

1 ST. AUGUSTINE - ST. JOHNS COUNTY AIRPORT AUTHORITY

2 Workshop

3 held at 4796 U.S. 1 North

4 St. Augustine, Florida

5 on Monday, January 28, 2008

6 from 4:00 p.m. to 5:30 p.m.

7 \* \* \* \* \*

8 BOARD MEMBERS PRESENT:

9 WAYNE GEORGE

RANDY BRUNSON

10 JOHN "JACK" GORMAN, Secretary-Treasurer

SUZANNE GREEN, Chairman

11 KELLY BARRERA

12 \* \* \* \* \*

13 ALSO PRESENT:

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

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

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

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St. Augustine Court Reporters

1510 N. Ponce de Leon Boulevard

23

St. Augustine, FL 32084

(904) 825-0570

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1           P R O C E E D I N G S

2           CHAIRMAN GREEN: We're going to call to order  
3 the workshop for airport. If we could stand and  
4 pledge to the flag.

5           (Pledge of Allegiance.)

6           2. - OPENING COMMENTS - CHAIRMAN

7           CHAIRMAN GREEN: Okay. Just to reiterate,  
8 this is a workshop, which means there's no voting.  
9 There's nothing we make decisions on today. We  
10 look for public input. You know, it's not really  
11 a formality. We just want to get input on what  
12 we're talking about.

13          Just respect each other's time. Try not to  
14 interrupt. Plus, Janet needs to take down  
15 everything. It's kind of hard when we have more  
16 than one person talking.

17          And we also have to limit it to the scope of  
18 what this workshop is about. So, everyone kind of  
19 knows where we're going.

20 Ed, do you want to kind of tell us what our

21 main overview is for today?

22 MR. WUELLNER: Sure. Primarily, we had hoped

23 to -- to give you a brief overview of the Airport

24 Master Plan and then make a brief, I would call it

25 Staff presentation, if you will, about some issues

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1 related to land use, concerns we have, some  
2 thoughts we have, throw that out, maybe start a  
3 dialogue of concerns with those issues, and get  
4 everybody's thoughts and opinions and hopefully  
5 come away with some general direction on how we  
6 begin the process of -- of sort of dissecting the  
7 balance of land use issues related to airport  
8 development in the future.

9 And then last, we'll briefly touch, I would  
10 think at the end, briefly touch on any  
11 budgetary-related impacts and how we would move  
12 through those in the future, and then, of course,  
13 close it up with final comments from the board and  
14 the public.

15 As far as I'm concerned -- and it's really up  
16 to you guys, but if -- I have no problem with  
17 taking public comment or input or whatever as we  
18 kind of move through each of the slides, each of  
19 the ideas, each of the concepts and, you know,

20 keep it somewhat friendly in terms of people's  
21 ability to get up and kind of comment on those  
22 issues and -- and certainly the board's comments,  
23 too.

24 CHAIRMAN GREEN: That's kind of the way I  
25 was --

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1 MR. WUELLNER: I know.

2 CHAIRMAN GREEN: -- predicating it so -- just  
3 to make sure we don't talk over each. But by all  
4 means, come up to the microphone and make sure you  
5 give your name and address and then we'll go from  
6 there.

7 3. - BRIEF AIRPORT MASTER PLAN REVIEW

8 MR. WUELLNER: Okay. Cool. All right.  
9 First, just briefly -- I'm not going to rehash the  
10 Airport Master Plan, but y'all remember the  
11 Airport Master Plan was -- was adopted in 2005,  
12 but finally approved by FAA in -- in the year  
13 2006. So, all of the planning-related documents  
14 carry a 2006 suspense date with them. And the  
15 coverage of a typical master plan is 20 years.  
16 That's the overall planning horizon. And, of  
17 course, that's broken down into a couple of phases  
18 at the front end, a very short-term and a midterm  
19 and -- and finally the long-term 20-year goals,

20 short term being characterized by typically a  
21 five-year period of -- of planning. It's  
22 obviously the most detailed. And the 10-year  
23 picking up where that -- that left off and -- and  
24 provides a fair amount of detail, but still,  
25 you're -- you're looking fairly far out in the

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1 world of planning. And then, of course, 20-year  
2 tries to make a best guess based on forecasting  
3 what the issues are and how the development might  
4 proceed.

5 Now, obviously, we have a number of issues  
6 that have -- have changed, and I think in a  
7 positive way, but they've changed dramatically  
8 since the Airport Master Plan was -- was adopted  
9 by the Airport Authority in -- in 2005, and -- and  
10 obviously adopted by FAA in 2006.

11 So, when this plan was adopted, you recall we  
12 were looking out at a minimum of 13 years for any  
13 kind of commercial service horizon. The service,  
14 as it was identified in the Master Plan, was --  
15 was of a character of light commuter-type traffic  
16 and maybe envisioned as a -- as a high-level  
17 service for us as 50-seat RJs or something along  
18 that line. So, it was not anything of the  
19 character we're already dealing with out there.

20           That's had the most significant impact on us  
21           in a couple of ways, obviously, from a provision  
22           of service on the airport, but perhaps even more  
23           importantly, it's opened up a -- a whole new arena  
24           of funding for the airport, for participation in  
25           grant programs. It's also opened up a number of

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1 additional revenue sources to the airport outside  
2 of grant-type funds.

3 So, in a sense, it's been a positive thing in  
4 the big picture. Plus, it's also -- seems to be  
5 pretty well received by the public. We're not  
6 hearing much in the way of negative comments at  
7 all relative to the airline and the fact that  
8 service is available within the community. So,  
9 those are all good things.

10 Now, just to kind of refresh your -- your  
11 memory, we threw up the Airport Layout Plan here  
12 on the screen. And I'll just highlight a couple  
13 of areas. You remember from a corporate aviation  
14 standpoint, this area kind of being pointed to  
15 right now is the area identified in the Master  
16 Plan as the expansion area for corporate  
17 hangar-type facilities and even some commercial  
18 hangar facilities, that commercial being  
19 businesses in -- in this context.

20        You'll notice one of the prominent features,  
21        of course, was the placement of the -- an  
22        additional runway out there. Again, I'll point  
23        out that was a long-term planning item. It was  
24        not something that was in that five- or ten-year  
25        period. It was out there more, as we've always

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1 characterized it, a bit of a placeholder,  
2 reserving the land, making it the appearance of  
3 having some idea where we would go in the future.

4 We all kind of agreed at the end to disagree  
5 on the exact orientation, the exact placement, all  
6 of those things, and -- and leave it in the  
7 context of placeholder, realizing we'd have  
8 several more Master Plan iterations that would  
9 come down the pike before decisions needed to be  
10 made relative to that runway.

11 There's a -- a few assorted pavement  
12 extensions within the planning guidelines here, to  
13 include an extension of -- of runway 6/24. We're  
14 showing the use of -- of runway 13/31. And this  
15 even shows an extension of about a thousand feet  
16 on the end.

17 This was the adopted ALP. Now, we've had  
18 discussions since then about maybe being able to  
19 do that on the north end. Not really critical to

20 today's discussion, but it throws out there that  
21 in terms of order of magnitude projects that were  
22 out there. Of course, the extension of Taxiway  
23 Bravo to whatever ultimately the runway end is,  
24 whether it's existing or -- or some future runway  
25 length, if it would be desired.

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1           And I do want to point out that the airline  
2           service, as we have it today, makes no new runway  
3           requirements of the Airport Authority. It's  
4           easily accommodated on the infrastructure we have.  
5           It in itself would not require the extension of a  
6           runway or anything of that -- that type. It's  
7           simply out there -- it just simply that airplane  
8           doesn't require those things. So, it -- it's not  
9           precipitating any type of -- of major facility  
10          changes there.

11          It also speaks, the Master Plan did, to the  
12          widening or eventual widening of the north end of  
13          Taxiway Bravo out to the design group 4 standards  
14          that already exist on other parallel pavements  
15          to -- to the runway, the main runway.

16          Uh-huh? Mr. Brunson?

17          MR. BRUNSON: Ed, is -- Madam Chairman. Is  
18          the 8,000 foot length runway still critical for  
19          contracts for Grumman?

20 MR. WUELLNER: Actually, Grumman has on  
21 several occasions formally declined to provide  
22 that requirement to us in writing. And I think  
23 they're hoping that until -- or trying to defer  
24 that until they actually have some kind of  
25 contract that would require it. They don't want

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1 to -- I'm sure they don't want to be labeled as  
2 the guys out there motivating the airport to  
3 extend a runway. However, I think if they're the  
4 reason, they'll have to take a hit eventually.  
5 But at that point, they're holding jobs in  
6 somebody's hands. So, they're not motivating any  
7 runway extension at this point.

8 MR. BRUNSON: Okay.

9 MR. WUELLNER: Mr. --

10 MR. GORMAN: Yes. If this other runway did  
11 come into being, wouldn't that -- when we approved  
12 this 10-year plan, didn't that require an extra  
13 tower because line of sight, you wouldn't be able  
14 to see the taxiways from one tower to another --

15 MR. WUELLNER: It would --

16 MR. GORMAN: -- to the end of it?

17 MR. WUELLNER: It would require probably a  
18 relocated existing tower, meaning a new tower to  
19 replace that, if that were built. But again,

20 that's a 20-year item.

21 MR. GORMAN: So, this facility would require

22 modification to the --

23 MR. WUELLNER: Oh, absolutely, yeah. There'd

24 be a lot of projects out there that need to be

25 done if this were ever constructed. But that's a

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1 little bit beyond what we're -- what we're trying  
2 to do today.

3 The other piece of this that's significant  
4 was beginning development plan, if you will, for  
5 the property immediately south, much of which  
6 is -- you know, that was a short-term project or a  
7 short-term issue, and much of which is already in  
8 construction. And hopefully in the next couple of  
9 months, we'll be -- begin to be occupied down  
10 there, some of which is actually finished being  
11 built, such as the apron and -- and that support  
12 structure. T-hangars and the like are being built  
13 now. But that area was identified as the general  
14 aviation area, or likely.

15 And another piece, just to point out, is  
16 about where the dot is now, is the area that was  
17 identified within the Master Plan as a second FBO,  
18 if you will. It was an area of space reservation  
19 that has been in the Master Plan and has certainly

20     been bantered about a lot within the confines of  
21     this board over the last couple of years as we've  
22     talked through T-hangars and -- and the like down  
23     that area.

24             Now, that's about all I really wanted to  
25     cover on the Master Plan. Now, there are specific

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1 topics within the Master -- I just want to go back  
2 over the major areas, major project developments  
3 that were in there, and -- and we'll -- we'll kind  
4 of go from there, if everybody's okay with that.

5 4. - OVERALL FUTURE DEVELOPMENT PRESENTATION

6 MS. BARRERA: I just wanted to reiterate now,  
7 my understanding of that second runway is it's a  
8 possibility but not necessarily a probability.

9 MR. WUELLNER: It -- it -- if the forecast  
10 could continue the way -- were to come out the way  
11 they're -- they've been set out for --

12 MS. BARRERA: Planned for?

13 MR. WUELLNER: -- next 20 years, if those  
14 come true, which is subject to a lot of variables,  
15 the numbers would begin to support, by the end of  
16 that planning period, that 20-year period, would  
17 begin to support the development of an additional  
18 runway. Not prior to that.

19 MR. GORMAN: And again, if in fact we

20 implemented this other runway to the west side,  
21 that would require the movement of a major highway  
22 and of the FEC railroad.

23 MR. WUELLNER: Well, those are kind of detail  
24 planning items. Yes, it could very well. Or, it  
25 may be that it could be accommodated over the

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1 highway. There are cases of that being  
2 developed --

3 MR. GORMAN: There is -- there would be  
4 actually a way where you could actually use that  
5 runway without moving the highway and without  
6 moving the railroad?

7 MR. WUELLNER: Technically, the way it's  
8 drawn right now, it's usable that way. What  
9 doesn't happen, the two entities don't connect  
10 currently.

11 CHAIRMAN GREEN: Right.

12 MR. WUELLNER: The Airport Authority chose  
13 not to show on their drawings --

14 CHAIRMAN GREEN: Overpass?

15 MR. WUELLNER: -- any type of taxiway support  
16 infrastructure that would link the two on east and  
17 west of U.S. 1.

18 MR. GORMAN: My point being that it would  
19 actually be physically not common sense to do so,

20 without moving the -- the highway and the  
21 railroad. You would be waiting for trains to taxi  
22 between --

23 MR. WUELLNER: No, no.

24 MR. GEORGE: I think that that's a function  
25 of the use of this side. For instance, we're

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1 showing it in the optimum direction, not 24 and  
2 not 2. But if you bring it around to 22, then you  
3 get more length out of it. But the intended use  
4 of it was to put the smaller aviation airplanes  
5 over there. So, how long is that runway that's  
6 shown there, 5,000?

7 MR. WUELLNER: I think it's shown at 6-.

8 MR. GEORGE: Six thousand?

9 MR. WUELLNER: I think it's shown as 6-.

10 MR. GEORGE: A 5,000 foot runway would be --  
11 would satisfy the objective of putting the smaller  
12 airplanes over there.

13 CHAIRMAN GREEN: Our big problem is the  
14 extension, was 310?

15 MR. GEORGE: Yeah, the 310 extension.

16 CHAIRMAN GREEN: Right.

17 MR. WUELLNER: Well, became 312. Actually,  
18 312, 313, depending on who you talk to.

19 MR. GORMAN: Because as -- as drawn, it --

20 312 -- it will not work with 312 there, and as  
21 drawn, it would have to really, in the common  
22 sense version, you'd have to move that -- the U.S.  
23 1, you would have to move the FEC railroad.  
24 Either that, you end up with two separate  
25 airports.

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1 MR. BRUNSON: Yeah, you've got two separate  
2 functions.

3 MR. GORMAN: Two -- yeah, I understand there  
4 are two separate functions to --

5 CHAIRMAN GREEN: Yeah, GA and --

6 MR. GEORGE: I think that our design team  
7 would not have been doing their job if they laid  
8 something out that could not work. If you look at  
9 the approach path to 312, and also the approach  
10 path to U.S. 1 and the railroad, it fits.

11 MR. GORMAN: It is -- I would argue, and I've  
12 had other -- I would argue, and I've had people  
13 argue with me, that that is not a practical plan.  
14 It -- it puts yet another traffic pattern overlay,  
15 and it is not really very good sense to have the  
16 entire airport bisected by a major highway and the  
17 railroad.

18 CHAIRMAN GREEN: Let me just reiterate why  
19 we're here today --

20 MR. GORMAN: That's all. That -- that would

21 be my argument.

22 CHAIRMAN GREEN: Why we're here today is not

23 necessarily the 20-year-out plan.

24 MR. GORMAN: Right.

25 CHAIRMAN GREEN: I think Ed's just trying to

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1 say that's there. We may change it completely. I  
2 mean, look at what's happened in the two years  
3 here with commercial stuff.

4 MR. GORMAN: I certainly understand.

5 CHAIRMAN GREEN: He's just trying to say  
6 those were things out there. We were trying to  
7 actually preserve land --

8 MR. GEORGE: Right.

9 CHAIRMAN GREEN: -- to make sure we had use  
10 for whatever we might do down the road.

11 MR. WUELLNER: And realistically, you may  
12 want to identify a whole other approach --

13 CHAIRMAN GREEN: Right.

14 MR. WUELLNER: -- to capacity issues as you  
15 move forward, through other Master Plan studies,  
16 that don't include building a runway -- that kind  
17 of a runway setup west of U.S. 1.

18 MR. GEORGE: Ed, correct me if I'm wrong, but  
19 I think that the FAA guidelines state that when

20 you get to 85 percent capacity of your runway,  
21 that's the time you need to start looking  
22 somewhere else, you know, for another runway to  
23 offload that traffic. And that 85 percent, if  
24 that's the number, was based on the forecasted  
25 traffic load for runway 24 and 6.

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1 MR. WUELLNER: Yeah. Actually, it's kind of  
2 referred to as the 60/80 rule. And the 60 -- when  
3 you reach 60 percent of what's your airport  
4 service volume, which is the theoretical maximum  
5 amount of traffic, you would begin planning for  
6 that runway -- or that solution.

7 (Mr. Burnett leaves the room.)

8 MR. WUELLNER: And then when it reaches 80  
9 percent capacity is when you would typically begin  
10 the effort to construct one because of the time  
11 periods it takes to -- to do all those tasks.

12 MR. GORMAN: One more short comment. I  
13 recall, when we were doing that -- that 10-year  
14 plan, that there was a -- an amount of a dialogue  
15 about actually reserving areas completely west in  
16 the county for that type of endeavor so that you  
17 would not have to, you know, split the -- an  
18 airport in half, and that there was land that was  
19 conducive to airport development in the west part

20 of the county, rather than continually developing  
21 this one. And that's just a comment I'd like to  
22 make.

23 MR. GEORGE: One -- one short rebuttal. If  
24 that was planned, then why did we publish the  
25 Master Plan, okay? The Master Plan said at 20

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1 years out, this is the alternative that we see  
2 right now.

3 It is germane for today's discussion, because  
4 this is a land planning meeting, and if we are  
5 looking at 15, 20 years out, we need to start  
6 allocating funds for land acquisition to make that  
7 happen.

8 Now, that opens up the discussion again of do  
9 we do it in the west, do we do it in the  
10 southwest, or do we maybe do it where the  
11 population is, you know, a little bit further to  
12 the northwest? I don't know. But land use-wise,  
13 if we don't start acquiring land for the stuff  
14 that we're going to need 20 years down the road,  
15 we're going to be caught with our pants down.

16 MR. GORMAN: Your point is well taken. I  
17 think we need to start discussing other land  
18 acquisition areas.

19 CHAIRMAN GREEN: Well, that's what this is

20 for. This is to discuss all possible land use,  
21 west side, north side. I mean, of the county.

22 MR. GEORGE: Yeah.

23 MR. WUELLNER: Okay. The -- kind of at the  
24 core of the discussions related to the Master  
25 Plan, are you going to stick with the strict

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1 interpretation of this Master Plan or are we going  
2 to remain flexible?

3 My suggestion is that we remain flexible in  
4 this development. We've already seen huge changes  
5 in just two years in areas that weren't even  
6 forecast as a part of our Master Plan. So, I  
7 think it's critical that we remain, you know, a  
8 little light on our feet and able to continually  
9 revisit some of these concepts.

10 To that extent, one of the things we've  
11 developed internally is a little focus area  
12 concept for our developments. And we would  
13 propose that we continue to refine these  
14 developments as we go forward using input from a  
15 staff -- what I would call staff committees,  
16 meaning not formal subcommittees of the Airport  
17 Authority itself, but working groups that -- that  
18 have staff members assigned to them to work with  
19 the users of the these particular areas and

20 develop and refine the concepts and bring those  
21 back to the Airport Authority over the next, you  
22 know, several months or more, and allow the  
23 Authority then to debate and discuss things with  
24 some development maturity and some input from our  
25 users attached to it, rather than kind of hitting

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1 this as a -- as a sterile approach, a true  
2 planning approach where it's not devoid somewhat  
3 of the input from the users.

4 These areas, or focus areas that I'll walk  
5 through in a second need to be studied  
6 independently. They don't necessarily have even  
7 connecting issues in many cases. So, the user  
8 groups associated with those areas would likely be  
9 different for each of the -- each of the project  
10 areas and kind of an out-of-a-box approach to this  
11 whole thing.

12 If you follow airport development over the  
13 years, and you look at most airports and the way  
14 they develop, they're -- they're so focused on  
15 dealing with the immediate project at hand, the --  
16 the item that must be solved this month or this  
17 year, that decisions get made that -- that  
18 ultimately hinder the airport's ability to be  
19 responsive to the entire aviation community on the

20 airport over time.

21 Great examples of really bad jobs of laying

22 airports out in terms of function and use would be

23 Merritt Island. And I'm not picking on Brevard

24 County per se, but it was -- it was a case of the

25 airport, you know, grew, grew, grew, grew, grew,

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1 got into the space program, grew, grew, grew,  
2 grew, and they just literally stuck buildings  
3 wherever something was vacant, and you have a bit  
4 of a rat's maze to even find something on the  
5 airport when you get there.

6 Now, that doesn't even begin to mix the types  
7 of uses this airport has. And we -- we would like  
8 to seriously avoid those kind of long-term  
9 complications and problems and keep the airport  
10 developed in a logical and intelligent way moving  
11 forward.

12 And -- and these development areas, as I go  
13 through them, aren't -- as I say don't necessarily  
14 have the same interests and -- and aircraft and  
15 the like that get used in each of them. So,  
16 it's -- they have their own needs. They have  
17 their own environmental needs. They have their  
18 own operational requirements, areas for larger  
19 aircraft, clearly have to be more open and cleared

20 than areas that we can develop for light GA, where  
21 we can keep a very environmentally friendly  
22 approach because of the wing spans we're dealing  
23 with and the ability to move those airplanes. And  
24 you have environmental issues, of course, all over  
25 the airport.

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1 All right. Let me start with the -- the  
2 focus areas that -- that I've identified. And  
3 there are several of them here. First one is  
4 full-service FBO facilities. And we'll walk  
5 through those. I think that's a pretty fair --  
6 everybody kind of has an idea what an FBO is and  
7 what we're talking about. But I'm talking full --  
8 full FBO types of services in these areas.

9 A GA center. And that is an area where we  
10 would limit the physical size of aircraft and/or  
11 even the engine types of aircraft in these  
12 development areas to keep the character and the  
13 flavor of light general aviation consistent  
14 throughout the development.

15 So, we're not going to mix high-end corporate  
16 users, you know, your Gulfstream 3s, 4s, and 5s,  
17 with little 152s and -- and Extras and -- and the  
18 like. They just physically have very different  
19 needs and they're subject to very different

20 operating conditions and requirements.

21 Obviously, we have a focus area for

22 airline-related services and terminal support.

23 You can mix that all together.

24 There's a necessity for some areas on the

25 airport that are support areas, meaning they don't

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1 necessarily -- in some cases, they develop into  
2 facilities; in some cases, they're there to offset  
3 impacts in other areas on the airport.

4 One of the areas that we moved into slowly a  
5 few years back -- I know Suzanne goes back this  
6 far -- was when we created a conservation area on  
7 the extreme north end of what is the industrial  
8 park property. And it served the purpose of being  
9 able to mitigate some of the freshwater impacts  
10 that we have on the airport from time to time and  
11 enlarge that mitigation area or conservation area  
12 and -- and take the heat off of having to develop  
13 or have inefficient use of land that -- that is  
14 critical aviation property.

15 Examples of that include things like remote  
16 parking, consolidate rental car facility. And I'm  
17 sure there are others out there that we're not  
18 even aware of yet there that are going to be  
19 long-term problems or are areas that may need to

20 support the airport.

21 And, of course, the last area is what I call

22 general commercial industrial. It's -- it's

23 air -- airport businesses that don't necessarily

24 need airside, but maybe they do. But they're job

25 creators. They're things like Grumman, businesses

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1 that are out there, that aren't necessarily  
2 compatible with moving aircraft on a daily basis.

3 So, with that, let me walk through what our  
4 thought processes are. Now, these are kind of  
5 already in a sense existing already. And in some  
6 cases, they're wholesale modifications of uses  
7 that are there today.

8 All right. I know it's a little hard to see,  
9 but up in the area up here, we're talking about  
10 the FBO and corporate area focus on the airport.  
11 Reminder, the Airport Master Plan -- this is over  
12 the Airport Layout Plan so that we can see what  
13 you -- what was in the plan, too.

14 If you recall, this area was literally set  
15 aside and -- and shown on our Master Plan as  
16 future corporate development. It's -- it's ideal  
17 in that it's somewhat isolated from light general  
18 aviation, it's been a significant revenue source  
19 to the airport over the years, and has the highest

20 I would say rate of return, at least for our --  
21 our building components on the airport, so for --  
22 relative to the dollars we invest on property.  
23 And it's an area that is critical to the long-term  
24 financial plan of the airport, but is just one of  
25 the many things it's done on the -- on the

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1 property every day.

2 This smaller area here, I would identify as

3 an area that becomes FBO in character over time.

4 This is property -- as you may recall, is a part

5 of property that was bundled with Northrup Grumman

6 a few -- years ago when -- when the east

7 corporate -- what do they call it now? The North

8 40 property was developed back in 1988,

9 thereabouts.

10 This would be basically where we would

11 identify or suggest that development of a jet

12 center, for lack of better terms, occurs on the

13 airport. This may very well be, as we move

14 forward, a future relocation area for existing FBO

15 functions.

16 I think you're going to find that this

17 property along U.S. 1 is -- is much more suitable

18 long term to the development of airport or

19 airline-related commercial service on the -- on

20 the airport and is -- and is critical to the  
21 public's ability to find those services on the  
22 airport. We -- we all know the solution that's in  
23 place is -- is temporary at best.

24 Next slide pulls in where general aviation  
25 would be. And this would what -- what I'm calling

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1 the general aviation center, but basically the  
2 entire south development, to include the 100 block  
3 of the Araquay subdivision, which is the property  
4 we always refer to as west of Casa Cola. So, the  
5 last block there to include general aviation  
6 development facilities.

7 I'm not going to try to pick it apart today  
8 and say this belongs here, this belongs there.  
9 That's not the purpose. What I am going to say is  
10 this goes back to you getting input from the user  
11 groups down here and trying to find out what's  
12 best, what's needed down in these areas, and what  
13 long term stays a complete compatible match with  
14 light general aviation development that we're  
15 already committed to in that area.

16 The reason I don't show this as additional  
17 FBO is couple-fold. One, you've got operational  
18 issues with a full-service FBO. You're basically  
19 going to force all of your light general aviation

20 traffic through the FBO complex to be able to use

21 it, to use hangars and -- and the like that's

22 being developed back there now.

23 The secondary reason, which probably is

24 primary when you think about it, is long-term

25 compatibility with our neighbors to the south.

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1 That area has little in the way of realtime  
2 heavy-duty buffer between the neighborhoods of  
3 Jackson Park and points south. So, we need to be  
4 aware of what our noise impacts are going to be in  
5 that area. And light GA is probably the most  
6 compatible thing we do. So, it provides the best  
7 possible match with -- with our adjoining  
8 neighborhood there.

9 Next item's airline-related services. And I  
10 would point out that we're just kind of trying to  
11 carve out what is the existing FBO area would --  
12 would be swallowed up, if you will, in the airline  
13 services. It provides a good center land mass  
14 here that could be the future development area for  
15 commercial-related services. What those would  
16 look like, what those building sizes, gates, all  
17 of those details later on. That's not -- not what  
18 we'd be talking about today.

19 And the next area are the support service

20 areas. And -- and, you know, the north half of  
21 this is already kind of sort of started in that  
22 conservation area. It becomes -- it's highly  
23 compatible. If you look at how the runway -- the  
24 center line extends through that property, it's  
25 area that you really don't want population or

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1 buildings or things like that in there. It  
2 largely remains undeveloped but compatible with  
3 the airport.

4 And this probably is important to know, that  
5 adjoining property uses of this are already set  
6 aside in the state of Florida as part of that  
7 Cummer Land Trust. So, part of why the State  
8 likes our mitigation plan, if you will, is because  
9 it improves an already large landholding of the  
10 State for environmental reasons. So, it's -- it's  
11 complementary.

12 CHAIRMAN GREEN: Is our parking facility  
13 south of the runway?

14 MR. WUELLNER: Yeah.

15 CHAIRMAN GREEN: Yeah.

16 MR. WUELLNER: The -- the consolidated rental  
17 car facility sits right down here in this corner  
18 as it's shown here. And keep in mind again the  
19 runway is not built --

20 CHAIRMAN GREEN: No. I just --

21 MR. WUELLNER: -- does not function. So, the

22 runway will move over -- you know, we will move

23 that collectively if we need to. I don't think

24 you need to, at least at where we are now.

25 These other parcels are parcels that were

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1     acquired even before I got here. They're -- I  
2     think this one's a 40-acre block. There's a  
3     couple of 10s and a 20 here. There's even a  
4     little piece here that was acquired that sits  
5     right next to the racetrack property out there.  
6     It belong -- belongs to the airport. We've had it  
7     for at least 12 years. Couldn't give you the  
8     exact number.

9            You can see that it fits very well into the  
10    current layout for State Road 313, if the  
11    State-approved corridor is ultimately developed,  
12    and I'm sure will be worked out with the State as  
13    far as use of that corridor. We would be trading  
14    property or doing something with the State in  
15    order to facilitate that project. That leaves any  
16    of these areas also for the possibility of adding  
17    remote parking or other ancillary services to the  
18    airport over time.

19           And lastly is this commercial industrial.

20 Now, when I'm referring to commercial industrial,  
21 I'm referring to aviation-related uses, those who  
22 likely need some kind of airport infrastructure  
23 access. And -- and we're -- we're talking with  
24 some companies who are very interested in -- in  
25 constructing facility down here that results in

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1 significant numbers of jobs in our community and  
2 those development projects being capitalized by  
3 the users of those facilities. So, it's not tying  
4 up Airport Authority capital in most cases. To  
5 include things like aircraft finishing facilities,  
6 jet aircraft finish facilities, to being the types  
7 of businesses that we're thinking down there. And  
8 it's consistent with the corporate jet, if you  
9 will, use of that whole property that's there in  
10 the -- in the purple or lavender color.

11 These are the primary areas, as I see them.  
12 Now, the obvious question is, well, what about  
13 this area? Well, that's not ours. That's -- it  
14 belongs to Northrop Grumman and likely will remain  
15 with Northrop Grumman as long as Grumman remains  
16 in St. Augustine.

17 MR. GEORGE: Another option for that  
18 commercial and industrial area to the north of the  
19 North 40, we also had an inquiry a couple of years

20 ago from Customs to put a consolidated facility in  
21 there which would give them marine access to it  
22 and also boats. So, it has another possibility of  
23 that.

24 MR. WUELLNER: Yeah. And that -- the pieces  
25 they were talking about were right almost at the

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1 tip out here.

2 MR. GEORGE: Yeah.

3 MR. WUELLNER: May or may not be usable for  
4 aviation.

5 MR. GEORGE: Is that right?

6 CHAIRMAN GREEN: We've been approached by a  
7 couple of people also down the road about possible  
8 hotel or something like that. That's -- that's  
9 south and north, right?

10 MR. WUELLNER: Well, there -- there are  
11 people that are interested in doing some joint  
12 ventures with the Airport Authority, or doing  
13 something that's complementary to us, at least.

14 CHAIRMAN GREEN: I'm just trying to figure  
15 where it is as compared to general aviation and --

16 MR. WUELLNER: The other is up here.  
17 These -- this block here --

18 CHAIRMAN GREEN: Okay.

19 MR. WUELLNER: -- has about seven acres in

20 it, I believe. This piece here has two and a  
21 half, I think, maybe three. Those are areas where  
22 other -- other people have contacted us about  
23 either joint use or something compatible with us.

24 MR. BRUNSON: Ed, have you been approached by  
25 the Gun Club lately?

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1 MR. WUELLNER: Not recently.

2 MR. BRUNSON: Okay.

3 MR. WUELLNER: But it -- you know, depending  
4 on which development method y'all eventually  
5 settle on, you know, there may be time still to do  
6 things with the Gun Club and let that all just  
7 take its natural course. It may be that we need  
8 to begin negotiating or having discussions with  
9 them so that something -- that won't be an  
10 impediment to being able to develop in the -- in  
11 the next couple of years.

12 (Mr. Burnett returns to the room.)

13 MR. WUELLNER: That's all a part of the land  
14 use that you need to kind of get a handle on,  
15 where -- where your focus areas are or your target  
16 areas. And I think the Gun Club is obviously one  
17 that needs to be discussed and prioritized.

18 MR. BRUNSON: It's pretty good timing right  
19 now to talk to the Gun Club.

20 MR. WUELLNER: Well, you know, in fairness,  
21 we've been talking to the Gun Club for 12 years.  
22 You know, it gets really hot and then it goes ice  
23 cold for three years and then it gets really hot  
24 again and then it goes ice cold. So, we've always  
25 been willing to talk to them about it.

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1        Now, talk about property requirements and --  
2        and obviously property that's been acquired over  
3        the years. I reminded Vic Martinelli of this  
4        today, in fact. We were -- we were talking about  
5        how 12 years ago, we had the discussion, when he  
6        was on the Airport Authority, about the  
7        Authority's approach to land acquisition and how  
8        they needed to make adjustments that they did 12  
9        years ago.

10       They had focused their property acquisitions  
11       so that meaningful pieces or parcels of property  
12       began to be acquired in areas that allowed  
13       development over time.

14       And -- and clearly, a couple of areas came to  
15       mind back 12 years ago. One was the old  
16       industrial park property on the north end, and the  
17       other primary focus area was what is Araquay Park.  
18       And those two areas became focal points, with the  
19       Authority recognizing that if they continued to

20 take what I call the shotgun approach to land  
21 acquisition -- which was what was going on.  
22 Anybody that had property within the future  
23 property line would approach the Authority. The  
24 Authority might or might not buy it depending on  
25 budget constraints. But it wasn't resulting in

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1 meaningful chunks of property being able to be  
2 acquired to allow any kind of planning or any kind  
3 of future development to occur.

4 Well, the Authority focused in those two  
5 areas, and as a result, enough property was  
6 acquired over the 10-year period to allow now  
7 those areas to be in a sense considered complete.  
8 You've gotten the -- the Araquay Park, at least  
9 east of Casa Cola, has been acquired and is now  
10 actively being developed. So, in a sense, goal  
11 met in -- in the short term, anyway.

12 The north end, you still have a handful of  
13 properties in the industrial park, but when you  
14 compare where that was 12 years ago to where it is  
15 today in terms of acquisition, I mean, it's --  
16 it's night and day. You -- you've literally  
17 picked up to 85, 90 percent of that property now.  
18 And -- and that's all including the roads back  
19 there are now all owned by the Airport Authority.

20           There are these other outparcels. I can't  
21           really speak to what the thought process was,  
22           other than filling in -- filling in large parcels  
23           as they became available over, you know, 12-plus  
24           years ago.  
25           Gun Club's on the list up here as a -- as a

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1 property that needs to be looked at. When you  
2 look, there are some other places, including --  
3 and -- and again, I think we need to begin to  
4 think about prioritizing east of -- excuse me,  
5 west of Casa Cola now, that 100 block, as an area  
6 that y'all need to think about. Because in -- in  
7 a couple of years -- I don't -- it's not date  
8 certain, but if demand continues for GA-type  
9 facilities, within a few years, you're going to be  
10 faced with the same issues you had east of Casa  
11 Cola, which is you now have a plan, you now have a  
12 need, and you don't have the property. You've not  
13 had -- you're not taking advantage of  
14 opportunities that were out there. And that puts  
15 you in that difficult position of making decisions  
16 of -- of how you finish the acquisition up.

17 And we all know what a pleasant experience,  
18 you know, eminent domain was for the Airport  
19 Authority. So, you know, avoiding that, you know,

20 is -- is probably a serious goal of ours.

21 MR. GEORGE: Are you saying that

22 Mr. Martinelli was the one that got us in that

23 position because --

24 MR. MARTINELLI: Oh, no.

25 CHAIRMAN GREEN: Just the industrial side.

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1 MR. BRUNSON: Eminent what?

2 MR. WUELLNER: No, no.

3 MR. MARTINELLI: Wait a second. Let me  
4 defend myself. What Ed says is true. We then  
5 began to focus on meaningful chunks of property.  
6 Must I?

7 CHAIRMAN GREEN: We want to hear you, Vic.

8 MR. MARTINELLI: Vic Martinelli.

9 To further elaborate on what Ed said, Ed's  
10 idea at that time, when he came to the Airport  
11 Authority as executive director, was a great one,  
12 because prior to that, the -- and my predecessors  
13 on the Airport Authority would acquire properties  
14 as the properties -- property owners came to the  
15 airport and said, I've got this; I want to sell  
16 it; do you want to buy it?

17 And so, in one piece in particular, I can  
18 recall, which was the one up on the north side  
19 that seems to be disassociated with everything,

20 that was, I believe Craig Maguire, Maguire Land at  
21 that time had it, and for whatever reason, they  
22 wanted to sell it and they came to Mike Campbell,  
23 who was Ed's predecessor and said, "We want to  
24 sell it," and so the Airport Authority bought it  
25 and had no rhyme or reason to it. And so, Ed's

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1 idea of focussing on specific areas and making  
2 them whole so that they were meaningful for  
3 development for the airport really was the start  
4 of this thing.

5 And I can say this: If Ed had been here  
6 sooner and we had embarked upon his program  
7 sooner, we would not have had eminent domain. But  
8 as it turned out, we didn't start soon enough, and  
9 therefore, we ended up with eminent domain. Thank  
10 you.

11 CHAIRMAN GREEN: Thanks.

12 MR. WUELLNER: And in fairness, it's really  
13 hard to look out ten years, even in your own mind,  
14 and go, this is -- these are going to be impacts.  
15 But they're out there. They're real. The time  
16 line may be eight years, it may be fifteen years.  
17 But the -- the eventuality of those things, you  
18 know, really never changes.

19 The other item that probably needs to be

20 talked about is, you know, we -- we -- we're  
21 reserving space west of U.S. 1 for that runway.  
22 We saw that earlier. But is that the direction  
23 the Authority wants to go? You're not locked into  
24 having to do that. But if you're interested in  
25 other sites within the county, not only is it a

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1 good market now -- and I'm not suggesting you run  
2 out tomorrow and buy something. But those larger  
3 pieces of property necessary to site an airport  
4 are increasingly rare in St. Johns County. And  
5 they're -- they're -- been gobbled up over the  
6 last five or ten years by developers looking long  
7 term to place residential or other projects out  
8 there all over the community.

9 So, if -- if that's an interest, you know,  
10 you've got to be in a sense paying attention to  
11 what the market's doing and making those  
12 decisions, even if it results in, you know, in ten  
13 years in a change of direction and -- and putting  
14 the property back out -- out for bids and resale,  
15 which -- which could be done if you changed your  
16 mind.

17 But you're going to have few opportunities  
18 for large pieces of property. And by "large  
19 pieces of property," is several hundred acres or

20 larger to -- to make it. And property that could  
21 be developed that isn't already encroached by  
22 residential or has other by issues, whether  
23 environmental, wetland, those things.

24 CHAIRMAN GREEN: Mr. Lamp, you had a  
25 question?

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1 MR. LAMP: Gene Lamp, FDOT Aviation out of  
2 Jacksonville.

3 Just a comment on Ed about large parcels of  
4 land. To be -- for the DOT to accept a new  
5 airport into the aviation system plan and for  
6 financing, they must have a minimum of 1,000  
7 acres. That's one of I think several other  
8 requirements. But just to be accepted into it,  
9 you'll have to look at a thousand-acre parcel,  
10 minimum.

11 CHAIRMAN GREEN: Thanks. I mean, I think  
12 that's something we -- for no other reason, like  
13 Jack, you were saying, just to keep our options  
14 open, I'd like to even see what's out there. And  
15 when a parcel exists, or yeah, there's several,  
16 okay, well, we'll think about it later. Jack?

17 MR. GORMAN: There's been recently an  
18 economic situation which has caused developers to  
19 slow down or stop, which has caused land values to

20 drop. So, the -- in my own way of thinking, if  
21 you're actually going to do long-term planning and  
22 you're looking at the west county and you're  
23 looking at the northwest county, then it is the  
24 time to kind of heighten that or actually have  
25 this board make some direction to actually study

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1 it. And now is the time because now is the  
2 economic time.

3 There's been changes in development, in  
4 developers' thought patterns, that own the  
5 property now in those areas. I don't know what  
6 specific areas. North -- west and northwest.

7 MR. WUELLNER: And as a matter of  
8 perspective, you're -- you're really talking about  
9 development of -- of what I again would call a  
10 light general aviation airport, not a wholesale --  
11 you're not looking at a replacement facility.  
12 You're looking for something to -- to augment  
13 the -- the demand that's out there for -- for  
14 general aviation.

15 And it doesn't have to be of a scope or  
16 character or anything similar to what is going on  
17 at this airport. It can be -- you know, it's  
18 likely going to be a noncontrolled field. It's  
19 likely -- could be turf for, you know, the first

20 ten years. Forever, for that matter. It could  
21 take on characteristics that, you know -- of areas  
22 of demand that's either not appropriate for here  
23 because of changes in character or just have  
24 exceeded the capacity to develop here on this  
25 property. So, either -- either scenario could

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1 likely develop.

2 The -- the horizon on it, though, is what's  
3 really not all that clear. I mean, the trouble is  
4 you've got these small windows that open once in a  
5 while with opportunities in them that you at least  
6 need to think about. You know, five years, all  
7 those values could be tripled, or way more again,  
8 and just out of the reach and -- and make no sense  
9 to even be looking at.

10 So, again, I'm not -- I don't have a site. I  
11 don't have anything in mind. But I wouldn't go  
12 running, slamming the door going, oh, that's just  
13 a dumb idea, because in ten years, you could be  
14 going, we've got all of this demand and it's going  
15 to be going somewhere else. That's, you know,  
16 what -- what do we do?

17 Threw up a couple of other charts here. One,  
18 this is the airport property map. It's a  
19 little -- let me explain it, because it will help

20 understand it. The core airport is not shaded,  
21 and that's this large area over here. It's all  
22 owned by the Airport Authority, with the exception  
23 of this little piece here, which is Grumman, and  
24 the Gun Club up here. But the balance of this is  
25 owned by the Airport Authority, and we totally

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1 control its use and destination within the  
2 airport.

3 This area here is this highlight, if you  
4 will, the majority of which, again, is already  
5 owned by the Airport Authority, although not  
6 shaded.

7 The brown areas here are highlighted to  
8 identify the individual parcels that we own, but  
9 we do not own all of the property associated with  
10 it. So, the blank lots, like where I'm pointing  
11 right now, and down here, the ones that are not  
12 shaded, those are properties we do not own, but  
13 they are clearly adjacent to larger or acquired  
14 properties over the year.

15 (Mr. Burnett leaves the room.)

16 MR. WUELLNER: The other is the industrial  
17 park property. You can see just how brown that is  
18 nowadays. The -- obviously, the noncolored pieces  
19 are the ones we don't own. But the Airport

20 Authority now owns all of the brown shaded  
21 property in this area and even some property along  
22 what is Avenue A. There's a few of these remnant  
23 properties back here in -- on Avenue B and Avenue  
24 D.  
25 These properties, I can tell you, were

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1 properties that were all acquired prior to 12  
2 years ago. This is a part of what I was talking  
3 about with that shotgun approach, is that anybody  
4 back in this neighborhood would have come to the  
5 Airport Authority trying to sell their property,  
6 and the Authority may or may not have bought it,  
7 resulting in this smattering going on here without  
8 any short-term identifiable need. I think you'd  
9 be hard-pressed to even make a case to go out  
10 there and buy wholesale in that neighborhood today  
11 based on our development plans as they're shown.

12 This is the -- I've got -- do have a bit of  
13 an enlargement of this. This -- we've used this  
14 chart at several Airport Authority meetings.  
15 You've had, you know, communication with these two  
16 parcel owners, really on and off for the last six  
17 months. And last time they were here was at least  
18 60 days ago. I don't know exactly the date. But  
19 these are people who are willing -- you know, were

20 interested in selling at that point.

21 Most of these other vacant properties, at

22 least close in here, were identified, were --

23 people were interested, at least in the last year

24 or so, in -- in voluntary acquisition, meaning us

25 purchasing the property, with one notable

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1 exception, Mrs. Willis's property right here on  
2 the corner.

3 And we have been less concerned with the  
4 U.S. 1 frontage property as being less interesting  
5 to us, where our needs are not frontage-related  
6 per se, but are interested in being contiguous to  
7 us.

8 Now, I would point out, too, while we don't  
9 have it shaded, the roads back in here were all  
10 acquired by the Airport Authority and are --  
11 indeed no longer exist in almost all of those  
12 cases. But you get an idea for the -- the -- the  
13 area that probably needs to be looked at seriously  
14 as a priority area in acquiring over the next few  
15 years is picking up the balance of those lots so  
16 that the natural expansion of the general aviation  
17 facility, which is really only to the west at this  
18 point, could be accomplished with minimum -- or  
19 minimal difficulty when it's time to develop out

20     there.

21     5. - BUDGETARY IMPACTS OF LAND USE DECISIONS

22           MR. WUELLNER: Last are the budgetary

23     impacts, which really, until decisions are made by

24     the Airport Authority about what they want to

25     acquire, when they want to acquire it and the

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1 like, you know, it's just going to be really tough  
2 to come up with it.

3 We have budgeted, you recall in your -- in  
4 your -- your forecast plan, which I can bring the  
5 plan up for you, but you've -- you've got  
6 placeholders in there for land acquisition,  
7 anywhere from half a million to a million dollars  
8 over the next ten years to -- to continue to  
9 acquire property as it's available. And we  
10 continue to program projects with FDOT for land  
11 acquisition.

12 CHAIRMAN GREEN: As we stand right now,  
13 without, I mean, not being flexible with the  
14 Master Plan, our -- our focus is mostly on the  
15 south development, meaning that north corporate  
16 area? Is that where we intend it to be for the  
17 next five years or so?

18 MR. WUELLNER: Well, that's -- that's where  
19 your project programming has occurred. And the

20 reason it's occurred there is there's typically a  
21 five-year lead time on the programming element of  
22 this.

23 CHAIRMAN GREEN: I just want to remind myself  
24 where I know we had looked at initially.

25 MR. WUELLNER: And, you know, commercial

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1 service isn't even a year old.

2 CHAIRMAN GREEN: Yeah.

3 MR. WUELLNER: So, projects that support  
4 commercial service are just beginning to get into  
5 the five-year window for purposes of FDOT  
6 participation.

7 CHAIRMAN GREEN: Jack?

8 MR. GORMAN: At some point, do we need to  
9 consider the fact that land acquisition in the  
10 short term is going to forestall or lengthen our  
11 ability to get off the tax rolls as this board has  
12 promised?

13 MR. WUELLNER: I think it's a part of the  
14 consideration. What -- what my assertion back to  
15 you would be is you're already considering a  
16 significant amount of -- of land acquisition  
17 within your financial plan. It's not like it's  
18 been ignored and is something that would be an  
19 added expense to the equation.

20           It's already in your plan and in a sense is  
21           already being facilitated as we reach those years  
22           and those grant funds become available and those  
23           projects become current year. So, it's not a new  
24           expenditure; it's -- it's in a sense sticking with  
25           the plan you already have.

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1 CHAIRMAN GREEN: Can you --

2 MR. WUELLNER: That being those identified  
3 parcels. We -- we don't, in our forecast, do not  
4 say, oh, it's parcel A, B, and C we're acquiring  
5 in this year; it's -- it's a vanilla amount of  
6 money in there for land acquisition. You set the  
7 priorities of where that makes sense based on the  
8 how the airport's developing at that time.

9 CHAIRMAN GREEN: And aren't we anticipating  
10 some revenues by the end of this year --

11 MR. WUELLNER: Uh-huh.

12 CHAIRMAN GREEN: -- from all the commercial?

13 MR. WUELLNER: You have a lot of revenues  
14 that are, call them in their infancy, because  
15 they're just -- just now beginning to, you know,  
16 start to show up on your plate. Items such as  
17 PFCs, we're at final application for that. Once  
18 that spigot starts flowing, you have a funding  
19 source, a dedicated commercial-related funding

20 source for some things.

21 CHAIRMAN GREEN: I know you said that's

22 pretty significant and can jump up.

23 MR. WUELLNER: That can be very significant,

24 yeah. And it's a function of enplanements. So,

25 the more people get on commercial airlines here,

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1 the more money that becomes available for you to  
2 determine how it's being used in the commercial  
3 arena.

4 But you also are in your final year of  
5 spending GA entitlements, as they're called, which  
6 is the federal money which GA airports like us get  
7 maximum about \$150,000 a year for capital-related  
8 projects.

9 (Mr. Burnett returns to the room.)

10 MR. WUELLNER: Now, you can use this for any  
11 eligible project, which could be anything. But  
12 you're also, beginning this fall, going to get  
13 your first commercial service entitlements, which  
14 will replace the \$150,000 entitlement. That  
15 entitlement level will likely be in excess of \$1  
16 million a year that can be -- that doesn't have to  
17 be used for commercial service. Can be --

18 CHAIRMAN GREEN: That's what I was going to  
19 ask you.

20 MR. WUELLNER: -- but doesn't have to be.

21 CHAIRMAN GREEN: It doesn't have to be.

22 MR. WUELLNER: It can be used for any capital

23 development project that would otherwise be

24 fundable by FAA. So, you can use it for a myriad

25 of infrastructure-related developments. And even

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1 land acquisition, if you program it, if that's  
2 what your desire is.

3 MR. GEORGE: And it's all matching funds,  
4 right?

5 MR. WUELLNER: It's actually -- that is --  
6 goes in at the AIP rate, so it's going to be at  
7 about 90 percent.

8 MR. GEORGE: Okay.

9 CHAIRMAN GREEN: Yeah, that's much more. Go  
10 ahead.

11 MR. HICKOX: Wayne Hickox, 881 Queen Road.  
12 There's something that, since you're on the  
13 financial picture, that I'd like to bring to your  
14 attention.

15 Last month, after your financial report that  
16 you received from the auditors, which was a very  
17 good one, you left yourself exposed in a very  
18 unusual way. No fault of yours, but something  
19 you've got to keep check on. The local newspaper

20 ran an accurate story, but a very inaccurate

21 headline.

22 MR. WUELLNER: Amen.

23 MR. HICKOX: They suggested that your

24 revenues were up \$10 million a year. And

25 Mr. Brunson and I have discussed this privately

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1 already. It would create some problems from  
2 you -- for you since you've had so much talk about  
3 eventually getting off the tax rolls and  
4 everything else. Immediately you've got a lot of  
5 people calling the radio station, talking to  
6 candidates for public office, why aren't you off  
7 it already?

8 Well, when I took a look at the thing, I knew  
9 darn well that the story was inaccurate. Your  
10 assets are up \$10 million. We all know assets  
11 aren't necessarily money.

12 CHAIRMAN GREEN: Right.

13 MR. HICKOX: I would strongly suggest either  
14 that somebody on the board be appointed to keep an  
15 eye on how you're reported on, or maybe  
16 administration, because I think sometimes it can  
17 cause problems for you. Thank you.

18 CHAIRMAN GREEN: Thanks. Vic?

19 MR. MARTINELLI: Just as a footnote to the

20 point that Jack brought up, if you do decide to  
21 accelerate your land acquisition program because  
22 the opportunity is now or it's propitious at a  
23 particular point in time to do so, the fact that  
24 it may postpone or defer the point in time when  
25 you are off the tax rolls, I think you should look

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1 at the other side of that, also, and say that  
2 investments in assets, land being one great asset,  
3 which ultimately produce revenue because of what  
4 you put on that land and what you charge for what  
5 you put on that land, when you can make an  
6 investment where 10 cents -- or 90 cents out of  
7 every dollar that you invest is put in there by  
8 someone else, I think that's an aspect -- that's a  
9 point you've got to keep in mind as you go  
10 forward. And you can't just draw the line and  
11 say, well, because we're going to delay six months  
12 or a year getting off the tax rolls, it's bad. It  
13 could be very, very good.

14 CHAIRMAN GREEN: Thanks. Jack?

15 MR. GORMAN: I'll disagree to some extent  
16 with Mr. Martinelli. I think you need to keep  
17 your eye on the ball. And when you promise to do  
18 something, you can do it. I mean, sometimes  
19 there's compromises that need to be made. But you

20 need to keep your mind on the ball and need to get  
21 off the tax rolls. If then we still have  
22 surpluses, then we should go ahead and do these  
23 acquisitions. That is just my own opinion.

24 CHAIRMAN GREEN: Think we need to wait until  
25 after Tuesday, that's for sure.

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1 MR. GORMAN: Well, maybe so.

2 MR. BRUNSON: After what?

3 CHAIRMAN GREEN: Tuesday, vote.

4 MR. BRUNSON: Oh, yeah.

5 CHAIRMAN GREEN: Okay. Buzz?

6 MR. GEORGE: I think that this whole idea of

7 doing -- developing a strategic plan for -- for

8 property acquisition is -- definitely fills a hole

9 in our planning that we should have been doing,

10 but I don't want to lose sight of what is the

11 need.

12 When we came up with the Araquay Park, the

13 need was 165 people on the waiting list for

14 hangars that were going to generate over \$200,000

15 a year in revenue to us. And that revenue got us

16 back to hopefully a break-even on what it's

17 costing us operations, but then you start getting

18 into the access of how you can use any overages.

19 And I think that to put a focus plan

20 together, the staff needs to, one, also define the  
21 need plan. And maybe the focus is a multitiered  
22 array, that -- that here's the focus area and it  
23 satisfies the -- the need for corporate, it  
24 satisfies, you know, some of the need for this,  
25 some of the need for so and so, so that we can see

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1 what's going on.

2 For instance, to jump out and spend money to  
3 acquire the west of Casa Cola, unless the price is  
4 right, okay, to satisfy the need that we've  
5 already acquired the land for, you know, for  
6 T-hangars, it's not necessarily a good idea. But  
7 maybe to acquire that land and not have to acquire  
8 any land of the Gun Club, which we think is going  
9 to be more expensive, maybe that's a good  
10 alternative.

11 So, what I'm saying is not to put in concrete  
12 what would that land west of Casa Cola be used  
13 for, but what it could be used for, some of the  
14 options, so we can see it.

15 Along with that, I flew Skybus this past  
16 week -- weekend. Did a heck of a job. Very, very  
17 pleased with them. Everybody was all positive and  
18 the -- and the like.

19 Skybus is giving us an opportunity for a new

20 funding source that we didn't have a year ago.  
21 When we put our financial plans together, it was  
22 how much can we generate out of raising the rent  
23 on this piece of -- or how much can we get of  
24 rent -- of renting a tie-down spot at \$65 per  
25 month and things like that. This gives us a

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1 big -- another big source of income. And I think  
2 before we define the property acquisition plan,  
3 we're going to need a better forecast on what kind  
4 of revenue is coming in from there so that we'll  
5 know how much we've got to plan for.

6 CHAIRMAN GREEN: That's why I was asking  
7 about the end of the year, focussing, I think  
8 October something --

9 MR. GEORGE: Right. Okay. Yeah.

10 CHAIRMAN GREEN: -- as to when we can expect  
11 some of these potential PFCs and see what our  
12 rental car income is and parking income.

13 MR. BRUNSON: But, Madam Chairman, what I  
14 hear is, when we talk about PFCs, we talk about  
15 rental car, we talk about --

16 CHAIRMAN GREEN: Parking.

17 MR. BRUNSON: -- parking. We talk about  
18 other industries. I hear a hundred thousand  
19 dollars. I hear \$200,000. I hear a million. I

20 hear -- but still, we're -- the taxpayers are  
21 paying \$4 million each year to run this airport.

22 When I think of this job that we all have to  
23 do, and we've all agreed so far and we're doing a  
24 good job, I think of Airport, Inc. in my mind.

25 And we've agreed that the way to get off the tax

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1 roll is to -- is to build and have  
2 income-producing properties and -- but I do think  
3 we need to keep an open mind and think out of the  
4 box on our future needs.

5 But right now -- I talked to a former airport  
6 commissioner this morning, and I'm telling you,  
7 the most important thing now is us to stay focused  
8 on this \$4 million that we have to -- to be  
9 self-sufficient of.

10 I don't see that what we're talking about  
11 today is going to help that. I wish we were more  
12 focused on how we're going to do that. And sure,  
13 we need to have these kind of meetings, but I  
14 don't want to go to a timeshare meeting that I  
15 feel like that we -- that we're just looking at  
16 down the future. We need to stay with our plan.

17 Our plan is going to change because things  
18 are changing, so -- but still, it all goes back to  
19 the thing that each one of you had said this, that

20 if Skybus continues to do good, we'll do good.

21 But we -- we really have to stay focused.

22 And boy, we're doing a good job. Let's don't

23 deviate.

24 MR. GEORGE: That's why we need the

25 visibility of what those dollars are.

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1 MR. BRUNSON: Right. We need -- we need to  
2 know where the money's coming from. It's all  
3 arithmetic. And we can do it.

4 And I like -- I like the thing you said about  
5 job creation. And everybody in this county knows  
6 that 84 percent of the ad valorem tax is with  
7 residential.

8 We have no clean industry here. So, if we  
9 can get some clean industries, that would be  
10 income to some -- I would -- even though we've got  
11 a line of credit, I would -- I would borrow the  
12 money to do that. But I sure don't want to keep  
13 taxing the taxpayers.

14 MS. BARRERA: But keep in mind, Randy, that  
15 our airport generates ad valorem tax because we  
16 are a part of the county --

17 MR. BRUNSON: That's right.

18 MS. BARRERA: -- and we generate almost  
19 \$300,000.

20 MR. BRUNSON: Right. I know that we've got a  
21 half -- I know our economic impact here and -- but  
22 I just know what we said we'd do, and we need to  
23 stay focused on it.

24 CHAIRMAN GREEN: Jack?

25 MR. GORMAN: Again, that's -- I couldn't

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1 agree more with Mr. Brunson. Keep your eye on the  
2 ball. Doesn't mean we can't plan about land  
3 acquisition. We need to plan about land  
4 acquisition. Doesn't mean we need -- we don't  
5 need to look at horizons. We've got to look at  
6 horizons. But we need to keep our eye on the ball  
7 and do what we said we were going to do. We  
8 might -- we could do both, because it looks like  
9 right now we might be able to do both. But,  
10 again, there's the priorities.

11 MR. WUELLNER: You -- you've already -- your  
12 plan already provides for both. That's what I  
13 keep trying to get --

14 MR. BRUNSON: When is the PFC going to be  
15 enacted?

16 CHAIRMAN GREEN: Well --

17 MR. WUELLNER: Within the -- I would say the  
18 next 90 days, approximately, you should be  
19 collecting. There's a review process with FAA

20 that's got to go through before you formally

21 collect. And the application's done now and able

22 to be submitted. So -- but that -- that's not a

23 revenue.

24 I mean, what you're -- I guess what I'm

25 having a hard time communicating well is that not

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1     only does your -- your existing plan provides your  
2     ability to do everything we're talking about  
3     today.

4           The difference we have here is we're actually  
5     going to accumulate more unrestricted revenue  
6     outside of the plan that can be placed in  
7     reserves, it can be placed into additional  
8     projects as the money's realized, not in advance,  
9     but as the money's realized. Can be placed into  
10    whatever you want to do with the money moving  
11    forward.

12           What you -- what you're doing is replacing ad  
13    valorem dollars with grant funds and other sources  
14    that you never had access to. I mean, I can think  
15    of a million and a half plus dollars a year that  
16    replaces existing ad valorem proceeds that we're  
17    currently matching in some other form.

18           MR. GEORGE: Ed, I think that Mr. Brunson  
19    is -- is basically saying that. He's -- he's

20 saying we have a plan to get off the tax roll.

21 Let's don't get out of focus with that plan.

22 If we all of a sudden have a new \$127,000

23 coming from here and -- or \$200,000 from here,

24 then that's good to increase the reserve or to get

25 into a more aggressive acquisition. But don't

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1     lose the visibility of the -- and you're saying  
2     the same thing.

3           MR. WUELLNER: We're saying the same thing.  
4     I'm not proposing or expanding the budget or doing  
5     anything else as a result of additional revenues.  
6     That's -- I'm exactly on the same page about  
7     staying focused.

8           MR. BRUNSON: But when I look at revenues and  
9     I look at expenses and I look at capital  
10    expenditures and I look at -- I look at the bottom  
11    line, is -- is what kind of deficit we have each  
12    year. And that's all you can look at.

13          And I think we've been real aggressive in  
14    taking our advantage of the increase in -- in  
15    property values. That could go down. Skybus  
16    could go down. That's the reason we have to keep  
17    an open mind.

18          And I -- I agree, you've -- we've said some  
19    good things here, but we just, as -- as Wayne has

20 said, we've just got to stay focused on what we

21 said we'd do.

22 CHAIRMAN GREEN: Well, Ed, early in the

23 meeting, said something that maybe we should focus

24 on, which was some type of maybe staff groups, you

25 know, with or without board members, you had

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1     stated, to say, all right, you focus on and banter  
2     about what you think our priority is of what our  
3     likes would be in the south development. You look  
4     at the commercial industrial area. So that we can  
5     come back, and when the revenues do start coming  
6     in, we can say, all right, now we're looking at  
7     maybe that's a priority. Let's set a reserve over  
8     there or let's set a reserve up there or --

9         MR. WUELLNER: Yes, yes. Certainly,  
10     that's -- that's possible. What -- what I'm  
11     trying to additionally make sure you understand is  
12     the existing plan provides for development.

13         CHAIRMAN GREEN: Right.

14         MR. WUELLNER: It's not without capital  
15     expenditure over the next ten years. It wasn't,  
16     well, if we make money, we'll -- we'll invest it  
17     again. No, it -- it's already got a --

18         MR. BRUNSON: And you said --

19         MR. WUELLNER: -- determined level of

20 investment that's -- in each year that sustains

21 the animal, if you will.

22 MR. BRUNSON: And you -- did you say the

23 figure of a half a million to a million a year in

24 capital -- that's in the budget for land

25 acquisition?

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1 MR. WUELLNER: What I'm -- no, my statement  
2 was that between a million and a million and a  
3 half of new capital-related dollars are coming  
4 into the picture.

5 MR. GEORGE: Over and above the plan.

6 MR. WUELLNER: This is --

7 CHAIRMAN GREEN: Right.

8 MR. WUELLNER: Yes. This is money that is  
9 currently money the Airport Authority collects  
10 vis-a-vis ad valorem taxes. It almost immediately  
11 reduces the ad valorem need by a million, a  
12 million and a half dollars by having the  
13 opportunities under these new grant programs or  
14 these grant programs we can finally avail  
15 ourselves of.

16 CHAIRMAN GREEN: But with that coming in, I  
17 mean, I think we're talking about we need to just  
18 try and set some priorities.

19 MR. WUELLNER: Uh-huh.

20 MR. GORMAN: Thank you.

21 CHAIRMAN GREEN: I mean, they're out there.

22 I know it's built into our Master Plan, which is

23 great. But then now that things have changed, we

24 need to stay flexible, because that priority might

25 change a year from now. But I understand you're

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1     trying to say, which makes sense to me, that we  
2     look at what is our first priority if, you know,  
3     in three months we say, whoa, that changed a big  
4     bit. But at least have, you were saying, little  
5     focus groups that we know, all right, we think  
6     this is a priority, this is why. And then six  
7     months from now, we say, yeah, well, Skybus has  
8     ten flights and I'm not sure we need to get that  
9     commercial --

10     MR. BRUNSON: That could change so fast --

11     CHAIRMAN GREEN: Right.

12     MR. BRUNSON: -- to the positive.

13     CHAIRMAN GREEN: We might be ready for it.

14     In other words, if we've done our little focus  
15     groups and we kind of know, all right, instead of  
16     all of us and Staff trying to juggle all of them  
17     at once, that are all slated in our Master Plan.  
18     Jack?

19     MR. GORMAN: I think we're all --

20 Mr. Brunson, I think that Mr. George and myself  
21 are all stating the same thing. In other words,  
22 that -- get off the ad valorem taxes. You stop  
23 using those. That's priority one. And then you  
24 look and see what else you can do. And in effect,  
25 it looks like we can do many other things, and

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1 that's good. But the prioritization, as -- as

2 Madam Chairman was just saying, is -- is it.

3 MR. WUELLNER: Yeah. And nobody on Staff's  
4 making a point to jump outside of the plan --

5 CHAIRMAN GREEN: Oh, no.

6 MR. WUELLNER: -- that everybody's been  
7 implementing, because that -- that is -- that is  
8 at the guts of it all. If we don't stay with the  
9 plan here or come up with a better alternative,  
10 then, you know, we're not going to meet the goals.  
11 The reason we've been successful to where we  
12 are --

13 MR. BRUNSON: Good statement.

14 MR. WUELLNER: -- is because of staying with  
15 the plan.

16 CHAIRMAN GREEN: Mike?

17 MR. SLINGLUFF: I think Ed -- Ed -- Ed had a  
18 slide earlier that said that we need to remain  
19 flexible. And I think the -- the plan is there.

20 It has some built-in flexibility. And two years  
21 ago, I can remember Ed and I laughing about  
22 Skybus, like why would they want to come in here.  
23 We've got four flights now.  
24 Last week, it was a week ago today, the FAA  
25 came out with a ruling that allowed hub airports

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1 around the country to charge the airlines for --  
2 for prime-time departures.

3 Now, that doesn't sound like a lot, but  
4 really what that does is validate the whole Skybus  
5 model of using these outlying regional airports.

6 And I think that Skybus really is the tip of the  
7 iceberg. Whether they make it or not, who knows?

8 But I think there's going -- there will be another  
9 Skybus. It may be a Jet Green, a Jet Blue,  
10 whatever the color is, and I think they're going  
11 to be knocking at our door very shortly. That's  
12 the flexibility we need to maintain so we can take  
13 that in, because the dollars generated does get us  
14 off the ad valorem tax rolls and allows us to do  
15 all of the other projects that we have  
16 concurrently running. Thank you.

17 CHAIRMAN GREEN: Buzz?

18 MR. GEORGE: In an attempt to get this moving  
19 on, because everybody's saying the same thing,

20      okay, I have a couple of questions.

21           In the past, we've put together a financial

22   plan, and two or three years out, we were basing

23   it on, you know, if we can get funding from here

24   and getting in line for a five-year -- but it

25   wasn't a hard number that was in the plan.

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1 I have discussed with -- with you, Ed, about  
2 the -- the money that we are -- FAA is giving us  
3 because of Skybus. Is that not identified and can  
4 be put in our plan or in our financials as an  
5 asset, just like money we've got deposited  
6 somewhere that's waiting for an approval to go in?  
7 So, that's going to give you a better visibility  
8 of what kind of cash or rev -- or financial assets  
9 you have for doing some of these things.

10 And I just think that with your -- with your  
11 emphasis areas, if we can take the financial  
12 additions and put those down in black and white so  
13 everybody has visibility of what added to the  
14 10-year financial plan that we're in now, plus get  
15 the needs assessment, you know, in there, that  
16 that would give us a good way of setting some  
17 guidelines on, okay, we'll start looking at this  
18 area first, this area next then. Because there  
19 could be some, you know, negotiations that

20 somebody needs to be doing with property owner X

21 right now to -- to get us into that position.

22 CHAIRMAN GREEN: Jack?

23 MR. GORMAN: You can count Skybus, for

24 instance, revenues, and you can count them into

25 projections, but I don't think you can count them

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1 with the validity that you would long-term leases  
2 or things like that. In other words, it is more  
3 subject to the validity of the passenger counts.  
4 And so you can use them in long-term planning, but  
5 you can use them not with the finality of lease  
6 incomes and long-term property incomes. That was  
7 just my point.

8 MR. GEORGE: I don't see why not. Somebody  
9 could default on their lease and you're left with  
10 the building and everything.

11 MR. BRUNSON: I think our accounting golden  
12 thing would go away if we -- we did something like  
13 that.

14 MR. WUELLNER: Well, it's important to note,  
15 too, in your model --

16 MR. GEORGE: But it is an asset.

17 MR. BRUNSON: But we need to know it.

18 MR. WUELLNER: It's important to note, too,  
19 that your last model iteration identified your

20 PFCs in it as a collection and shows the  
21 accumulation of those PFCs over the next ten  
22 years, but it does not show where you expend those  
23 PFCs.

24 CHAIRMAN GREEN: Right.

25 MR. WUELLNER: So, it's -- it's holding it in

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1 a reserve account on the expense side for an  
2 offset against revenues. In this particular  
3 case --

4 MR. GEORGE: Reserve account on the revenue  
5 side?

6 MR. WUELLNER: Yeah, it's essentially a  
7 restricted asset account. And we can't use it to  
8 pay the electric bill. It's not -- it's not money  
9 that's usable for those functions.

10 So, it -- it will be for identifiable  
11 projects that we would otherwise fund -- or fund  
12 at least a significant portion of that out of  
13 Authority money, which would be ad valorem dollars  
14 in the near term.

15 So, it's a -- the model continues to be  
16 highly conservative. It's -- and -- and it's  
17 validating everything that's going on and has gone  
18 on for the last few years. It's -- it's actually  
19 far better than it continues to forecast, which is

20 good. It gives a fair amount of wiggle room for

21 catastrophic events and -- and the like.

22 So, I'm not -- I'm not the least bit -- you

23 know, this is probably odd coming from me, but I'm

24 not the least bit concerned, if we stick to the

25 plan, of us meeting the deadlines we've imposed on

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1 ourselves for off ad valorem.

2 The -- the picture is extremely good, better  
3 than we thought it would be 12 months ago. So,  
4 the -- it's just really not a time to go freaking  
5 out over the -- the investments we make and have  
6 made and need to continue to make to continue to  
7 respond to what we have needs-wise on the airport.

8 MR. GEORGE: I think we're all in agreement  
9 that we need some good strategic acquisition  
10 planning. At this particular meeting, did you  
11 want to discuss where the focuses should be, or  
12 did you want to give Staff time to go back and put  
13 those focuses together and talk into key input  
14 areas?

15 MR. WUELLNER: I'd like to do several things.  
16 One is, if we can get general agreement on the --  
17 what I -- what I presented as focus areas for  
18 development. And again, I want to deemphasize  
19 particular projects in it, because we don't know

20 what those are yet.

21 CHAIRMAN GREEN: Right.

22 MR. WUELLNER: Take the next, however amount

23 of time necessary, next several months -- and it

24 could be longer than that in some of these

25 cases -- to meet with the user groups involved, to

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1 try to identify and shore up what needs to be  
2 accomplished in those individual property  
3 envelopes.

4 Get that information distilled into some  
5 meaningful presentations that can come back to the  
6 Airport Authority about the concepts. That will  
7 be married also with order-of-magnitude costs for  
8 these things.

9 And I think at that point, we can put it  
10 right back in the 10-year plan and show exactly  
11 how those -- the costs are, what the revenue  
12 expectations are, and how it meets the needs that  
13 you're talking about.

14 And I would actually be very happy to put  
15 together a -- a bit of a white paper right now  
16 that -- that identifies the focus areas that we  
17 need to probably be more short term looking at.  
18 Identify what needs they're filling, what the time  
19 line is that we likely need to use those assets,

20 and begin to focus capital dollars in those areas,

21 and get that -- get that back to you individually.

22 CHAIRMAN GREEN: Can you turn back to that

23 slide then to see if there's any other input on a

24 different focus area? We had commercial, we had

25 south development, we had corporate.

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1 MR. WUELLNER: Absolutely. I can go back to  
2 whatever --

3 CHAIRMAN GREEN: Just to make sure if there  
4 was any other input on that. I think, what 5 --

5 MR. WUELLNER: Yeah. Start --

6 MR. BRUNSON: Ed, excuse me just a minute  
7 while you're doing that. Is it possible you to do  
8 us a white paper, yellow paper, I don't care what  
9 paper it's in -- on what you visualize in our  
10 income stream to where we're going to start  
11 reducing the ad valorem tax? Can you do that?

12 MR. WUELLNER: Sure.

13 MR. BRUNSON: Okay.

14 MR. WUELLNER: You -- you've really already  
15 started that.

16 MR. BRUNSON: Well, I know we have. But can  
17 you do a PowerPoint on that, that we've discussed  
18 before, and you made the CD for me. And then we  
19 could -- that -- that would be the number-one

20 priority, to start focussing on these other focus

21 points you want.

22 MR. WUELLNER: All right. This was the first

23 of that series of five slides, talked about -- I'm

24 just going to just go to the last one.

25 MR. GEORGE: If you back up one.

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1 MR. WUELLNER: Back up one?

2 MR. GEORGE: Back up one that you list them

3 all. Is that the one you were talking about --

4 CHAIRMAN GREEN: No.

5 MR. GEORGE: -- Suzanne?

6 CHAIRMAN GREEN: No. He has to -- he has to

7 go through the slides he -- right. Right there.

8 MR. WUELLNER: The fifth one there.

9 CHAIRMAN GREEN: There's the five.

10 MR. WUELLNER: That has them all.

11 CHAIRMAN GREEN: So, in other words, input,

12 are there any others that we're looking at so if

13 he -- if Staff goes back and says, all right,

14 these are the areas we're looking at, let's see

15 what's priority, what's not, what are important?

16 So, we've got FBO, general aviation, the

17 commercial -- the airlines services, the support

18 industrial, and then commercial industrial, I

19 guess, which would be business oriented. Did you

20 say something else, Jack?

21 MR. GORMAN: West.

22 MR. GEORGE: Yeah.

23 MR. GORMAN: Northwest and west. We keep --

24 we keep trying to develop this airport.

25 CHAIRMAN GREEN: Additional sites.

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1 MR. WUELLNER: New airport sites.

2 MR. GORMAN: In other words, additional,  
3 completely remote site.

4 CHAIRMAN GREEN: Okay.

5 MR. GORMAN: The availability and the  
6 feasibility, especially under the -- under the  
7 guidelines of a thousand acres.

8 MR. BRUNSON: Well, you -- you say the  
9 northwest --

10 CHAIRMAN GREEN: Of the county.

11 MR. BRUNSON: Yeah. Has anybody looked at  
12 what's going on --

13 MR. GORMAN: That's what --

14 MR. BRUNSON: -- in the west?

15 MR. GORMAN: -- we need to look at.  
16 Absolutely, that's the best. Absolutely.

17 MR. BRUNSON: Because that's where there  
18 might be some areas of growth can happen.

19 MR. GORMAN: Certainly.

20 CHAIRMAN GREEN: Well, that's what we're

21 asking.

22 MR. BRUNSON: Yeah.

23 CHAIRMAN GREEN: And then thanks to Mr. Lamp,

24 we know the parameters of a thousand acres or up,

25 would be only the --

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1 MR. WUELLNER: Basically, looking at a --

2 CHAIRMAN GREEN: -- feasible.

3 MR. WUELLNER: -- new airport feasibility,  
4 light, you know, is a broad-brush look at where  
5 one can happen.

6 MR. GEORGE: Are you guys aware that property  
7 in that area is 50,000 bucks-up an acre, whereas  
8 property in the southwest or south of 207 is  
9 \$10,000 an acre?

10 MR. GORMAN: Go south. Is it feasible? Is  
11 it high enough?

12 MR. GEORGE: The point is, somebody needs to  
13 look at all of those options --

14 MR. GORMAN: Absolutely.

15 MR. GEORGE: -- and see what we've got there.

16 MR. GORMAN: Couldn't agree more.

17 MR. GEORGE: You know, Ed, when you get back  
18 to -- coming back with a, here's the focus areas,  
19 you're going to open Pandora's box for a nice

20 little discussion of do we really want a second  
21 FBO? Are we really ready for a second FBO? So,  
22 when you start putting that on the top, you know,  
23 you --

24 MR. WUELLNER: I'm -- I'm prepared to make a  
25 recommendation on that on next Monday.

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1 MR. GEORGE: Okay.

2 MR. WUELLNER: Whether you like it or not's  
3 another story.

4 MR. BRUNSON: And I'm ready, too.

5 MR. GEORGE: I'm not ready for that coming  
6 up.

7 MR. WUELLNER: But --

8 CHAIRMAN GREEN: Go up to the mic.

9 MR. JONES: I just want to --

10 CHAIRMAN GREEN: Yeah, but you've got to go  
11 up there because we can't hear you.

12 MR. GEORGE: Come on, Joe.

13 MR. JONES: Joe Jones. I just want to know  
14 where you're at on that 60/80 now. You know, like  
15 when you're talking about start planning for the  
16 future, stuff like that, where are you at on the  
17 60?

18 MR. WUELLNER: My recollection is you were at  
19 55. Something like that was the --

20 MS. BARRERA: That's my recollection.

21 MR. JONES: So, you're there.

22 MR. WUELLNER: It's -- it's getting close to  
23 where you need to start the planning stage, not --  
24 not development, which is appropriate. I mean,  
25 this is kind of the time line right. now.

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1 MR. BRUNSON: Even with -- even with flights  
2 down, you're -- you're there?

3 MR. WUELLNER: Yeah.

4 CHAIRMAN GREEN: Michael?

5 MR. SLINGLUFF: I would think that one other  
6 focus area you could -- you could throw in there,  
7 which is not really land use, but it's overall  
8 airport use, is, you know, the -- I guess  
9 operations, air operations. Things like noise  
10 abatement, pattern overlays, and things like that  
11 really ought to start to be looked at. I know  
12 we're going to start to get more and more  
13 complaints about noise. And if we can start to  
14 plan a voluntary noise abatement, that gets us  
15 ahead of -- of the mandates coming from the FAA.

16 CHAIRMAN GREEN: Okay. Jack?

17 MR. GORMAN: Along with the pattern overlays  
18 that Mr. Slingluff is talking about, you do  
19 realize that this particular plan adds -- we

20 all -- we will have one, two, three -- we will  
21 have a fourth pattern. And that -- and that's his  
22 point.

23 CHAIRMAN GREEN: Sure. That's less of a --  
24 well, could be capital expenditure, but more of a  
25 planning-planning. Do I have any more public

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1 comment? Wayne?

2 MR. HICKOX: Yes. I'm very, very curious,  
3 Ed, maybe you could tell us how much consideration  
4 was placed on dealing with inflation on those  
5 figures. They're great figures, but given the  
6 rate of inflation or the depreciation of the  
7 dollar, if you will, it strikes me that a great  
8 deal of that increase could be eaten up.

9 MR. WUELLNER: Actually, the model builds  
10 through it a percentage increase for -- we're  
11 using the term "cost of living" through it, but it  
12 uses both. And there's a part of the explanation  
13 within the model is that the -- there's a full one  
14 percent disparity between projections of revenue  
15 and projections of expense.

16 So, we -- we definitely have built the model  
17 to be pessimistic in terms of treatment of  
18 inflation and -- and like kind of costs in the  
19 equation, things we -- we just assume that

20 we'll -- that expense side will rise at a faster

21 rate than revenue would from --

22 MR. HICKOX: I think everybody would agree

23 that we've never seen inflation of this type

24 before, at least in our living experience.

25 CHAIRMAN GREEN: Mr. Martinelli?

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1 MR. MARTINELLI: Vic Martinelli. I don't  
2 know whether this needs to be a special focus  
3 group, but certainly it impacts all, and that is  
4 security. And depending upon how you lay out the  
5 different areas on the airport, security is going  
6 to have to be considered. And -- and it's not the  
7 same model for security that applies to all.

8 For example, the commercial has one set of  
9 security, GA will have another, and so on and so  
10 on. And I think Chuck West probably can give us  
11 some insight into that, if you want to do that at  
12 this point.

13 MR. WEST: I don't know if I can give a lot  
14 of insight, because TSA is kind of flowing right  
15 now, and Ed's well aware that that changes a  
16 little bit. Anyway, Chuck West, Sheriff's Office.

17 The only thing I can say on that is we're  
18 doing it as it comes along. The reason I have to  
19 say that is the TSA is currently refocusing on

20 general aviation in addition to -- in addition to

21 121 operations.

22 So, with that in mind, I mean, I'm just

23 getting up to speed myself on where the rules are

24 coming from and where they're basing it from. But

25 they haven't locked in anything yet. So, it's

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1 kind of a growing -- it is a growing concern. And  
2 we have to do it as -- as the focus groups go  
3 about their work.

4 But to sit there and say, well, we definitely  
5 got to have X here and Y there, I can't do that as  
6 of yet, because I think each airport, they look at  
7 individually. And Ed's done a wonderful job with  
8 the TSA thus far, but they can ratchet up and  
9 down, then again, based on the current political  
10 environment.

11 But, secondly, I know that they're going to  
12 be focussing on general aviation pretty soon. So,  
13 as those rules come in, you know, we'll be -- Ed  
14 will be on top of it. But there will be some  
15 changes coming in the future. But to say exactly  
16 what they are would be difficult at this point.

17 CHAIRMAN GREEN: And I'm not sure that falls  
18 under our land use workshop planning, but it comes  
19 under, I mean, revenues that would have to be

20 there or line items --

21 MR. WUELLNER: It does to this -- to this

22 extent, that it also supports why you would create

23 development areas within the airport --

24 CHAIRMAN GREEN: Right.

25 MR. WUELLNER: -- because it -- it allows you

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1 to tailor the security requirements as they apply  
2 to those development areas instead of when you  
3 begin to commingle -- even like we have today,  
4 when you begin to commingle FBO operations with  
5 airline operations, even though it seems like they  
6 ought to kind of go together, they're entirely  
7 different security related and -- and a whole  
8 different mindset that's going on, I mean  
9 literally out there. I mean, we've spoken to it  
10 in other -- other venues. But, you know, you  
11 cross over a painted line out there, and the rules  
12 are entirely different than on the other side of a  
13 painted line, as arbitrary as that seems. But  
14 when you look at the areas in the big picture,  
15 butting up noncomplementary uses can create very  
16 interesting security issues.

17 CHAIRMAN GREEN: But that should be also  
18 contained in each of our focus areas.

19 MR. WUELLNER: Uh-huh.

20 CHAIRMAN GREEN: Knowing what -- we may not  
21 know yet, what Chuck was saying, know what our  
22 security issues are as they become available  
23 within each focus area, FBO or --

24 MR. WUELLNER: As Major West properly said,  
25 the -- the GA side of this is just beginning. The

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1 seeds have just been planted. They haven't even  
2 told us what they've planted yet.

3 And the rules will get interesting, and they  
4 will be universal when they do eventually take  
5 root.

6 CHAIRMAN GREEN: Sacha?

7 MS. MARTIN: Sacha Martin, 133 Coastal Hollow  
8 Circle. Where does Customs come into this  
9 picture? It would seem that it overlaps several  
10 of those areas.

11 CHAIRMAN GREEN: Uh-huh.

12 MS. MARTIN: And -- and physically it has to  
13 be available as you get off the aircraft.

14 MR. WUELLNER: Right. Physically, Customs,  
15 as it's laid out today, would be in this area, and  
16 is accessible to corporate and all of general  
17 aviation. This Customs facility is not directed  
18 toward commercial service, so it doesn't have the  
19 implication of putting a commercial service

20 aircraft at the Customs facility for clearance.

21 In the event that has to happen, the change

22 of airline-related service, it will have to be

23 dealt with in the airline area. It's -- it's

24 handled entirely different, even within Customs,

25 the GA versus commercial service.

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1 CHAIRMAN GREEN: Any other public?

2 Ed, what other input do you need from us

3 right now since we've given you a lot --

4 MR. WUELLNER: I think you -- you covered the

5 biggies. We'll put that paper together. We'd

6 like to go ahead and get at least the primary

7 areas, begin those little focuses, if you will,

8 begin putting some -- those users together, begin

9 having some discussions about what ought to be in

10 those areas and how best to develop them. Because

11 I -- I think with user input, we can end up with

12 something that's not only agreeable to the Airport

13 Authority, but makes an awful lot of sense for the

14 actual end result, the end users of -- of the

15 facilities. And, you know, nobody holds all the

16 cards in that equation.

17 So, I think it would be valuable to take a

18 breath here and let's get everybody -- everybody

19 on the same page with those developments before we

20 spend money, before we plan on revenues, before we  
21 do anything else related to those developments. I  
22 think it's a pause that needs to be done right  
23 now, and everybody needs to be involved.

24 MR. BRUNSON: Madam Chairman, I just want to  
25 say thanks to you and the staff for having the

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1     patience to do this. This is a hard job. And --  
2     and it's very serious and very important. So, I  
3     thank you for doing this, and we look forward  
4     to -- to the focus reports.

5           CHAIRMAN GREEN: Okay. Is that all right,  
6     Ed?

7           MR. WUELLNER: Uh-huh.

8           CHAIRMAN GREEN: Okay?

9           MR. WUELLNER: Yes.

10          CHAIRMAN GREEN: I just want to remind  
11     people, board members, we put out that input for  
12     the second FBO. Decisions and recommendations are  
13     going to be made in two weeks. I need those back.  
14     So, if we can send them back to Staff. They all  
15     went out. If you're missing it, let me know;  
16     we'll send you out another one. Just for comments  
17     on it so we can move along with that issue.

18          MR. WUELLNER: So far, I have zero of them.

19          MS. BARRERA: Yes, but you have had calls

20 regarding them.

21 MR. WUELLNER: I have. In fairness, I have.

22 MR. GEORGE: Have you checked your e-mail in

23 the last two hours?

24 CHAIRMAN GREEN: Our next meeting is the 11th

25 at 4:00 --

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1 MR. WUELLNER: Yes, ma'am.

2 CHAIRMAN GREEN: -- correct? And I wasn't  
3 going to say -- say anything, but I guess I will  
4 because maybe Sacha should know.

5 Airport, not really related, and I talked to  
6 Ed about it, I'm going to be representing the  
7 airport. It's called Tips for Kids. I wait  
8 tables. I'll be representing the airport. I'm  
9 going to have any airport paraphernalia I can have  
10 on to put out information about St. Augustine- St.  
11 Johns County Airport.

12 It's up at Aqua Grill in Ponte Vedra. I have  
13 a couple of invitations. But I wait on you, and  
14 whatever tips I have, go to underprivileged kids.  
15 But the reason I was invited to do it is because  
16 I'm an elected official from the airport. So,  
17 we're going to try and make it, you know, a  
18 publicity thing to get information out from the  
19 airport.

20           And Andrew Passero's daughter works there,  
21           and I've asked to be in her section, so we're  
22           actually going to have an airport corner for all  
23           of us so we can talk about airport quite a bit.  
24           So, if anyone wants to come, that's fine.  
25           It's Fat Tuesday, Friday -- February 5th, from, I

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1 think it's 5:00 to 8:00, if anyone would like to  
2 go. But we're going to try and do as much as we  
3 can, get information out for the airport.

4 MR. GEORGE: Is it going to have better than  
5 airline food?

6 CHAIRMAN GREEN: You bet.

7 MR. BRUNSON: And, Kelly, thank you for  
8 working on that.

9 MS. BARRERA: Well, it's Big Brothers Big  
10 Sisters' major fundraiser. This is how they earn  
11 money for that program, and it benefits every kid  
12 in St. Johns County that is a recipient and a  
13 giver of that. So, I highly encourage everyone to  
14 attend.

15 CHAIRMAN GREEN: Okay. Thank you, everyone,  
16 for spending your Monday afternoon here. And I  
17 look forward to seeing everybody in two weeks.

18 Meeting adjourned.

19 (Meeting adjourned at 5:30 p.m.)

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1           REPORTER'S CERTIFICATE

2

3 STATE OF FLORIDA    )

4 COUNTY OF ST. JOHNS )

5

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

7 certify that I was authorized to and did

8 stenographically report the foregoing proceedings

9 and that the transcript is a true record of my

10 stenographic notes.

11

12       Dated this 4th day of February, 2008.

13

14

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

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