item

15 then.

16 MR. BURNETT: Okay.

17 CHAIRMAN GEORGE: Okay?

18 MR. BURNETT: Will do. I'll -- I'll draft an

19 ordinance that would exclude the airport from the

20 impact fee ordinance and then we'll see what kind

21 of reaction -- I'll forward it to the County and

22 see what kind of reaction we get from Staff.

23 CHAIRMAN GEORGE: Okay. Sounds good. Any

24 other comments on the committee reports from the

25 board?

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1 (No further comments.)

2 CHAIRMAN GEORGE: Okay. Let's get to our
3 action items then.

4 9.A. - ARAQUAY PARK APRON

5 CHAIRMAN GEORGE: We've got the preliminary
6 engineering concepts.

7 MR. WUELLNER: Andrew Holesko with Passero
8 Associates is here to discuss the concept. This
9 is kind of a -- the -- what I would call the final
10 iteration, for lack of better terms, that resulted
11 from a number of meetings on how to begin the
12 efforts toward development back in the south --
13 south development area.

14 Now, this has also had significant -- just
15 for your purposes, this has had significant input
16 and a lot of Staff time generated, not only -- not
17 only with myself and -- and Bryan, but if you
18 recall, Mr. Gorman wanted to be actively involved
19 in -- in this phase of the work and spent, I don't
20 know, three or four hours with us one morning with
21 the engineer and providing his input and the like.

22 So, this is -- this is certainly something

23 that he's been made very well aware of and
24 generally is -- I think he walked away pretty
25 impressed with how that development process works

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1 around the airport. I think that was a bit of an
2 eyeopener from his end.

3 Now, the concept is, basically, assuming I
4 can get it to advance here, the darker shaded
5 areas that are clearly not buildings, is -- is the
6 first phase/layout. The darkest phasing -- and
7 I'll let Andrew kind of pick it up.

8 But the darkest phasing you're seeing there
9 is the -- is the taxiway leading into it or the
10 access into the south development area.

11 The lighter shaded area to the left, that
12 area that's being highlighted right now, would be
13 the actual first phase of apron, if you would --
14 would like to use that term.

15 The other lightly shaded area that comes out

16 better in color is the expansion that's always
17 been out there of the drainage retention as it
18 stands to date. That's the -- borders the
19 existing pond or drainage retention area that sits
20 down at the end of -- basically the end of
21 Estrella Avenue at Indian Bend.

22 There's also a small little parking lot. I'm
23 not sure it's actually in the project. But one of
24 the items that Mr. Gorman is very interested in,
25 for lack of better terms, is public access or, you

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1 know, being able to view what goes on the airport.
2 And that's a small vehicle parking area that
3 provides some look-see, if you will, of what goes
4 on the airport. It would be, you know, a small
5 parking area, for lack of better terms.

6 We may also have the availability of -- of an
7 aircraft that we can place in static -- kind of
8 static display there, if you will, for the public

9 to get up and be able to look at while it's on the
10 ground and can be, you know, relocated in the
11 future to a better spot or -- or the like. But I
12 think his -- his short-term interests were to get
13 some -- some access or viewpoints, if you will, on
14 the airport to see exactly what goes on.

15 It's fairly well surrounded as it sits today
16 what the exception of the immediate U.S. 1
17 corridor, and his -- his points being that the
18 more the public can access and see what goes on
19 the airport, the more -- more it benefits the
20 airport as a whole, the more informed they are
21 what goes on.

22 If I've left you anything to say, Andrew...

23 MR. HOLESKO: Just I just want to highlight
24 the fact that to get us to the -- the concept that
25 you see in front of you today, we did a soil

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1 survey, a topographic survey, a tree survey, and a

2 wetland mapping off of the marsh. We tried to use
3 the existing corridors along Indian Bend, along --

4 MR. WUELLNER: Araquay.

5 MR. HOLESKO: -- Araquay. And you see
6 obviously we have a loop concept. We plan on
7 taking, you know, those areas further in. Even
8 though you basically see, you know, a loop taxiway
9 with an apron on the end, a lot of thought went
10 into getting us to this exact layout. You can see
11 that we will be leaving trees in the center
12 section of the loop. There will be trees
13 remaining between Estrella and Araquay, and also
14 here along the marsh.

15 So, a lot of thought and a lot of time went
16 into getting us to what you see here as a loop
17 taxiway/taxi lane, as well as the first phase of
18 apron here on the west side. So -- but we are
19 working on this and just want you to see it
20 because we're going to be very active in the
21 engineering design and getting the bid package in
22 the next few months. So, just simply wanted you
23 to see where we were today.

24 MR. WUELLNER: And it's -- it's probably
25 important to note, too, if you remember your

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1 Airport Master Plan layout of that area, it shows
2 most of that area is, you know, in pavement and
3 buildings surrounding it and all that. And --
4 and, you know, we've tried to point out through
5 the Master Planning process that that's where it
6 goes in 20 years. It's not necessarily the
7 first-phase efforts.

8 And this represents how you get into that
9 area and a first phase of apron development. The
10 property, as you're seeing it to the north of --
11 of the proposed taxiway loop there is, right now,
12 reserved for second FBO operations into the
13 future. So, it's not being developed with a piece
14 of pavement running through the middle of it that
15 ultimately would get vacated for some other --
16 some other plan. But it provides the ingress and

17 egress to the south development area.

18 The first phase of apron will likely support
19 a number of other buildings. If you recall your
20 Airport Layout Plan, there were a number of larger
21 commercial-type buildings that would be located on
22 the west side. Plus, it also provides then access
23 to the first sets of T-hangars to be developed in
24 that area.

25 The area along the south of the taxiway,

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1 which is roughly the -- south side of Indian Bend,
2 kind of merging into the east side of Indian Bend,
3 that becomes other hangar development as shown on
4 the Airport Layout Plan, or proposed Airport
5 Layout Plan, and access into the -- and ground
6 access into there.

7 So, this, keep in mind, is just strictly what
8 the FAA project is as it stand -- would stand
9 today. So, I don't think it really requires any

10 specific action. It's more to give you an idea
11 and throw out to you what the current thinking is
12 on how to -- how to get the ingress and egress
13 established.

14 Later on, you know, we'll be talking specific
15 buildings and phasing of -- of specific other
16 projects that are probably more interesting than
17 the pavement.

18 The long term, you know, you'll slowly see
19 pavement additions in this area and stub -- pieces
20 of taxiway and -- and other developments, smaller
21 developments go in there that begin to make it
22 look like what the Airport Layout Plan shows at
23 this point.

24 MR. HOLESKO: Just want to make one more
25 final note of the concept drawing, and that is you

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1 can see the areas where we tried to use the road
2 corridors right now, but we need you to remember

3 that obviously even though this used to be for
4 automobiles, now we have aircraft, which means the
5 wings aren't going to be overhanging the taxiways
6 and the sides are also going to be clear.

7 So, the trees that you see here right
8 adjacent to a taxiway (indicating), those will not
9 be remaining. They will be inside a taxiway out
10 of your tree area, or taxi lane out of your tree
11 area, and they're going to be going away. But we
12 are going to try and keep as many as we can.

13 MR. WUELLNER: Yeah, I was going to say,
14 though, the concept of going in there and
15 wholesale, you know, clear-cutting the area and,
16 you know, eventually repopulating with some trees
17 or vegetation is not something that's real
18 palatable to Staff. It certainly wasn't real
19 palatable to Mr. Gorman, and -- and I assume that
20 that's a viewpoint generally shared by the board.

21 We'll -- you know, we'll deal with trees and
22 other vegetation issues as they become a problem
23 or in the way of another phase. But to just go in

24 there and -- and take it all down today on, we

25 might develop it in ten years, seems a little

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1 ridiculous.

2 MR. JONES: The part you have to the south by

3 the marsh, are you planning on keeping that part

4 right there? Is that going to be any trees in

5 that area?

6 MR. WUELLNER: Yes, short term. It is part

7 of this project, yes. But as hangars are

8 developed, parts of that will disappear in terms

9 of trees.

10 MR. JONES: I didn't know, because y'all

11 still have to do that same buffer thing with

12 wetlands and everybody else, as far as, you know,

13 as far as keeping so much?

14 MR. WUELLNER: We have some obligations, but

15 I don't believe they're identical to what they're

16 doing otherwise.

17 CHAIRMAN GEORGE: Any other public comment?

18 (No further public comment.)

19 CHAIRMAN GEORGE: I naturally have a comment.

20 But any board members?

21 MR. COX: No.

22 CHAIRMAN GEORGE: When I see a plan like

23 this, as the first step, it implies in my mind, or

24 to me, that this is the first step, and then after

25 this first step, then we will get to the next step

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1 of adding T-hangars. I feel that -- go ahead.

2 MR. WUELLNER: Well, my only comment is it's

3 not so much after. There -- there's a lot that

4 will be done concurrently with it. This is simply

5 to describe the FAA job in the neighborhood.

6 There's the addition of hangars. T-hangars

7 and the like will likely be done for the most part

8 concurrently with this job and construction-wise.

9 It's not waiting on this to be built. And to --

10 kind of anticipating where I think you were going

11 was --

12 CHAIRMAN GEORGE: That's where I'm going.

13 MR. WUELLNER: We wait on this to get built,

14 then we design hangars and then we --

15 CHAIRMAN GEORGE: I would not want the public

16 to think that we went through the -- the problems

17 of disrupting families and taking houses to start

18 off and pick out enough area to park in the

19 open --

20 MR. WUELLNER: Right.

21 CHAIRMAN GEORGE: -- a number of airplanes.

22 MR. WUELLNER: Absolutely.

23 CHAIRMAN GEORGE: Plus, while everything is

24 nice to be done in a phased-in approach, you know,

25 the need is, we have identified that and that's

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1 got to be done concurrent.

2 MR. WUELLNER: Correct.

3 CHAIRMAN GEORGE: And if we do it concurrent,
4 then this proposed vehicle parking, you know,
5 is -- why have it there, because I think that the
6 plan calls for a road to be right up against the
7 marsh to bring us around to the top. So, don't
8 even spend the -- show this proposed area.

9 MR. WUELLNER: Right. It -- you've got at
10 least -- these are a little less kind of estimaty
11 (sic) -- that's a good word for you. You're
12 looking at about 50,000 square foot of commercial
13 or corporate-type space, conventional hangar
14 space, for lack of better terms, that would be
15 likely built very concurrent with that.

16 You're also looking at at least three, 10- or
17 12-unit T-hangars buildings being built virtually
18 concurrent with this project, also.

19 You also have the four units that are -- we
20 elected not to build in the eastside, but with the
21 original Phase 2 of the terminal, that will also
22 be sited and can be built concurrently with this
23 first phase effort.

24 One of the reasons for development of this

25 drawing in itself was to show the project from a

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1 grant application standpoint to FAA. Well,
2 what -- what are they paying for? They don't care
3 where the buildings lay out. That's not their
4 issue. They have no dollars in that. How you use
5 the -- the pavement's really up to you.

6 The State side of the funding, which is where
7 most of our building and match grants will come
8 from, will depict some of those buildings.

9 Now, it largely follows how the Airport
10 Layout Plan looks. It's -- you know, it'd be --
11 it'd be probably an easier task to superimpose
12 that. Maybe we can do that next month and just
13 show you how --

14 CHAIRMAN GEORGE: Okay. I just wanted --

15 MR. WUELLNER: -- because none of that's
16 going to construction next month anyway or
17 anything, so -- and this is still out.

18 CHAIRMAN GEORGE: This does happen
19 concurrently. It just seems to me that if we're
20 trying to get FAA for this much concrete or this
21 much asphalt, that somehow or another, including
22 the asphalt that's going to go to T-hangars back
23 there would also be in their domain. So, why
24 wouldn't that be shown? I'm sorry.

25 MR. WUELLNER: Because there's a little

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1 funding issue with FAA historically. If -- they
2 will participate in things like apron and primary
3 taxiway development projects, but they
4 historically have not got involved in taxiways
5 that are relative to specific building projects.

6 CHAIRMAN GEORGE: Okay.

7 MR. WUELLNER: The State will get involved in
8 it. We'll be able to get, not the same level of
9 funding, but significant funding from the State
10 to -- to build the extension for taxiways.

11 CHAIRMAN GEORGE: When this comes for us for
12 our final approval, I'm sure you'll show all the
13 concurrent projects that are going to happen at
14 the same time.

15 MR. WUELLNER: Well, as a matter of policy,
16 you won't see it again till it's bid and you're
17 awarding to someone. We would be happy to anyway
18 bring you back a sketch that shows you how --
19 shows those things overlaid on there. So, if you
20 do have a problem before it's bid -- it's not
21 going to be bid for many months.

22 CHAIRMAN GEORGE: I understand.

23 MR. WUELLNER: So, you've got plenty of time
24 if it -- if it's still not what you like to see,
25 there's a chance to get it changed.

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1 MR. COX: You could have an overlay next
2 month.

3 MR. WUELLNER: Yeah. Absolutely.

4 MR. COX: Let's do that.

5 MR. WUELLNER: That's really a simple issue.

6 CHAIRMAN GEORGE: That would -- that -- I
7 think that would give us a better understanding of
8 it all, because you could get, you know, a
9 contingency approval on this, provided all the
10 rest of the stuff happens.

11 MR. WUELLNER: They actually have, I would
12 tell you, 85 percent of that drawing's already
13 there, because it was critical in developing this
14 (indicating). You know, it was laying out some of
15 those buildings to make sure that, you know, wing
16 tip clearances were provided, safety -- taxiway
17 safety areas were provided, setback from the
18 marshland.

19 All of those things were considered in how
20 this is shown in a drawing. And it's just a
21 matter of bringing a different drawing. And for
22 the most part, I'd tell you they probably have
23 more than 85 or 90 percent of that drawing already
24 done. It was used in developing this drawing,

25 so...

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1 CHAIRMAN GEORGE: Oh, I wouldn't want --

2 MR. WUELLNER: It just was extraneous.

3 CHAIRMAN GEORGE: -- to put him on the spot
4 to ask him to do that.

5 MR. HOLESKO: No. That's exact --

6 MR. WUELLNER: It's part of the iteration.

7 MR. HOLESKO: As I mentioned, when we sat
8 down and did these layouts, we had other taxiway
9 and taxi lane accesses, hangars surrounding what
10 you see there as a loop. All of that is
11 surrounding the development, and it's just simply
12 on a different drawing.

13 MR. WUELLNER: You literally had to work
14 backwards from the marsh edge. I mean, you don't
15 want to work toward the marsh edge and find out
16 you don't have enough room.

17 MR. COX: And we saw a lot of your early

18 iterations, anyway, when we were looking at this,

19 so...

20 MR. WUELLNER: Well, two different firms.

21 You saw them relative to the Master Plan.

22 MR. COX: No, I mean all lot of the -- I

23 understand that. I know --

24 MR. WUELLNER: Okay.

25 MR. COX: -- it was not necessarily theirs.

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1 CHAIRMAN GEORGE: I also remember that there

2 are certain board members that said, "Okay, this

3 is just a plan, and before we actually get down to

4 do it..." So, therefore, I think that you having

5 a chart that shows all of the stuff that's going

6 to be done concurrently would be a great aid in

7 discussion next time.

8 MR. WUELLNER: He -- yeah. For the record,

9 he's already seen those kind of a drawing -- those

10 kind of drawings. So, I mean, he -- he's perhaps

11 a little more informed than we just let you be.

12 We should have -- we should probably have given
13 you a different drawing.

14 CHAIRMAN GEORGE: I guess I'm his backup
15 complainer, and I hadn't seen it, so I -- would be
16 fine.

17 MR. WUELLNER: If that -- you've got a ways
18 to go.

19 CHAIRMAN GEORGE: Okay. So, there's no
20 action you want us to take. This is just for
21 information?

22 MR. WUELLNER: Correct.

23 CHAIRMAN GEORGE: Okay.

24 MR. WUELLNER: Unless you wish to, like we
25 hate it and got to start all over. I mean,

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1 that -- that certainly would be appropriate.

2 CHAIRMAN GEORGE: I can't tell until I see
3 what else goes with it.

4 MR. WUELLNER: Fair enough.

5 CHAIRMAN GEORGE: It's like being asked would

6 you like meat loaf, but don't tell me what else

7 I'm getting. Okay.

8 MR. WUELLNER: Sounds good, though.

9 MR. COX: Thanks, Jack.

10 CHAIRMAN GEORGE: Right. All right. Next

11 item.

12 9.B. - POLICY 05-01 - SELF-FUEL PRICING

13 MR. WUELLNER: Next item likely will require

14 input and a vote.

15 I would -- I would like to walk you through

16 what our thoughts are and how we got there and the

17 response to the specific direction we had from you

18 last month, which was to do the survey work beyond

19 the airport boundaries and -- and see what those

20 kind of surveys revealed.

21 And I -- we prepared you a little booklet --

22 I think I'm on the right side (indicating) -- that

23 just has some factual stuff I'd like to walk you

24 through real quick. I'm not going to spend an

25 inordinate amount of time with it. If you want to

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1 spend more time with it, we can, but just to tell
2 you what we found and just summarize all of that.

3 Just walking through it, we started at 25-,
4 50-, 75-, 100- and 125-mile, nautical mile
5 radiuses from St. Augustine Airport. And using a
6 web site that kind of specializes in fuel-related
7 statistical data, called AvWeb -- it's not AvWeb.
8 Is it AvWeb? Didn't sound right. AirNav.

9 AirNav.

10 MR. BURNETT: AirNav.

11 MR. WUELLNER: They -- largely, it's user
12 updated, that is, you know, that we update our own
13 price within there. So, it's for the most part
14 relatively current, although it's probably not
15 state-of-the-art today current. This was done
16 shortly after the last meeting, so it's got a few
17 weeks of datedness to it.

18 Not -- there's only one airport within 25

19 nautical miles. That's Jacksonville's Craig
20 Airport. They were charging \$3.56 a gallon at the
21 point of survey for self-service, hundred
22 low-lead. This is all hundred low-lead, so I'm
23 not going to keep saying that.

24 Within 50 nautical miles, you see we pick up
25 a number of other airports. I think there are

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1 eight or nine of them listed here. The -- the
2 high airport is kind of in the magenta color, the
3 lowest airport in the yellow color. You'll see
4 that moving forward.

5 I know that we have more than one sampling.
6 And the average retail price was about -- was \$3 a
7 gallon, based on the eight airports that were
8 picked up in that survey.

9 Moving out to 75 nautical miles, you see we
10 pick up a handful of additional airports, and you
11 can see the average retail dropped a little bit

12 because now you're starting to pick up airports in
13 Georgia, too, where there's a significant
14 difference in the motor fuel tax. So, that has
15 some minor impact in the total dollars. Again,
16 the high was \$3.56, and the low was Palatka at
17 \$2.53 per gallon.

18 Moving out to 75 -- excuse me. I think we go
19 out to a hundred nautical miles now. Hundred
20 nautical mile range, and it's now -- incorporates
21 two pages of data. You see the average came down
22 to about \$2.90 a gallon on that particular day.
23 The high was still Craig Airport at \$3.56. And
24 the low shifted from K -- excuse me, from Palatka
25 to Dunnellon Airport, and is now \$2.51 a gallon as

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1 the low end of the stick.

2 Now, Dunnellon, if you're not familiar with
3 that, don't fly the state a lot, is basically the
4 other side of the state. So, you're -- you're

5 reaching out fairly significantly at this point in
6 terms of distance.

7 Now, the last leg we looked at was at 125
8 nautical mile. Again, Craig is still the highest
9 airport, self-service price within 125 nautical
10 miles. That didn't change throughout the survey.
11 Now you're picking up Zephyrhills Airport, which
12 is literally just outside of the Tampa metro area,
13 and their price dropped to \$2.40 a gallon.

14 But the average for that 125 nautical mile
15 range comes down to \$2.85 a gallon. So, we've
16 seen some drop in the -- in the -- in the average
17 by sampling more airports, but you also pick up
18 the significantly larger piece of -- of airports
19 in Georgia, and you're -- you're affected by a
20 number of variables that may or may not have
21 intended to -- to look at and may or may not have
22 intended to -- may have wanted to wait a little
23 bit in terms of their value to you in the survey.

24 Now, moving on, this is just -- that kind of
25 completes what we were tasked to look at relative

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1 to survey data.

2 I did want you to understand what's gone on
3 here in the two years, eight months since the
4 self-fuel facility's been up. And I've got two
5 sheets in a row here that kind of tell you. Some
6 of it's a little redundant information, but
7 basically give you an idea what our wholesale cost
8 was per load. We've taken 21 loads of fuel to
9 date. We'll probably take our 22nd tomorrow or
10 the next day.

11 You can see that our, you know, the volumes
12 hang right around the 8,000 gallon mark, which is
13 typical for a truckload. Some days, it's a smidge
14 more; some, a smidge lower. Temperature, a lot of
15 variables that affect the total gallons that
16 actually come in there.

17 But our cost per gallon has increased
18 literally from a \$1.53 a gallon when we opened two

19 years, eight months ago, to a dollar nine -- we've
20 seen it as high as \$2.21 when we last bought fuel,
21 which was in January of this year. We were paying
22 \$1.98, inclusive of tax, but that was -- that's
23 what it was costing us to have fuel put in the
24 tank here.

25 And then you add on all of the other things

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1 that, you know, we've got to cost recover on it,
2 also.

3 I have been told we quoted a price -- I say
4 "quoted," but we surveyed the price from the
5 wholesaler last week, and I can tell you that last
6 Thursday, the 16th -- that's -- 16th, so last
7 Wednesday's fuel number, wholesale number, was
8 \$2.33. So, to give you an idea what's going on in
9 the wholesale level, we expect, since January 12th
10 to today, to see about a 33 or 34 cents a gallon
11 wholesale change.

12 MR. BRUNSON: Two what?

13 MR. WUELLNER: Two thirty-three or -four, I

14 think it was, was the wholesale number. I think

15 it's \$2.33. And that's what we expect to pay come

16 tomorrow or the next day, as what our full load of

17 fuel will wholesale for us.

18 Now, that price is inclusive of delivery and

19 is also inclusive of taxes. But all of these

20 have -- are relatively the same. They all include

21 delivery and tax. Delivery is also almost

22 inconsequential in this -- in how you do it.

23 Now, the next sheet gives you an idea of the

24 wholesale price versus what we were getting on the

25 retail side for that period, using the averaging

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1 that we were using in the previous Airport

2 Authority policy.

3 Now, somewhere in the middle of this, about

4 2003, and I don't remember the exact month -- I

5 want to say it was May or somewhere around
6 there -- the Authority modified the policy a
7 little bit, changed which airports were in there,
8 and also allowed us the flexibility of modifying
9 the fuel price weekly instead of by load.

10 So, those periods of loads are actually an
11 averaged number of what we charge for the whole --
12 for retail price, not the price that carried for
13 the whole period of the load.

14 So, it might have started out lower, came
15 higher, and even dropped back off somewhere during
16 a whole load there during an 8,000 gallon period.
17 But it statistically should -- you know, it works
18 out as an average.

19 During you can see the two years and eighteen
20 months -- eighteen months -- two years and eight
21 months that the self-fuel's been on board, we've
22 averaged about 10.19 percent profit for the
23 period.

24 Now, you can also see by looking down the
25 list here, you've made as little as 3 1/4 percent

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1 during periods where you're using your averaging
2 and the -- and the margin's really tight. And
3 some of that's just timing of when you get your
4 load of fuel. And we've made all the way up to 16
5 1/2 percent.

6 And I can tell you that if we were to put in
7 tomorrow the last load's statistics, that number
8 will be a little bit better again for this
9 previous few months' period, primarily because of
10 what's gone on in the wholesale level.

11 I -- for the period right now, what we're
12 charging versus what I paid for it, and then just
13 looking at the snapshot of today, not the whole
14 load, the actual profit number is closer to 30
15 percent. But that does -- not reflective of the
16 whole load's worth of value. It was much less at
17 the beginning of the load, and it's certainly
18 exceptional right now. But it will drop back off
19 tomorrow when the wholesale load shows up.

20 CHAIRMAN GEORGE: Your percent profit in
21 here, does that take into consideration our fixed
22 costs?

23 MR. WUELLNER: Yes, it does.

24 CHAIRMAN GEORGE: And also depreciation?

25 MR. WUELLNER: This is true profit. It does

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1 not include depreciation.

2 CHAIRMAN GEORGE: So, our --

3 MR. WUELLNER: Our facility --

4 CHAIRMAN GEORGE: -- original investment of
5 80-something thousand --

6 MR. WUELLNER: Actually, the Authority's
7 investment was about \$35,000.

8 CHAIRMAN GEORGE: Okay.

9 MR. WUELLNER: The balance was -- was State
10 funding.

11 CHAIRMAN GEORGE: All right.

12 MR. WUELLNER: It does reflect, though, from

13 this point forward and even the modeling technique

14 I'm going to talk about in just a second, really

15 the facility has been paid off. If you allocated

16 everything we've made on it, the facility no

17 longer has any --

18 MR. COX: Outstanding.

19 MR. WUELLNER: It's been paid off in a sense.

20 So, we excluded from a capitalization equation

21 moving forward, just for simplicity purposes.

22 CHAIRMAN GEORGE: Right.

23 MR. WUELLNER: But it could certainly be put

24 back in there.

25 Next section is just dealing with modeling

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1 techniques. It's just a simple spreadsheet that

2 was developed. We did it -- I do it in Lotus

3 because I'm just more familiar with it, but it

4 certainly could be rendered to Excel for those who

5 prefer. But it basically takes, on a load-by-load

6 basis, we can do an evaluation of what our actual
7 profit's expected, or looking hindsight on the
8 previous load, what -- what we made on a
9 particular load. Based on an 8,000 gallon load,
10 we can manipulate to the exact gallon if we need
11 to.

12 In this case, we plug in what the profit --
13 in this particular model, we plug in what the
14 profit objective is, and it generates what I need
15 to charge to get it. And it takes -- you can see
16 things like insurance per year; it factors that
17 in. And it uses our historical fuel sales number,
18 which is a little over 63,000 gallons a year as
19 the basis for determining a cents-per-gallon
20 number that we plug in in this model.

21 Now, if we were able to dramatically increase
22 the volumes, we could reduce the actual per-gallon
23 costs of -- on a load-by-load basis. So, you
24 know, if volumes were to go up, if we -- you know,
25 if we collectively adopt a strategy that's aimed

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1 toward a higher volume, you can sacrifice -- you
2 could sacrifice some things such as how much it
3 costs per gallon for insurance and -- and utility
4 costs and things like that.

5 CHAIRMAN GEORGE: And that just will spread
6 over more gallons, right?

7 MR. WUELLNER: Exactly. It includes our
8 credit card costs which are, you know, taken right
9 out of our transactions with Chevron. It does
10 include a fixed amount of about \$2,500 that's
11 picked up throughout the process here that's
12 allocated to maintenance.

13 You can -- we do continue to carry, for
14 illustrative purposes, the two cents a gallon
15 that's fuel flowing fee that's currently -- we
16 certainly assess Aero Sport that's dedicated
17 toward maintenance of the fuel farm. We go ahead
18 and describe that as a -- a flowage fee item that
19 we self-assess, and you can see that it does not

20 currently drop-- does not meet the ongoing

21 maintenance needs.

22 In other words, the two cents a gallon

23 that -- that's collected, so to speak internally,

24 does not offset what it costs us to maintain the

25 facility on an annual basis. It's about -- round

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1 numbers, about 50 percent of what's needed at

2 this -- at this gallonage. As the numbers go up,

3 the -- it gets closer and closer to supplement it.

4 Somewhere over a hundred thousand gallons a

5 year, the two kind of hit each other, and at some

6 point, that maintenance assessment of two cents a

7 gallon begins to be -- you could call it profit at

8 that point. It's certainly going toward a

9 affirmative place or some other -- some other item

10 you wanted to tag it to.

11 I show you this because this -- this is the

12 simplest model we have. It's on the -- you know,

13 as I said, the per-load basis. We also have
14 modeling capability we use to just look across the
15 board at different flowage rates. I have some --
16 some modeling that's set up to look at, you know,
17 in 25,000-gallon sales increments, you know,
18 what's the impact on the retail price? What the's
19 the impact on the profit margin? All other
20 variables being considered for a -- for a
21 particular year. So, we have the ability to kind
22 of aggressively look at the dollar values here.

23 And moving forward, just to review quickly,
24 your present policy says that we average those
25 four airports. I do that weekly or have it -- you

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1 know, Staff does it for me, does the averaging on
2 a weekly basis. And basically, we set the retail
3 price based on whatever that average is. And
4 includes four airports, Herlong, Flagler County,
5 Ormond Beach, and Keystone Heights, currently.

6 And I thought it was kind of interesting one
7 day last week, we did the -- in doing the modeling
8 and -- and looking at some of the things, when you
9 subtracted the high and low, like some of the
10 things we were talking about last month, in that
11 particular case, it came out exactly the same
12 number, whether you took the high one out and the
13 low one out and, you know, played some of those
14 games. It statistically made very little
15 difference at that -- at least on that particular
16 day.

17 This ordinance has been a -- policy's been in
18 effect since March of 2001. And that's what we
19 operate today.

20 We've made a suggested policy change, which
21 was to, instead of getting caught up in what
22 everybody else is charging, is look strictly at
23 what's an acceptable profit margin for this
24 facility; is quit worrying about what Aero Sport
25 or Herlong or anybody else on the planet is

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1 charging for fuel, is instead let's focus on the
2 margin of acceptability profitwise that the
3 Airport Authority desires to get out of self-fuel.

4 You're going to find yourself incredibly
5 competitive most of the time, perhaps really
6 competitive, and -- and having significant effects
7 on volumes at times. Other times, that margin's
8 going to be much closer.

9 But when you look at two years and eight
10 months' worth of data, you're averaging 10.19
11 percent over the period, and you've had as low a
12 margin as 3 1/2 percent and you've had as high a
13 margin as 16 1/2 percent, round numbers. So, it's
14 all over the place. Some months, you do better;
15 some loads, you do better; some days, you do
16 better; and then it's followed by periods where
17 you don't have quite the margin on it.

18 What we're suggesting is you allow us to just
19 take that on an average basis over a preceding
20 year. So, we'll look at the 12-month average

21 and -- and would price fuel to get you
22 statistically whatever margin it is you want, be
23 that 7 percent, 8 percent, 7.2, 10.1. Whatever
24 the magic number is that's acceptable to the
25 Authority, you tell me what that number is, we

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1 plug it into the policy, I set the price based on
2 getting a 12-month prior average of that number as
3 a minimum.

4 And there are periods we can do better than
5 that and will do better than that. But the bottom
6 line is, you'll make whatever -- for each
7 preceding 12-month period, you'll make whatever
8 minimum profit you've told me you want, be that 7
9 percent, 10 percent, whatever the number.

10 And in making 10, my suggestion is you may
11 want to build -- if you -- you've got to kind of
12 define a goal here, which I have not heard you
13 guys really even do.

14 And this goes all the way back to the
15 inception of the fuel farm. What is the goal of
16 self-fuel? Are we trying to build a volume that
17 allows us to have some flexibility in the pricing?
18 Is it simply to serve -- you know, we're happy
19 with the 60,000, round number, gallon average, and
20 whatever those numbers are, whatever they do, what
21 is -- what is the goal?

22 You know, is it to be competitive with
23 everybody around or is it to -- you know, I -- I
24 would assume, based on all of our discussions on
25 getting off the tax rolls and doing those things,

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1 that at some point, it's a total bottom line.
2 What -- how does it benefit the airport? Which
3 ultimately has an effect on how does it benefit
4 the tenants of the airport and the users of the
5 airport? And I think those things kind of go hand
6 in glove.

7 My suggestion is, you look seriously at the
8 investment that you would require -- the ROI, for
9 lack of better terms that you would expect us to
10 get on any other investment of -- of public money.
11 And currently, by policy, that minimum is 7
12 percent. And if you tell us that the absolute
13 minimum number we'll accept, regardless of the --
14 and this is after expenses, the profit number, is
15 7 percent, then we'll set pricing to assure that
16 the Authority doesn't do worse than 7 percent,
17 which we expect out of any T-hangar, any corporate
18 hangar, or the like.

19 Where opportunities exist we can get a better
20 percentage, we'll do it, especially if that
21 correlates to what's going on in the marketplace.
22 You know, there's no sense us going in there and
23 charging 20 cents less a gallon and -- and hurting
24 ourselves for no real reason. If we can get 18 of
25 that cents back, it makes sense to do that. We'll

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1 maximize that number.

2 And we're basically saying, you tell us the
3 percentage, and we're recommending that the policy
4 just basically direct us to set the price. Takes
5 you out of the loop, takes you out of the hot seat
6 of finding a methodology that works. It will
7 perform based on whatever the guidelines you tell
8 us.

9 CHAIRMAN GEORGE: Okay. Any public comment?

10 (No public comment.)

11 CHAIRMAN GEORGE: Board comment? Mr. Cox?

12 MR. COX: I spent -- actually, Mr. Wuellner

13 and I spent some time speaking about this right

14 after the last meeting, concerning the fuel

15 policy. And -- and we discussed it at length.

16 And we kind of put our heads together and came up

17 with some type of a -- of issue about this. And I

18 really like this -- this type of a policy, because

19 it takes us, as Authority members, out of the loop

20 of having to decide a penny price and have the

21 Staff to have to take the manhours to investigate
22 every month, you know, 20 or -- or whatever we
23 decide on.

24 If we set this minimum price, it -- it will
25 allow the Director to say, okay, 10 percent every

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1 month -- or at his discretion, within the
2 parameters of the policy, suggested policy here,
3 allow the airport to make 10 percent every month
4 on the -- on the deal.

5 And if you look, like he said, look at the
6 averages that we had over two and a half years,
7 it's been all over the board. I mean -- and Ed
8 literally sat down and showed that regardless of
9 how we did it, it comes out -- it came out the
10 same almost every time with a 10 percent, you
11 know, profit margin. It just -- it's not going to
12 change.

13 My -- my feeling is, and -- and I'll wait for

14 further discussion before I make a motion, but I
15 really support this policy.

16 CHAIRMAN GEORGE: Suzanne?

17 MS. GREEN: Yeah, I was reading through it
18 actually earlier, trying to listen to two things
19 at once. But I was reading through it, too. And
20 I was taking it word-for-word comparing to what
21 our 2003 policy was.

22 And this does seem to be something that would
23 allows us a quote unquote, if you can say, a
24 guaranteed profit margin and take a lot of the
25 work out of it, the manhour work out of it. So --

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1 I know you mentioned 7 percent over and over, but
2 our --

3 MR. WUELLNER: The policy does say 10.

4 MS. GREEN: -- policy says 10.

5 MR. WUELLNER: I typed -- we typed it up or
6 amended it at 10.

7 MS. GREEN: But 10 is what our average was,
8 right?

9 MR. COX: The average -- yeah, it's the
10 average that came out of it.

11 MS. GREEN: Right.

12 MR. COX: But 7 -- you just said 7, because
13 that's the policy that's set forth in all of
14 our --

15 MR. WUELLNER: Seven's the profit margin --

16 MR. COX: Right.

17 MR. WUELLNER: -- you have established in
18 your lease policy as your minimum accepted rate of
19 return on aviation investments, which in that
20 policy is dealing with buildings.

21 I like 7 in that you have a lot of latitude.
22 I don't see any reason you can't meet a 10 percent
23 goal routinely through this. You've done it
24 historically.

25 I think if -- if the sideline goal, if you

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1 will, is to get the -- the gallonage up, you're
2 going to need some short-term latitude to generate
3 a base of business that puts some volume through
4 there. Right now, we're not even competitive with
5 the full-service operator on the airport, with the
6 current pricing policy --

7 MR. COX: Right.

8 MR. WUELLNER: -- you know, and especially if
9 they're waiving the \$5 delivery fee. You know,
10 when you add that back in, you are -- you're
11 certainly competitive if you do the actual math on
12 it, especially for relatively small deliveries.

13 Here nor there.

14 This allows some flexibility in the short
15 term while things are very volatile in the fuel
16 business. As things stabilize out, profit margins
17 almost self-determine as a result of what goes on
18 in the marketplace out there.

19 There's no reason -- again, my approach to
20 this is not to go out there and be the low guy on
21 the block all day long.

22 MR. COX: I agree.

23 MR. WUELLNER: Especially by a significant

24 margin. That's not in our benefit just because we

25 only want to get 7 percent. That -- that's kind

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1 of silly.

2 The same point, using the survey method,

3 we're unduly on the high end currently of what

4 everybody else is serve -- doing self-serve,

5 because a single airport is out there now, as of

6 today, for \$3.30-some cents a gallon on

7 self-serve, and they happen to be in our -- in our

8 fuel mix for purposes of averaging. Well, that

9 skewed us.

10 If all things remain the same, tomorrow

11 morning, I am in a position, based on 2000 -- this

12 03-01 policy, you will see a 10-cent-per-gallon

13 increase based on what one airport did, that we

14 have absolutely no control over their pricing.

15 MR. COX: Yeah.

16 MR. WUELLNER: I -- I will have no choice.

17 That's -- that's my obligation per your policy.

18 It'll go up 10 cents a gallon tomorrow.

19 MS. GREEN: I still think two years and eight

20 months of data, I like the 10 percent that's in

21 the Staff recommendation.

22 MR. WUELLNER: I don't -- I'm not opposed to

23 it. I'm just -- I was just -- if you want to

24 generate more gallonage, we may --

25 MR. BRUNSON: Well, I've got mixed emotions.

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1 I think of the general aviation, and I think of
2 promoting flying and people wanting to use
3 self-serve. But then on the other side of -- a
4 business person, you know, that 10 percent is
5 really -- sticks out at me.

6 I would like to compromise and -- and as you
7 said, I think if we adopt the 7 percent, we would

8 at least have that and -- and probably will have
9 more. So, that's -- that's my comments right now.

10 CHAIRMAN GEORGE: Okay. My -- my feelings on
11 the subject is doing it on a percentage is
12 consistent with the other way we've been handling
13 the business aspects, you know, of renting space,
14 you know, and everything else. So, I think that
15 giving you the latitude to, you know, to do it on
16 a percentage is -- is a good thing.

17 I -- I go back to the reason that we put in
18 the self-service pump, and that was to afford our
19 fliers in our area the same opportunity that they
20 had at other surrounding airports when the price
21 wars were going on. And I think that that has
22 been a good decision for us, you know, to do so.

23 So, I can support the -- the 10 percent. I
24 would like personally to see -- via e-mail, is
25 fine, you know, every two weeks or every month

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1 that you do a survey of all of them, I would like
2 to see just kind of a list of the self-service
3 fuel costs of all the airports within a 50-mile
4 radius. That way, when somebody asks me, "How do
5 you set these prices?" I've got some information
6 at my fingertip.

7 MR. WUELLNER: Sure.

8 CHAIRMAN GEORGE: I don't know if the other
9 members would like to have that or not.

10 MR. WUELLNER: That's no problem at all.

11 We're going to continue to do the surveying. I
12 mean, that -- that's very helpful in setting the
13 price. We don't want to be at the extremes of
14 any -- any real environment there. I mean, you
15 know, plus or minus a penny or two.

16 I mean, but it doesn't make sense for us to
17 be insanely low, way out of the game of what's
18 being charged in the region; nor does it make any
19 sense to be on the high end and literally not
20 selling any fuel because we're more than the
21 full-service FBO and certainly more than any other

22 self-serve.

23 CHAIRMAN GEORGE: Okay. We all agree with

24 the concept, then. Now let's --

25 MR. WUELLNER: Tell me the number.

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1 CHAIRMAN GEORGE: -- let the board have a

2 discussion on what percentage, you know, we want.

3 Mr. Cox?

4 MR. COX: Can we move for some language, Ed,

5 would it be workable to say minimum acceptable of

6 7, but with an average retail of 10? I mean, does

7 that give you latitude to -- to work with that? I

8 mean, is that too --

9 MR. WUELLNER: I -- I would --

10 MR. COX: Minimum acceptable of 7, just have

11 one number?

12 MR. WUELLNER: My preference would be just

13 tell me the number you want to achieve as a

14 12-month averaging as -- as we move forward,

15 because we're -- we're looking at the average on a
16 load-by-load basis. It's not -- you know, it's a
17 running average. So, you know, it's not for, you
18 know, a calendar year as such.

19 So, we've got some built-in flexibility
20 because you're continually looking at the one-year
21 average.

22 CHAIRMAN GEORGE: Are there any penalties for
23 you buying a half load?

24 MR. WUELLNER: Yeah.

25 CHAIRMAN GEORGE: There are?

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1 MR. WUELLNER: Yeah.

2 CHAIRMAN GEORGE: Okay.

3 MR. WUELLNER: We've only been able to do
4 that one -- partially one time. And actually it
5 was at the request of the wholesaler, that someone
6 had ordered a partial load, and they -- they haul
7 a whole load up here and they were asking us to

8 take the balance of it. That's only happened one
9 time in -- in the whole time we've been up there.
10 We would not order that because there's a premium
11 paid to delivery of partial loads.

12 CHAIRMAN GEORGE: Partial loads. That gives
13 us some sort of control on cost, though. If it's
14 real high, we do a half load; if it gets low,
15 we'll take the whole thing.

16 MR. WUELLNER: In retrospect, we'd have --
17 we'd have added 2,000 more gallons of capacity to
18 the original tank size, and that would have given
19 a lot of latitude. Right now, you've got to get
20 it down so low, you're literally within 4- or 500
21 gallons of empty in that tank in order to take a
22 load. So, you know, I've got to wait till the
23 tank's dry, in a sense, before I get fuel in it.

24 CHAIRMAN GEORGE: You want to --

25 MR. COX: I just -- what gives you the most

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1 versatility, Ed, as far as setting a price? Of
2 saying a minimum acceptable of 7 percent or using
3 the number 10 percent?

4 MR. WUELLNER: Well, obviously, 7 gives a lot
5 more latitude, because there's a lot more I can do
6 with the pricing guidelines.

7 MR. COX: All right.

8 MR. WUELLNER: 10 just -- either way, you're
9 telling me what you'll accept for the previous 12
10 months.

11 MR. COX: All right. What -- what's your
12 feelings on the percentage then?

13 CHAIRMAN GEORGE: I would rather keep it at
14 10. If we're in line with what everybody else is
15 doing and we're making 10, I'd rather give them
16 that target.

17 MR. COX: All right.

18 CHAIRMAN GEORGE: And if he comes back and
19 says, "Guys, you know, we are consistently 40
20 cents above everybody because we are charging 10;
21 I need 2 this month," let him come back.

22 MS. GREEN: Well, that's what I'm saying;

23 we've got two years and eight months of data --

24 CHAIRMAN GEORGE: Right. Yeah.

25 MS. GREEN: -- that put us at 10.19. And

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1 that's if -- we're talking about a 12-month

2 period.

3 MR. WUELLNER: Average, exactly.

4 MS. GREEN: We're not saying he has to set 10

5 percent each load or each month. So, I like the

6 10, also.

7 MR. WUELLNER: Exactly. I've got the

8 latitude, as I read it, you know, as we -- we

9 intentionally worded it, such that, you know, if a

10 particular month, 4 percent is all we can get, you

11 know, and the next load I can get 15 percent, you

12 know, when we look over the 12 months, it needs to

13 be at 10 percent.

14 So, if I have to -- we have to not do as well

15 on the low end and, you know, we've -- we've got a

16 lot of flexibility in this. It's just looking at
17 the 12-month period; this is what I'm going to get
18 you. I'm going to get you whatever the number is.
19 And we'll price accordingly to be sure we get that
20 number.

21 And the other thing, number in there you need
22 to look at, is the distance. I make the statement
23 in here that we're going to consider the pricing
24 of other airports. I've just arbitrarily got a
25 hundred-nautical-mile radius in there. You

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1 mentioned 50 earlier. It almost makes no
2 difference. There's a lot more data, obviously,
3 in a hundred nautical miles, but a lot of it's --

4 CHAIRMAN GEORGE: A lot of it doesn't mean
5 anything --

6 MR. WUELLNER: I've said from the
7 beginning --

8 MR. BRUNSON: Doesn't mean anything to the

9 general aviation --

10 MR. WUELLNER: -- beyond 50 nautical miles,
11 we were wasting our time averaging because it
12 doesn't affect us. They're totally different
13 markets.

14 CHAIRMAN GEORGE: Mr. Brunson, you have
15 comments on --

16 MR. BRUNSON: I probably could support the 10
17 percent, but I want to keep in mind that sometimes
18 when you are very competitive, your gross dollars
19 rapidly increase if you've got excellent prices.
20 But that's something I think we should keep
21 looking at.

22 CHAIRMAN GEORGE: I understand what you're
23 saying. I want to reemphasize the reason we got
24 into this was to make sure that it was available
25 consistent. It was not to put our FBO out of

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1 business, you know, or to any -- be any kind of

2 undue hardship, you know, on them.

3 MR. COX: It's not a competition. Yeah.

4 CHAIRMAN GEORGE: Right. So, I would

5 entertain a motion.

6 MR. COX: I'll -- I would like to proffer a

7 motion.

8 CHAIRMAN GEORGE: Okay.

9 MR. COX: I move that we accept Policy 05-01

10 and adopt it with one minor change, and that is in

11 paragraph 3 to change the number from a hundred

12 nautical miles to 50 nautical miles.

13 MS. GREEN: I'll second the motion.

14 CHAIRMAN GEORGE: I have a motion and I have

15 a second. Any discussion?

16 (No discussion.)

17 CHAIRMAN GEORGE: All in favor?

18 MS. GREEN: Aye.

19 MR. BRUNSON: Aye.

20 MR. GEORGE: Aye.

21 MR. COX: Aye.

22 CHAIRMAN GEORGE: All opposed?

23 (No opposition.)

24 CHAIRMAN GEORGE: No? Carried. Okay.

25 MR. WUELLNER: Thank y'all. I think that's

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1 it for the action items as we have it.

2 You have -- now moving forward, you have an

3 outstanding issue that you need to talk about

4 amongst yourselves relative to the shade meeting

5 and rescheduling that, if you choose -- you desire

6 to do that. I was optimistic Mr. Gorman was going

7 to be here and we might be able to put our arms

8 around a date. But it can stay out there.

9 There's no urgency from our side to do a shade

10 meeting. It was simply informational to you -- to

11 you folks.

12 CHAIRMAN GEORGE: Right.

13 MR. WUELLNER: So, we can -- you can continue

14 to defer it until you get it.

15 CHAIRMAN GEORGE: I think it's imperative

16 that -- Mr. Gorman is the one that, you know, that
17 wanted it very badly. So, I think it's imperative
18 to give him the option. But I would -- I would
19 say that we tentatively schedule the shade meeting
20 and the workshop, you know, with the next meeting
21 on April the 18th.

22 MR. BURNETT: I can tell you that I checked
23 with Gene Atwood, who is the attorney in our firm
24 representing the Airport Authority in that
25 litigation matter, and Gene's available on the

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1 18th, so...

2 CHAIRMAN GEORGE: He is available.

3 MR. BURNETT: He is.

4 CHAIRMAN GEORGE: Okay. I would hope that we
5 could get Mr. Gorman within a week to confirm or
6 give us a commitment so that we don't tie them --
7 their schedules up.

8 MR. BURNETT: So, the target would be

9 starting that meeting at -- at 1 o'clock on April

10 18th?

11 CHAIRMAN GEORGE: Yes.

12 MR. COX: All right.

13 CHAIRMAN GEORGE: 1 o'clock for the shade
14 meeting and then go into the workshop.

15 MR. WUELLNER: Okay. Three meetings. I'm
16 sorry.

17 MS. GREEN: Is it possible --

18 MR. BURNETT: Starting the shade at 1 o'clock
19 and then going --

20 MR. WUELLNER: Shade at 1:00, 2:30 for the
21 other.

22 MS. GREEN: Is it possible to have the
23 shade -- this is purely personal -- have a shade
24 right before our board meeting? I won't be able
25 to be here for 1 o'clock. I'm picking a jury that

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1 morning. But I would really like to attend the

2 shade meeting.

3 MR. WUELLNER: It's up to you guys. You
4 know, we -- it makes no difference to us.

5 MR. COX: Have it when?

6 MR. WUELLNER: Just reverse the order of the
7 workshop.

8 MS. GREEN: Do the workshop first and the
9 shade right before the airport -- because I know I
10 won't be able to make a 1 o'clock meeting then.

11 CHAIRMAN GEORGE: Is a court reporter
12 required for the shade meeting?

13 MR. WUELLNER: Yes. Absolutely.

14 CHAIRMAN GEORGE: For the shade meeting?

15 MR. WUELLNER: Yeah.

16 MR. COX: It's public -- I mean, it's --

17 MR. WUELLNER: It becomes public at the end
18 of the day -- not at the end of the day, but at
19 the end of the litigation.

20 CHAIRMAN GEORGE: Okay. I was going to say
21 put it after the regular meeting.

22 MR. WUELLNER: It's really just a way of
23 deferring the public record until the end of the

24 proceedings. It's not a way of getting away of
25 not having a public record.

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1 CHAIRMAN GEORGE: Okay. Then I think the
2 consensus is we do the workshop first and then the
3 shade meeting and then the regular meeting.

4 MR. WUELLNER: Okay. The only difficulty in
5 that is you will have to -- and it's not a real
6 problem, but you will have to excuse anybody
7 that's in here when you begin the shade meeting.
8 So, there's an hour and a half of somebody --
9 somebody has to find something to do until we
10 convene the other meeting.

11 CHAIRMAN GEORGE: Yeah. But I think that the
12 board members --

13 MR. WUELLNER: Oh, I understand.

14 CHAIRMAN GEORGE: -- you know, being present
15 at that shade meeting is more important.

16 MR. WUELLNER: I have to point out the good

17 and the bad at times.

18 MS. GREEN: Please.

19 CHAIRMAN GEORGE: Okay.

20 10.A - MR. RANDY BRUNSON

21 CHAIRMAN GEORGE: Okay. We'll go to

22 Authority members' closing comments. Mr. Brunson?

23 MR. BRUNSON: Okay. Ed, the closing

24 statements, explain to me, is this anything

25 general you have on your mind? It's not an action

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1 or -- or are you to -- what mainly do you talk

2 about?

3 CHAIRMAN GEORGE: Well, theoretically, we

4 have already talked about everything that came up

5 in the meeting here, and we talked about that as

6 we went through.

7 MR. BRUNSON: Okay.

8 CHAIRMAN GEORGE: But if you have any agenda

9 items that -- talking about something precipitated

10 something in your mind that you would like to have
11 it as an agenda item for next week, that's a time
12 to --

13 MR. BRUNSON: Oh, okay.

14 CHAIRMAN GEORGE: -- to present it.

15 MR. BRUNSON: Thank you for clarifying it.

16 MR. WUELLNER: Or general comments or problem
17 areas.

18 CHAIRMAN GEORGE: Explain to me the chart
19 afterward, though.

20 MR. BRUNSON: Okay. I had a second thought,
21 Doug, on impact fees --

22 MR. BURNETT: Yes, sir.

23 MR. BRUNSON: -- and lobbying for the
24 affordable housing impact fees. I was told that
25 no impact fees could be exempted. But, they could

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1 take funds from this to pay the impact fees, as
2 Mr. Bosanko said that in the public hearings.

3 I don't know that your research will have
4 different -- but one thing I will tell you that
5 the EDC, there's certain industries that they want
6 in this county, and the industries that we're
7 trying to bring in might qualify for that, which
8 might be around the impact fees that I think you
9 might -- and you can talk to some of the County
10 Commissioners, as I have, about that.

11 MR. BURNETT: Yeah. What you hear the County
12 using the phrase of, and they did it in fact with
13 the Tree of Life when it re -- when it moved its
14 facilities back three years ago, four years ago,
15 is the concept of impact fee agreements where they
16 enter an agreement with the County to offset those
17 impact fees as part of getting that business
18 here --

19 MS. GREEN: Right.

20 MR. BURNETT: -- which potentially that could
21 be the case with some of the development that goes
22 on here at the airport.

23 MR. BRUNSON: Okay.

24 CHAIRMAN GEORGE: All -- I think all he's
25 saying is that if you use that in your argument,

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1 that helps us get off the tax rolls.

2 MR. BRUNSON: Just what you said initially.

3 MR. BURNETT: Yes, sir. One -- one thing
4 I'll tell you, you know, and I'll share with you,
5 the impact fees go into effect May the 1st. And
6 so, if you've pulled a clearance sheet -- and I
7 can tell you I was at a luncheon on Friday where
8 the County Attorney was there and -- and four of
9 the other Assistant County Attorneys, four of the
10 five assistants were there, and we were talking
11 about this issue.

12 And as I -- as they understand it or what
13 they've told me and what I understand from them,
14 is that if a clearance sheet is pulled, not a
15 building permit, but if a clearance sheet is
16 pulled by the end of April, prior to the May 1st

17 date, then the development would be under the old

18 impact fees, not the new ones that were imposed.

19 And so we're --

20 CHAIRMAN GEORGE: I would suggest you get the

21 next five years' worth of construction, you know,

22 done on the clearance.

23 MR. BURNETT: One of the things -- one of the

24 things that we've been talking about, and Andrew

25 Holesko as well --

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1 MR. BRUNSON: Clearance sheets are pretty

2 easy to acquire.

3 MR. BURNETT: Yeah. And so, I think what Mr.

4 Wuellner's going to work on --

5 MR. WUELLNER: Especially with a copier.

6 Just kidding.

7 MR. BURNETT: I think what Mr. Wuellner's

8 going to work on is trying to get some of those

9 pulled as fast as possible, at least for the ones

10 that are in process.

11 CHAIRMAN GEORGE: Okay. Any other comments?

12 MR. BRUNSON: Yes. The other thing, John, I
13 think we need to make Warren aware of what a good
14 job the Staff did on sending out the shirts and
15 the souvenirs for the Super Bowl thing, which I
16 just got my shirt in the mail. And --

17 MR. RODERICK: I didn't get mine.

18 CHAIRMAN GEORGE: But all you did was come
19 and eat. You didn't volunteer for anything.

20 MR. BRUNSON: And I think this is a -- just
21 an excellent thing that the Staff did, and they
22 worked hard and they should be congratulated on
23 that.

24 CHAIRMAN GEORGE: Absolutely.

25 MR. BRUNSON: The other thing, I know you

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1 guys are -- in past board and planning and so
2 forth, are doing everything you can do to get

3 hangars here as quickly as possible, legally, and
4 financially. But boy, if anything we can do to
5 get these hangars on the waiting list of how many
6 now, Ed?

7 MR. WUELLNER: At least 120.

8 MR. BRUNSON: Yeah. Anything we can do to
9 bring revenue and get these hangars in here, I
10 would stay in workshops all day long to try to
11 figure that out.

12 And I had something here, but I can't read my
13 writing, so -- so, that's all the comments I had.

14 10.B. - MS. SUZANNE GREEN

15 CHAIRMAN GEORGE: Okay. Ms. Green?

16 MS. GREEN: I have no comments. Said my
17 piece with the State thing.

18 10.D. - MR. BOB COX

19 MR. COX: (Shakes head.)

20 10.E. - MR. WAYNE GEORGE

21 CHAIRMAN GEORGE: Okay. I have no comments,
22 also, except I would like to add -- echo what you
23 said about the staff. You know, they do a great
24 job. They make you look good.

25 MR. WUELLNER: I know they do. That's why

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1 they're here.

2 CHAIRMAN GEORGE: That's why they're here,

3 huh?

4 11. - NEXT MEETING

5 CHAIRMAN GEORGE: Okay, the next meeting then

6 will be April the 18th, and we'll start at 1

7 o'clock with a workshop. Is everybody aware of

8 what that workshop is? This is to go over, you

9 know, problems as we see in the airport and

10 directions on where we want to go. And then we'll

11 go into the shade meeting and then have the public

12 meeting at 4 o'clock.

13 MR. WUELLNER: Okay.

14 12. - PUBLIC COMMENT & ADJOURNMENT

15 CHAIRMAN GEORGE: Any final public comment?

16 (No public comment.)

17 CHAIRMAN GEORGE: Okay. Meeting's adjourned.

18 (Thereupon, the meeting adjourned at 5:56 p.m.)

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1 REPORTER'S CERTIFICATE

2

3 STATE OF FLORIDA)

4 COUNTY OF ST. JOHNS)

5

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

7 that I was authorized to and did stenographically

8 report the foregoing proceedings and that the

9 transcript is a true record of my stenographic

10 notes.

11

12 Dated this 30th day of March, 2005.

13

14

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

15

Notary Public - State of Florida

16

My Commission No.: DD102224

17

Expires: April 30, 2006

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