

1 ST. AUGUSTINE - ST. JOHNS COUNTY AIRPORT AUTHORITY

2 Regular Meeting

3 held at 4796 U.S. 1 North

4 St. Augustine, Florida

5 on Monday, July 14, 2008

6 from 4:00 p.m. to 6:32 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.

17 BRYAN COOPER, Assistant Airport Director.

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

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St. Augustine Court Reporters

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1 P R O C E E D I N G S

2 CHAIRMAN GREEN: Going to call to order the
3 St. Johns County-St. Augustine Airport Authority
4 meeting. Everyone could please rise and pledge to
5 the flag.

6 (Pledge of Allegiance.)

7 CHAIRMAN GREEN: Going to ask everybody's
8 indulgence. The microphone system is not working
9 a hundred percent and Janet has to take down our
10 contents of our speech. So when you come up to
11 the microphone, speak loudly. I know we've got a
12 lot of good hot air in here, so we can hear the
13 voices. So just speak loudly so we can get
14 everything on the record. Thanks.

15 A P P R O V A L O F M E E T I N G M I N U T E S

16 CHAIRMAN GREEN: The first thing is the
17 approval of the minutes. The minutes were
18 disseminated. Is there any objections or
19 exceptions to the minutes as presented?

20 (No objections or exceptions.)

21 CHAIRMAN GREEN: None? Hearing none --

22 MR. BRUNSON: None.

23 CHAIRMAN GREEN: The minutes will be approved

24 as presented.

25 FINANCIAL REPORT ACCEPTANCE

1 CHAIRMAN GREEN: Financial reports?

2 Mr. Gorman? We have May and June.

3 MR. GORMAN: Both the May and June financial

4 reports have been reviewed. It's interesting to

5 note that we're 9 percent over revenue -- over

6 projected revenue, which I actually had Donna

7 check again because I thought it was so high and

8 because it's that much. What's interesting in --

9 some of our expenses will drop dramatically by --

10 so, interesting to point out. They're approved.

11 MR. BRUNSON: Good news.

12 CHAIRMAN GREEN: Yeah. Those capital

13 investments are coming back. Okay. Any other

14 exceptions or objections to the financial reports?

15 (No exceptions or objections.)

16 CHAIRMAN GREEN: They'll be accepted as

17 presented. Hearing no exceptions, they'll be

18 accepted as presented.

19 AGENDA APPROVAL

20 CHAIRMAN GREEN: The agenda approval, the
21 agenda's before you. We have a good bit on our
22 agenda today.

23 I want to thank everybody that came to the
24 workshop last Monday. I think that will help with
25 today, trying to get through everything. Hearing

1 no additions or deletions to the agenda, the
2 agenda will be approved as accepted.

3 COMMITTEE REPORTS

4 CHAIRMAN GREEN: Committee reports. MPO.

5 MR. BRUNSON: In between meetings.

6 CHAIRMAN GREEN: Okay. EDC? I did that and
7 that was actually our Congressman Mica's
8 breakfast, which I ended up at the last minute not
9 being able to go to. I love Judge Alexander, but
10 sometimes he preempts things.

11 But I did send someone from my office, who
12 did represent the airport just as a concerned
13 citizen and so that somebody from the airport was
14 at least there. And she said that the meeting was
15 very well attended. They did some -- say some
16 positive things about what's going on here,
17 especially in St. Johns County. I know, Doug, you
18 were there. Do you want to add anything?

19 MR. WUELLNER: I was there, also.

20 CHAIRMAN GREEN: Oh, okay. Anybody want to

21 add, because I couldn't go at the last minute.

22 MR. WUELLNER: Pretty straightforward. It

23 was pretty straight -- straightforward.

24 Generalized comments about -- about status of

25 energy in the country and the like. It wasn't

1 geared toward any one particular project. I think
2 Mr. Brunson was there, also. There was nothing
3 specific about the airport in the -- in his
4 presentation.

5 MR. BRUNSON: He did make comments privately
6 afterwards very supportive.

7 CHAIRMAN GREEN: Oh, yeah. No question about
8 that. Okay. Intergovernmental?

9 MR. GORMAN: Of course I was at the
10 intergovernmental meeting. I didn't chair it. It
11 was not well attended, and I was -- actually not
12 well attended, and I was surprised at that, and
13 there's a letter going out to a number of the
14 different entities that were not there.

15 That was -- the most poignant news of course
16 is the school board again, which seems to have the
17 worst problems making due with -- because of their
18 budget and their budget cuts. They haven't had to
19 cut any actual personnel yet, but they're

20 certainly cutting their services back in probably
21 numbers of ways too many to -- too numerous to
22 mention, I should say. Just small here and there.
23 City of St. Augustine was very excited about
24 their -- the number of their different promotions,
25 especially the one which will -- I'll give you

1 more about that later, but they're very excited
2 about their promotions.

3 St. Augustine Beach attended. They are going
4 through growing pains. They seem to be doing well
5 at it, but they're going through growing pains.

6 Another poignant thing I think that was
7 mentioned before here but that was really put out
8 was the fact that any artery, in other words, this
9 310, 313, this artery -- and I believe that
10 Mr. Brunson has discussed this, too, but I think
11 this is just so important. It's part of what you
12 do at an intergovernmental meeting. They seem to
13 be dead.

14 In other words, it doesn't seem like any time
15 soon we're going to get any north/south artery.
16 That from Mr. Sanchez, too. So, that was another
17 point that was brought up. But there's going to
18 be an attendance letter sent out, and then next
19 time, we will see what we have to further flush

20 out reports.

21 CHAIRMAN GREEN: Okay. Thank you.

22 Aerospace?

23 MR. WUELLNER: No meeting currently.

24 Should -- probably won't meet again until late

25 August, I would think.

1 CHAIRMAN GREEN: Okay. Ron. I didn't see

2 Ron.

3 MS. HOLLINGSWORTH: His office called. He

4 will not be attending.

5 CHAIRMAN GREEN: Okay. Michael, do you have

6 something?

7 MR. SLINGLUFF: Nothing to report.

8 CHAIRMAN GREEN: Northrop?

9 (No one present.)

10 CHAIRMAN GREEN: Don't see anybody? All

11 right. I guess they can come back later. And

12 Reba? I saw you.

13 MS. LUDLOW: I do. I do. I do. It will be

14 short and sweet. We have a fly-in next Saturday,

15 July 19th. It will be the antique and -- Florida

16 Sport Antique Aviation something something.

17 FSAACA, it's called.

18 It will be down on foxtrot. And I -- they --

19 somebody called and they even want to have a

20 radio -- Flighttime wants to be there to broadcast
21 from it. So Millie's checking into that. I'm not
22 sure.

23 Our auction is still September 13th, and our
24 first Friday next -- for August is canceled.

25 That's it.

1 CHAIRMAN GREEN: Thanks. Bjorn?

2 (Not present.)

3 CHAIRMAN GREEN: I don't see him. Doug?

4 MR. BURNETT: Nothing to report.

5 CHAIRMAN GREEN: And Mark? Just warning you
6 about the chart.

7 MR. NAPIER: Okay.

8 MR. BRUNSON: And the microphone.

9 MR. NAPIER: Yeah. I might have to get down
10 like this, but most people can hear me good
11 anyway, so...

12 First off, I'd like to indulge you for just a
13 moment. My name's Mark Napier and I'm the new air
14 traffic manager at St. Augustine Tower. New to
15 the position, not new to St. Augustine. I've been
16 here since the day we opened the tower. So,
17 needless to say, I'm thrilled I'm still here and
18 I'm thrilled to be here in front of y'all today.

19 Dave has been promoted. He's the basically

20 risk management specialist now with RVA. So he --

21 you'll see him around the airport, but he's

22 basically in other capacities.

23 My job today, obviously, is to give you a

24 little information on the traffic count as we're

25 going through the year. Our traffic count numbers

1 for June, we had 7,882 operations, which were down
2 about 153 from the same time last year, for June
3 of last year. However, if you'll look at the
4 projections, being the blue line, any of the dark
5 blue line, would be the ones that we had projected
6 for the year itself. Where actually, that red
7 line is right where we want to be.

8 For the year so far, we're 2,041 ops ahead of
9 this point last year. So, even though the fuel
10 prices are what everybody's hearing, it's not
11 really affecting the actual traffic we're seeing
12 here at the airport, at least as of yet. And
13 that's indicated by that yellow line. That was
14 last year's traffic count. So, as all -- you
15 know, as we say, just, you know, keep it in the
16 wind and that's about it for us.

17 CHAIRMAN GREEN: Thanks. Okay. That's it
18 for reports. Project updates, Ed?

19 PROJECT UPDATES

20 MR. WUELLNER: Yes, ma'am. You're raising
21 your hand. T-hangar development, U.S. Customs,
22 terminal operations, park development, community
23 relations, marketing and public relations, and
24 airport leasing activities on the update today.
25 Hangars. Ongoing construction over there.

1 We're preparing to -- as I understand it, we've
2 got a paving date of Thursday of this week. The
3 majority of the buildings are otherwise pretty
4 well complete with the exception of what little
5 Drywall component is out there to be done, which
6 primarily separates the larger 50 x 60 units.
7 It's -- it's a fire wall structure. And I believe
8 that's supposed to be started, and it's only a
9 three- to four-day effort in total. So it's
10 supposed to be started and completed this week,
11 too, last I heard. Still planning occupancy on or
12 about August 1st.

13 We should start making contact with those on
14 the lateral transfer list this week to begin
15 allowing them to pick out those units formally and
16 help us over the next couple of weeks establish
17 where the -- all the new tenants will be and what
18 product will be available for new tenants on the
19 airport.

20 So, it's moving along. And right now, the
21 date's still October -- October. I keep saying
22 that. August 1st. Any questions about T-hangars
23 or that project right now?

24 (No questions.)

25 MR. WUELLNER: No? All right. U.S. Customs,

1 I am happy to report that as of Friday, we finally
2 got a -- finally got the letter out of the
3 Governor's office in support of U.S. Customs,
4 three days in advance of the drop date --
5 drop-dead date for being able to secure equipment
6 for the year. Now we have a completed application
7 package in place with U.S. Customs, and they'll do
8 some processing and we'll get moving on the
9 building itself at this point.

10 We expect to be under contract for that
11 building toward the end of this week for
12 construction. As you know, that was awarded
13 about, I think the last meeting, last Airport
14 Authority meeting, and that has a target -- target
15 date at the end of the calendar year, as that's
16 the -- also the expiration date of the grant that
17 supports that project. So it's up and running and
18 finally moving at this point.

19 Terminal area milestones. As of today, we

20 began two-day-a-week service to Marsh Harbour in
21 the Bahamas. And myself and Mr. Slingluff with
22 Galaxy went up to JumpStart up in Pittsburgh a
23 couple of weeks ago in an effort to be able to meet
24 with some airlines. And we've had some nibbles.
25 We're continuing to follow those up. We'll see

1 how those develop.

2 I think the biggest thing out there right now
3 is the -- with the fuel price situation, that most
4 of the airlines are in a -- more of a
5 hunkered-down position right now, rather than out
6 exploring new markets.

7 However, there are a few carriers out there
8 looking and talking and trying to make sense out
9 of how to restructure their airline or where to
10 expand service in the future. So, it -- I don't
11 want to be overly optimistic, but it -- you know,
12 at least there are people still talking and still
13 moving projects forward at this point.

14 CHAIRMAN GREEN: Buzz?

15 MR. GEORGE: Just for the public's knowledge,
16 I heard on a radio announcement about three weeks
17 ago, they were talking about the fuel crisis and
18 the impact it's having on the airlines, and the
19 radio announcer said that there would be over 100

20 airports that presently have commercial service
21 that will no longer have commercial service, since
22 they're pulling out. So I guess we were number
23 one or two, something like that. But there's a
24 lot of other ones to follow, so...

25 CHAIRMAN GREEN: Hopefully they'll see our

1 routes and what we can put on the plane.

2 MR. GEORGE: That's right. Yeah.

3 MR. WUELLNER: And that's all I have on
4 terminal operations at this point.

5 Public park development's the next item. I
6 do want to report that as we promised last meeting
7 and I think the meeting before that, but we have a
8 part of the presentation on -- one of our agenda
9 items today related to the general aviation area
10 will include the park layout integrated with that
11 plan.

12 So you'll have a -- have a first look finally
13 at those two -- two plans, having finally been
14 merged together. And of course as you well know,
15 at our budget hearing on -- not our budget
16 hearing, but our budget workshop the other night,
17 you know, that is an item that is budgeted, the
18 park -- at least some elements of the park are
19 budgeted at this point, and we'll see how that

20 continues through that process into September
21 through final budget approval. But it is -- it is
22 up and running and we are finalizing the plans to
23 get there.

24 Community relations. Obviously we have
25 engaged a little technical assistance, but we're

1 very close to being complete with the database
2 development now for -- for complaint-related --
3 complaint-related database. We're still working,
4 as member Buzz here is involved with that
5 committee -- that community relations group across
6 the Vilano, as is Bryan on a frequent basis.

7 It's my understanding that late July, we'll
8 be hosting the -- that group out here and helping
9 them understand what we do at the airport and get
10 a tour of some facilities around here, and I think
11 there's some presentations going to be made
12 relative to the airport, to help them understand.

13 And now that we have a new tower chief on
14 board, somebody -- you know, a good point of
15 contact, and we've already seen some positive
16 developments in trying to get everybody on the
17 same page and working toward solving the aspects
18 of noise-related problems in our community that --
19 that we can deal with. So, I'm looking forward to

20 seeing real positive things out of this effort in

21 the next couple of months.

22 And lastly, the PR committee did not meet

23 this month, so as a result, there is no -- is no

24 PR committee meeting this month. So there is no

25 report.

1 And nothing new related to leasing activities
2 right now.

3 ACTION ITEMS

4 CHAIRMAN GREEN: Okay. Our first action
5 item's going to be the FBO -- second FBO
6 feasibility study.

7 2ND FBO REPORT PRESENTATION

8 MR. WUELLNER: I would introduce Mark
9 Davidson of Airport Business Solutions. He's
10 going to present the report.

11 You've all received a copy via e-mail over
12 the last few weeks and have had a chance to
13 comment directly to me if you had questions or
14 concerns. And Mark's here to kind of go over the
15 report and results and entertain any questions you
16 or perhaps the public might have in that vein.

17 MR. DAVIDSON: Once again, my name's Mark
18 Davidson, vice president of Airport Business
19 Solutions. I don't know if I like the idea of

20 Andrew, another consultant, behind me or Larry.

21 Got to watch my back here.

22 But the scope of the assignment was to

23 provided a detailed analysis of the general

24 aviation marketplace to determine -- determine if

25 there was a feasibility of having a second FBO

1 here.

2 So, while we were going through the entire
3 project, we wanted to keep in mind the Airport
4 Authority board members and their goals, and so
5 that included the users' needs, to ensure that
6 there was a high customer service, levels remained
7 very high to keep the airport in a position
8 whereby general aviation users' needs will be met
9 on a consistent basis and the airport was deemed a
10 welcome place for the community as a corporate and
11 general aviation airport.

12 We also looked at the fiducial
13 responsibilities to make the airport
14 self-sustaining, as financially viable as
15 property, so not to drain, if you brought a -- an
16 operator on the airfield that would drain on the
17 community resources. As such, that would be --
18 the new development on the field would be
19 substainly (sic) solely on the part of the tenant,

20 that you wouldn't have to make any infrastructure

21 investments or things like that.

22 Due to the study, we looked -- we did an

23 on-site review. We looked at airport data. We

24 looked our proprietary data that we have, industry

25 data. And the first thing we looked at was the

1 national economy as well as the general aviation
2 marketplace as a whole. And as we all know, right
3 now, with the situation, the economy itself on the
4 downswing, that was taken into consideration.

5 What happens we noticed is historically with
6 the economy, the general aviation marketplace
7 historically has always been right behind it, a
8 few months behind it. Meaning if the economy's on
9 a downswing, the general aviation market's on a
10 downswing. That's one of the first departments
11 are usually cut when Fortune 500 companies are
12 looking to save dollars, is that they go right for
13 the corporate flight department. So we looked at
14 that.

15 We also looked at aircraft manufacturing
16 numbers, the very -- the impact of the VLJs, the
17 very light jets, flight hours, pilot data,
18 fractional ownerships, charter, business aviation.
19 And when we were conducting the study, the Skybus

20 actually happened in the midst of this study,
21 about -- abrupt in the filing bankruptcy. So that
22 was -- sort of impacted the study.

23 We also looked at -- in the report, it talks
24 about the expanding chain operators and how a lot
25 of FBOs have been consolidating. And it's a -- it

1 was an interest fact in there about there was
2 approximately 10,000 FBO operators in the late
3 60's and 70's, and now the total number is now
4 under 4,000. So there's a lot of consolidation
5 going on.

6 We also looked at local demographics, airport
7 data, the local city and county demographics, the
8 airport neighborhood. And then we really dug into
9 the fuel number here, the number of gallons sold
10 or the number of gallons pumped.

11 And when you start to break it down, you
12 know, from hindsight -- and I'll get into this in
13 the conclusions. Roughly 2.4 million gallons, a
14 gallon of fuel is not really a gallon of fuel.

15 You have to look at the source.

16 Meaning, you know, how much of that is -- on
17 the airfield is someone like SK Logistics pumping
18 it themselves into their own aircraft? How much
19 is already utilizing the airport-owned

20 self-service island? How much are -- you know, is
21 the Grumman? Or how much is the fractional
22 ownerships that already have volume discounts?
23 So what we were really looking, trying to
24 focus on was the number of retail gallons. That's
25 a key term.

1 And -- and from a rule of thumb, usually
2 you'll hear is a million -- if there's a million
3 gallons of retail fuel on the airport, then that
4 normally -- industry norm is, you know, okay,
5 there's enough fuel to sustain more than one FBO.
6 So when we really dug through the numbers, we had
7 to look to see what that number was.

8 We also looked at local and regional
9 competition. Craig Air Field, Cecil Field,
10 Daytona, Jacksonville International, what were the
11 trends going on there? Who were the FBOs at those
12 locations?

13 We looked at the actual situation here with
14 Galaxy and what kind of programs they're offering
15 for fuel incentives, and their network facility
16 fee program, as well as they have a
17 St. Augustine-based Pilots Association program we
18 looked at.

19 We also included in there a study on -- just

20 a case study about Centennial Airport. I don't
21 want to go in that in detail, but it was pretty
22 much showing that there was six times as much fuel
23 volume at those -- that airport and what's
24 happening there with the three FBOs historically.
25 So, I'll just jump into the summary and

1 conclusions. Like I said, from a -- from
2 initially, we went in with no bias. Looking at
3 it, you hear 2.4 million gallons. Okay. It
4 appears that that's a lot of fuel. That would
5 probably sub -- or be able to accommodate more
6 than one FBO.

7 But when we started digging into those
8 numbers -- I'm going to go back. When we started
9 digging into the numbers, the local based discount
10 fuel, like for instance, that would be
11 SK Logistics, pumping their own fuel, around
12 470,000, I think -- or 412,000 was approximately
13 their number. But you start looking at contract
14 alone, large volume fuels, 1.3 million. So that
15 includes Northrop Grumman and fractional
16 ownerships, who get -- you know, already --
17 everyone's familiar with NetJets or Flex Jet.
18 They have a lot of buying power.

19 What they do is they go to different FBOs and

20 negotiate fuel volumes. And if they don't get the
21 kind of fuel volumes or discounts they want, they
22 can tanker fuel and they can work within their
23 network.

24 So what the number came up to be was around a
25 hundred -- 608,000 gallons of retail fuel, which

1 was below that -- that sort of mystical number of
2 a million gallons.

3 What I want to relate to you is that it shows
4 that if you did have a second FBO provider here at
5 St. Augustine, that there would be considerable
6 financial strength that they would have to -- to
7 match their investment here, the facilities to
8 compete. For instance -- let's see.

9 You would have -- we estimated with a ramp,
10 taxiway, hangars, terminal facilities, that
11 would -- to compete in this market would be around
12 \$3 million to \$5 million range. And one of the
13 sites we were looking at -- the one part of the
14 report you asked us to look at was what would be
15 an appropriate site for a second FBO.

16 And the new hangars on this side, and we
17 looked at the ramp, it really wasn't conducive.
18 It was more conducive to like a corporate hangar
19 development. Not necessarily -- you can have a

20 second FBO there, but it seemed like our -- just
21 from our view of it, is that the portion between
22 the Northrop Grumman on the north side of the
23 field and the Air Guard would be more of a -- a
24 better place for a second FBO.

25 Now, the situation, though, is if you look at

1 that ground, and we didn't go into great detail,
2 it's mostly woods and there would be considerable
3 site prep to develop that for a second FBO. So,
4 that -- that's beyond the \$3 million that we just
5 estimated for a second FBO if they came in here.

6 So, whatever you do, if you get a second FBO,
7 that -- that -- you've got to consider that --
8 that \$3 million, \$3 to \$5 million range plus the
9 site development. You'd have to get a second FBO
10 that had consideration financial strength, because
11 if you have any second FBO approach you, the
12 minimum in our experience is they -- they lose
13 money for the first -- for three years.

14 Even if -- we have had clients that are --
15 you know, even if there's 4 million gallons of
16 fuel, you know, and they invest \$4 million for
17 their initial FBO, they don't make money till the
18 fourth year. So, that's under best circumstances.
19 So you have to find somebody, if you're going to

20 go with a second FBO, that has substantial
21 financial strength that would be able to compete.

22 And we also -- in the report, we talked about
23 what would probably happen is with gulf -- with
24 Galaxy's national name and their network of FBOs,
25 there would be a price war and then, you know,

1 you'd start losing services such as maintenance
2 and -- because they would be, you know, really low
3 on their price and they would use -- which in turn
4 pretty much -- hold on. Dramatically institutes
5 the -- aggressively meet the marketing efforts for
6 any new competition. They would use -- hold on.
7 You would lose -- I have that number here. But it
8 just goes in about how Galaxy Aviation would react
9 to the market if a second FBO came in.

10 In summary, some of the key factors which
11 must be considered in regards to a second FBO, the
12 national economy has fallen and near recession
13 levels resulted in a shrinkage of general
14 aviation, although the tower numbers are very
15 positive.

16 General aviation fuel volumes are presently
17 down 10 to 20 percent, with some locations
18 experiencing higher drops as aircraft operators
19 reduce their number of flights. More corporate

20 operators are tankering fuel from their home-based
21 airports and thereby significantly reducing
22 transient fuel sales at FBOs. The gas and oil
23 prices changing, or still seem to be -- remain in
24 flux for possibly the next 10 -- or 12 to 24
25 months.

1 We also looked -- or some of the
2 considerations, VLJs entering the market. One of
3 the largest VLJs -- buyers was DayJet, and we
4 already saw that they're starting to reduce their
5 fleet, their anticipated fleet. Stock prices.

6 There's a list of different things that -- to
7 consider. Investments of current tenants to be
8 protected. A potential for corporate fuel farms
9 is a possibility, further items -- further
10 destabilizing the market.

11 So, what our recommendation here is, "While
12 customer demand, and service provider interest
13 will likely have a major influence on the status
14 of future entrants into the marketplace, it is the
15 opinion of Airport Business Solutions that while
16 the market may be able to support a second
17 operator in the near future, it is suggested that
18 the St. Johns and St. Augustine (sic) County
19 Airport Authority not encourage additional

20 competition at this time."

21 We would recommend that you wait 24 to 36
22 months. That will give the national economy -- to
23 stabilize. Fuel volatility slows and refinery
24 capacity is improved. The impact of VLCs is
25 established. Industry con -- consolidation is

1 slowed. Credit market subsidies. And increase in
2 general aviation and flight activity are
3 maintained. Any then any increase in retail fuel
4 volumes at this -- at this airport is noted and
5 verified, then you can move forward.

6 So, I'll entertain any questions.

7 CHAIRMAN GREEN: Okay. We have quite a few
8 public comments. So, go to public comment first.
9 Just stay up there. Don't -- I'm sure you're
10 going to get questions.

11 MR. DAVIDSON: Okay.

12 CHAIRMAN GREEN: Joe?

13 MR. LOPINTO: You make the comment about the
14 corporate operations diminishing; however, the
15 NBAA and the actual corporate airport sales, both
16 new and preowned, over the last years and even
17 through the first two quarters of this year, are
18 experiencing record growth.

19 How do you reconcile that -- your statement,

20 given the actual statistics, both in numbers of
21 airplanes, flight hours flown, passengers flown,
22 all throughout the country?

23 MR. DAVIDSON: Right. What I stated before
24 was -- about the national economy was on the
25 downslope. The general aviation market usually

1 follows that. And I would -- would you agree that
2 in the past, with historical recessions, that
3 business aviation has declined?

4 MR. LOPINTO: Well, I define --

5 CHAIRMAN GREEN: Sorry, Joe. We just got the
6 microphone.

7 MR. BURNETT: Let me do this. Mark, if you
8 would, sit here so you can answer the questions
9 and we'll let the speakers come up to the
10 microphone.

11 MR. LOPINTO: Joe Lopinto, 529 Ria Mirada,
12 St. Augustine.

13 With respect to corporate operations, there's
14 a distinction between general aviation -- general
15 aviation being the lighter single-engine,
16 multi-engine piston driven. As you get into the
17 turbine markets, turbo prop and pure turbine, all
18 of those have experienced just record growth in
19 the last few years in the face of the national

20 economic malaise that's going on.

21 How do you reconcile that? And is that

22 something that we here at St. Augustine should be

23 sensitive to in forming policy going forward over

24 the next few years with respect to that sector of

25 corporate aviation?

1 MR. DAVIDSON: I would totally agree that the
2 business aviation has been growing. One of those
3 facets is fractional ownership. And like I said
4 before, they have that buying power. And what
5 they've done to FBOs is they've lowered that
6 retail fuel that I talked about at the levels, the
7 markups that you would have. With traditional
8 business aviation customers, is that their --
9 their markups are very minimal in regards to what
10 is considered retail fuel.

11 So, what they do is they work out a deal with
12 Signature or Million Air or whoever the chain
13 operator is -- in this case, it's Galaxy. So you
14 would have to have brought in a second FBO,
15 someone with that financial strength and those
16 contacts.

17 But what we also noticed is that you --
18 you've got so much fuel volume -- and, yes, it
19 will increase in this market possibly, but it's

20 everyone's vying for the same piece of pie. So
21 it's not like you bring in a second FBO, it's
22 going to double the amount of fuel sales.
23 There'll be -- there'll be, you know, the normal
24 10 percent or 5 percent growth that you have, but
25 it's not going to be that you're going to double

1 the amount of fuel.

2 But I would -- I would agree with what he was
3 saying about the business. And that's within the
4 report about the trend of business aviation. We
5 have a chart that breaks down the number of the
6 different types of aircraft that are being
7 manufactured.

8 But also I want to relay that the economy is
9 on a downslide and that is something to consider,
10 that people aren't flying as much in recent --
11 recent months, even though the operations here at
12 the St. Augustine are higher with the operational
13 count.

14 CHAIRMAN GREEN: Okay. Thank you. Michael?

15 MR. SLINGLUFF: I think we've all seen the --
16 the economic downturn. You know, fuel is at
17 record -- record levels. Yet, we con --
18 consistently see higher number of operations on
19 the field. Some months, it's a little slower.

20 I think we need to revisit what is counted as
21 an operation, because it -- it's very misleading
22 to think that what the tower's counting as an
23 operation is a large jet coming in and buying
24 fuel. It's far from it. And, Mark, could you
25 just step up and do a quick synopsis of what an

1 operation consists of?

2 MR. NAPIER: Absolutely. What all facilities
3 will do is they'll develop a traffic count that's
4 disseminated up to the FAA to let each -- to let
5 the government know basically how much traffic
6 each airport is receiving during any period of
7 time.

8 What we do is, when we make our traffic
9 count, we'll have a separate count for IFR traffic
10 and say for VFR traffic. Now, IFR traffic will
11 typically be your corporate or air carrier-type
12 traffic, which would include the turbine types
13 that we're talking about and some of the -- and
14 all -- virtually all of the, you know, jet
15 traffic.

16 Now, the majority of our traffic count would
17 be your general aviation traffic, which would
18 include the numerous flight schools in the local
19 area. And a lot of our numbers, especially during

20 the springtime and in we -- early part of the --
21 or latter part of the winter, where our numbers
22 really rise up, you'll notice that the flight
23 schools are really ginning up after winter.
24 They'll have a lot of students. Especially right
25 now, one thing you're going to notice here is that

1 there are numbers of flight schools that are fully
2 staffed by Europeans.

3 The dollar has a big influence on that,
4 because obviously with the dollar being what it
5 is, the Euro being as strong as it is, it brings
6 over the foreign students. Therefore, they'll
7 come over to St. Augustine, say from DeLand or
8 from Ormond Beach, and will do maybe 10 or 20
9 operations and then depart the area.

10 Some will get fuel. Typically, they'll go
11 back to their home base. So, even though we'll
12 have a high traffic count, it will not necessarily
13 be indicative of what the airport is seeing as a
14 general -- at the FBO.

15 MR. GEORGE: Mark, can you tell us, you know,
16 of the 2000 we're higher than last year, do you
17 have any idea, not discrete numbers of how much of
18 that is IFR versus non-IFR --

19 MR. NAPIER: Right.

20 MR. GEORGE: -- but are you seeing the IFR

21 traffic going up?

22 MR. NAPIER: The IFR traffic is tending to go

23 up. It's -- it's a smaller increment, and we're

24 looking at maybe, you know, 5, 10 percent. But

25 the IFR traffic is going up. But the IFR traffic

1 here is just a very small percentage of what we'll
2 do. Say we normally will do, if we said 400
3 operations in a day, maybe 10 percent of that
4 would actually be an IFR operation. The rest of
5 it would be VFR.

6 MR. GEORGE: Okay. But if someone is using
7 historical data to say you're getting 680 gallons
8 of fuel resalable and your commercial traffic is
9 not going up, when IFR traffic is going up and
10 that's where the commercial is, then it's not a
11 good correlation to make, in my opinion. So, even
12 though it's a small piece of ours, that small
13 piece represented the 680 gallons.

14 MR. NAPIER: Correct.

15 MR. GEORGE: So if that's going up 10
16 percent, I would expect to extrapolate that and
17 say the salable fuel is probably going to go up
18 half of that anyway.

19 MR. NAPIER: That would be --

20 MR. GEORGE: Not go down.

21 MR. NAPIER: Right. And that would be a

22 logical, you know, assumption.

23 MR. GEORGE: Yeah.

24 CHAIRMAN GREEN: Mr. Martinelli?

25 MR. MARTINELLI: I think you all know,

1 because I've said it many times before this group,
2 where I stand on this.

3 My -- my feeling is that we are on -- this
4 airport is on a rather delicate path to the
5 future. Getting off the tax rolls, expanding,
6 trying to answer all of the questions that the
7 community has put forth for us to answer.

8 And I don't think that if you err, you should
9 err on the side of -- well, I do think you should
10 err on the side of caution, rather than taking a
11 gamble. And right now, apparently, and this is my
12 first exposure to the results of this study, but
13 it appears that what I was conjecturing is exactly
14 what this study is -- is telling you.

15 So, I would -- I would request that you take
16 the consultant's advice and let a little bit of
17 time go by and see what happens to the economy and
18 what happens to your whole situation here.

19 CHAIRMAN GREEN: Mike?

20 MR. MICKEL: Hi. My name's Mike Mickel from
21 Richmond, Virginia and South Ponte Vedra Beach. I
22 actually was going to try to be quiet and not talk
23 today, but I just had to come up here and say a
24 few things.

25 After -- after reviewing the consultant's

1 report and listening to that presentation, I've
2 got to tell you it almost sounds a lot of gloom
3 and doom. So, I -- I'm really not here to comment
4 on -- on that particular, but I'd like to make a
5 couple of just points that Mr. Davidson pointed
6 out.

7 I do think we all know the airlines right now
8 are in a state of turmoil, but that is creating
9 more opportunities for general aviation. I can
10 speak for my own operation, which got a slow start
11 to the year, our fuel sales actually have been up
12 the past two months.

13 We've added three new corporate jets -- well,
14 one's coming this month, one last month and one in
15 August. That's going to significantly put up my
16 fuel sales. And so I think we have a lot of
17 opportunities.

18 We talked about putting this operation or
19 this proposal off for 24 to 36 months. We still

20 need to keep in mind that if we decided today to
21 do a second FBO, we're still at least 24 months
22 before we're operating.

23 There has been a great deal of consolidation
24 in the FBOs and there's not an FBO owner around
25 that hasn't been approached by probably record

1 even numbers. People are buying, private equity
2 is buying into the FBO business because they see a
3 future in it.

4 You know, when we talk about retail gallons,
5 a million gallons has kind of been the rule of
6 thumb. One of the leaders in the industry's
7 Landmark Aviation. They look for approximately a
8 million gallons before they go after an FBO or
9 start a new FBO. So that's a good number. But a
10 lot of us can -- can make a fairly healthy profit
11 on less volumes than that.

12 I don't understand the -- the Centennial
13 thing. I don't understand the company, at six
14 times the amount of fuel, how one of them couldn't
15 make a go of it, but there are hundreds of FBOs
16 that survive on less fuel volume than this.

17 When I look at the fuel volumes here -- and
18 we talked about the 1.3 million gallons of
19 national fuel programs that -- with NetJets, who's

20 a customer of mine, we all discount our fuel to
21 these companies. But they're not discounted to
22 the point where there's very little profit margin.
23 We recently sent a plane down to South
24 Florida to one of Galaxy's operations, and I still
25 have always said I think Galaxy does a great job

1 here and at other facilities. But without little
2 negotiation, they dropped their fuel price \$1.30 a
3 gallon and it was still higher than my retail rate
4 back in Richmond, Virginia. So I know they're
5 discounting their fuel some, but I do think
6 they're probably making a decent profit. I'll
7 also comment, just for the record here in
8 St. Augustine, I think their fuel prices are very
9 fair. Excuse me.

10 You know, which site? I don't know. I know
11 my numbers have some different areas that we
12 could -- we've always looked at the site that we
13 were told was designed for the second FBO. I
14 still say I -- I believe we can build a building
15 without any financial drain on the airport or we
16 will be happy to lease the facility. And look
17 real quick here.

18 I think the one thing that we see in our plan
19 is to just put up an FBO and build a facility just

20 to sell fuel, I think it would be a little
21 difficult on present fuel volumes. However, our
22 plan that we have has a marketing plan in it that
23 we hope would bring more business here.

24 There are other areas to our business that we
25 would do, such as aircraft management and charter,

1 which we have done very successfully for almost 25
2 years now in Richmond.

3 And the only thing I'd like to ask is to not
4 table this for 24 to 36 months. We have a lot of
5 opportunities. This is a long-term process. As
6 you know, I'm into this for two and a half years
7 working on it. I want to stay with it. And I ask
8 you to keep an open mind. Thank you.

9 CHAIRMAN GREEN: Thanks. That's all I have
10 for public comment. Board comment.

11 MS. SUTHERLAND: Wait, wait.

12 CHAIRMAN GREEN: Okay. I ask everyone,
13 please turn them in because we're scheduling our
14 calendar accordingly.

15 MS. SUTHERLAND: Sorry.

16 CHAIRMAN GREEN: Okay. Alice?

17 MS. SUTHERLAND: Alice Sutherland, and I'm
18 here to support again, as I have done for the past
19 year, the, you know, bringing on of a second FBO

20 here.

21 It -- it's just beyond comprehension that you

22 could narrow the competition in this market to

23 just one FBO. I think -- Mr. Davidson's

24 background, I think you told me before the meeting

25 started was at Herlong Field; is that correct?

1 MR. DAVIDSON: I worked ten years for the
2 Jacksonville Port Authority airport --

3 MS. SUTHERLAND: Right. And you were the
4 manager at Herlong. How many --

5 MR. DAVIDSON: I worked at Jacksonville
6 International for six years. Herlong for three.

7 MS. SUTHERLAND: Okay. So --

8 MR. DAVIDSON: Cecil Field --

9 MS. SUTHERLAND: -- the Herlong part is what
10 I'm getting at. How many FBOs does Herlong have?

11 MR. DAVIDSON: Herlong has one and it's run
12 by the port authority, the airport authority.

13 MS. SUTHERLAND: Okay. And Cecil Field?

14 MR. DAVIDSON: It did have two, until six
15 weeks ago, it consolidated to one.

16 MS. SUTHERLAND: Okay. I know of a lot of
17 smaller airports that successfully support two
18 smaller -- or two FBOs. And I think at this
19 point, it would just be a huge mistake not to

20 allow the free market to -- to, you know, take

21 care of itself.

22 I think, as far as the operations go, a lot

23 of what you're seeing are people going to other

24 airports in the 50-mile range area that may have

25 lower fuel prices. St. Augustine has consistently

1 come in as one of the higher fuel prices --
2 fuel-price FBOs in the 50-mile range.

3 And I think that a lot of the NetJets and --
4 you know, I'm still looking at the traffic coming
5 in and out of St. Augustine everyday and I see
6 these people going to other airports. Maybe their
7 agreements are better.

8 I think that you need to look at new business
9 that would be coming in with a second FBO, because
10 we're pretty much -- maybe we're growing a little
11 bit, but what if we could grow a lot more and sell
12 a lot more fuel with a little bit of competition.
13 I don't see where a price war would hurt anybody,
14 especially the existing FBO.

15 You know, I think that at the fuel prices
16 that are being charged today, that they could
17 probably afford to go through a little bit of a
18 price war. And I think St. Augustine Airport and
19 its customers are going to be the big winners

20 here.

21 And again, I would just strongly urge you to
22 support a second FBO here. And especially if
23 somebody wants to come in and spend all their own
24 money. Like the government always says, they
25 recognize their right for anybody to come in and

1 fail at business. I think we should give them

2 that chance to succeed or fail. Thank you.

3 CHAIRMAN GREEN: Thanks, Alice.

4 MR. WERTER: Suzanne?

5 CHAIRMAN GREEN: Okay. I've just got to

6 remind everybody, because we're on a tight

7 schedule today, please turn them in because we're

8 budgeting how many I have for each category that

9 we have on the agenda.

10 MR. WERTER: Is this thing actually working

11 now?

12 CHAIRMAN GREEN: Not really sure, so speak

13 loudly.

14 MR. WERTER: I'll speak loud. James Werter,

15 Ponte Vedra.

16 A couple of things. In Mark's numbers, I was

17 wondering if he was able to differentiate general

18 aviation aircraft from more of the corporate and

19 business aircraft, number one.

20 Number two, looking at this strictly from a
21 business angle, the projections appear
22 speculation. Are we in the proper position right
23 now economically as a nation to speculate as to
24 the success of the new business when we know what
25 happens usually? There would have to be up-front

1 funding for a while, if it's going to work. And
2 how is a new business in itself going to attract
3 more traffic here?

4 Now, if the general aviation numbers are up,
5 we know where they're going. They're going to the
6 pumps at the base of the tower. They're not going
7 to Galaxy, okay? Maybe some do. Sorry, Michael.
8 But that's where the money's going to be coming
9 through.

10 Now, if this is aimed more towards corporate
11 aviation, what is it about a new or a second FBO
12 that's going to attract more traffic here? And
13 maybe that study needs to be continued. But right
14 now, I'm very iffy about a second FBO.

15 I would say, yeah, it's worth a 24-month
16 wait, especially with a change -- changing of the
17 guard in November, what the economy's going to do
18 as a whole. Are we going to get better? Are we
19 going to get worse? Oil prices are up God knows

20 how much even over the past couple of days.

21 Astoundingly so.

22 CHAIRMAN GREEN: Thanks. Okay. I'm going to

23 close it. Board comment? I know board members

24 want to speak. Go ahead, Mr. George.

25 MR. GEORGE: I've been on this board five and

1 a half years. In five and a half years, we went
2 from a thought of a financial plan to get off the
3 tax rolls and a critical need for hangars. Next
4 month, the first of those hangars go up for rent.
5 Five and a half years. If we wait 24 to 36 months
6 to start thinking about a second FBO, we're now
7 five or six years further out, we're eight to ten
8 years.

9 I think that we could take a controlled
10 approach to continuing to talk about it while the
11 economy, as Mark says, give it 24 to 36 months,
12 for it to turn around. There's a lot of things we
13 can do in 24 to 36 months to get some planning out
14 of the way.

15 So I think we ought to continue with the
16 thought. Maybe not on as heavy a pressure as we
17 were putting on it for the last six months. But
18 we can't let this thing waver two or three years
19 and then expect to have it around the corner.

20 CHAIRMAN GREEN: Ed?

21 MR. WUELLNER: If you're willing to look at

22 perhaps a rec -- in the form of a recommendation

23 to y'all, after looking this over and talking with

24 several of you, you may recall on Section V, page

25 6, were seven criteria that were essentially the

1 criteria that were used to justify delaying it 24
2 to 36 months.

3 And using those seven -- seven points,
4 perhaps the board would consider looking at
5 revisiting the economic condition of the country
6 so to speak on a six-month to one-year kind of a
7 time frame and evaluate those seven items at each
8 of those six-month intervals.

9 And when you begin to see progress on, I'm
10 arbitrarily saying three out of seven of those
11 items, and when you start to see the national
12 economy stabilizing, fuel volatility, you know, is
13 it starting to take care of itself? I think the
14 VLJ issue's probably a nonstarter in terms of an
15 issue, and you could argue that will never get
16 started.

17 Industry consolidation, credit market
18 volatility, GA ops, flight activity are sustained,
19 and an increase in retail fuels. If you see any

20 of those three things looking like they're
21 beginning to -- or not even -- they're recovering
22 and beginning to show progress, then maybe that's
23 the time to really get serious again about
24 knocking it off dead center.
25 You know, the short-term forecast relative to

1 fuel and economy aren't overly encouraging, you
2 know. And jumping on it today and saying, well,
3 let's run with it so that it's ready to go in 24
4 months, well, the report doesn't say in 24 to 36
5 months, it will -- the conditions will be right
6 for it.

7 What it says is that their forecasting, their
8 looking ahead says that -- sort of suggests that
9 24 to 36 months may be the time line it takes to
10 get back on track and be in a position to begin
11 moving forward with big projects like this.

12 I don't necessarily disagree with that, but
13 I'm not sure sitting back -- I'm agreeing with
14 Buzz here, I'm not -- I'm not necessarily in
15 agreement that sitting back 24 or 36 months and
16 doing nothing and then suddenly deciding that's
17 the place to start, makes much sense either.

18 I think we need to be actively monitoring
19 those -- those seven criteria when we see, you

20 know, sort of a preponderance of the evidence so
21 to speak moving -- moving in a positive direction,
22 that that's the time to start looking at it in
23 earnest and see how -- what the effect is at this
24 airport and perhaps revisiting the decision to
25 move something -- you know, move something forward

1 in a positive manner at that time.

2 MR. GEORGE: Realistically speaking, Ed, from
3 the time we say, hey, we think there is a business
4 there, let's go forward, how long are you looking
5 at before they open the door for business?

6 MR. WUELLNER: I -- I think a lot depends on
7 the -- on the investment and the final -- and the
8 final site that's located. But I don't think a
9 24-month criteria is particularly out of whack.

10 You know, I think it could be as early as an
11 18-month thing, but I think it's probably
12 realistically in a 24 month when you consider
13 permits, availability of land, depending on the
14 exact site, whether there's access issues or other
15 things that have got to be accomplished. You
16 know, none of which has been begun.

17 And -- and it may not be that we -- we stop
18 totally dead. What we do is continue to address
19 infrastructure issues as support multiple projects

20 and we're in a better position in a year or 18
21 months so that some of those big issues are
22 already solved, so that the time line to develop
23 may be is a 12- to 18-month time line at the end
24 of the day instead of an 18- to 24-month time
25 line.

1 CHAIRMAN GREEN: What do you think about
2 still entertaining some business plans that say,
3 I've got \$5 million, I'm going to build it, I'm
4 going to do this and, Airport, you don't have to
5 do squat with it?

6 MR. WUELLNER: It's their -- you know, I
7 agree, it's their -- it's their money if you --
8 with firms stepping up, saying, hey, I'll build
9 the thing, I'll do it, the like. But it still
10 doesn't address the Authority's short-term issue
11 of providing access to those sites, you know,
12 whatever core infrastructure that we need to
13 support that FBO operation. We're just moving
14 those kind of projects forward right now.

15 You know, it could be right on the heels of
16 it. If that's -- you know, if your decision over
17 time here is to, we'll just -- we're just going to
18 rely on their investment in this and, you know, we
19 don't have any risk other than we're going to

20 develop common area infrastructure, that -- that's
21 fine. That's a -- that's a reasonable business
22 approach. It's -- I'll caution you from the front
23 end, it's also a minimized revenue position for
24 the Airport Authority, too.

25 So, if they're investing their money, they're

1 going to -- you know, we're looking at ground
2 lease kind of arrangements at the end of the day,
3 which are certainly positive in a revenue side,
4 but they're not as positive as recovering on our
5 own investment.

6 MR. GEORGE: Well, we still have not ruled
7 out the possibility of the Airport Authority --

8 CHAIRMAN GREEN: Oh, no.

9 MR. GEORGE: -- being the second FBO, as it
10 is in Naples, which is a -- if you ask the people
11 in Naples, that is the one thing that got them off
12 the tax rolls and keeps them going. I'm not
13 saying we do that. I'm just saying that's still a
14 possibility.

15 And I disagree with your 18 to 24 months from
16 the time we say go, that we could have some
17 operation. I think it took John Mica's pushing
18 and everything to get the \$5 million for the
19 infrastructure back here. That took three years.

20 MR. WUELLNER: Uh-huh.

21 MR. GEORGE: So I think once you go full

22 forward with a second FBO, you're looking at four

23 to five years before it's operational.

24 MR. WUELLNER: Well, there's some things we

25 can do -- I'm sorry. There are some things we can

1 be doing. One is that infrastructure planning.

2 We can be doing programming now within our FDOT
3 grant programs to assure that --

4 MR. GEORGE: Right. Exactly.

5 MR. WUELLNER: -- at the point we get out
6 here, that the funds have been identified or at
7 least, you know, we've been aggressively going
8 after matching funds for these things, which
9 certainly affects the bottom line of these
10 projects.

11 MR. GEORGE: Would it be beneficial to us --
12 this will be my last question.

13 CHAIRMAN GREEN: Okay.

14 MR. GEORGE: Would it be beneficial to us as
15 an airport -- I'm not trying to put more work on
16 the staff, but we've paid for this study --

17 MR. WUELLNER: Uh-huh.

18 MR. GEORGE: -- and we've had five, six,
19 seven companies that were interested in coming in

20 with a second FBO, to forward this with a cover
21 letter that says, based on this report, we intend
22 to wait, not necessarily 24 to 36 months, but we
23 would like to hear your comments about it. And
24 let's hear it from the guys that are actually
25 going to invest the dollars.

1 MR. WUELLNER: Sure. Sure. We can do that.

2 MR. GEORGE: I would be glad to work with you
3 as a member of the board to stay on top of this
4 thing, because I think it is a money-producing
5 thing that keeps us off the tax rolls and
6 generates all sorts of revenue for our matching
7 funds for down the road.

8 MR. WUELLNER: Certainly.

9 CHAIRMAN GREEN: Kelly?

10 MS. BARRERA: I -- I wanted to ask Mark a
11 couple of questions. Mark, did you -- I know that
12 you made reference in your report. Did you
13 take -- do you know what percentage you expect the
14 impact for Customs to in -- increase fuel sales
15 by?

16 MR. DAVIDSON: No, I don't.

17 MS. BARRERA: What about with the new hangars
18 and the aircraft that will be based here; did you
19 take that into consideration?

20 MR. DAVIDSON: I --

21 MS. BARRERA: As to the percentage of impact?

22 MR. DAVIDSON: Don -- Don Beckman's the one

23 who crunched the operational numbers and the

24 improvements.

25 MS. BARRERA: Could you get back with us on

1 that?

2 MR. DAVIDSON: I can get back with you on
3 that one.

4 MS. BARRERA: Okay.

5 MR. DAVIDSON: The main number we were
6 looking at was the fuel volumes and what the
7 sources were, so...

8 MS. BARRERA: Right. I understand. And then
9 I have another -- another question.

10 Do you have any recommendations for this
11 board as to what the qualifier should be when --
12 when we are going forward with a second FBO as to
13 the selection, things that we should be
14 concentrating on from the second FBO?

15 MR. DAVIDSON: Our people --

16 MS. BARRERA: Or could you put together
17 something like that for us?

18 MR. DAVIDSON: I'll lay this out on the
19 table.

20 MS. BARRERA: Okay.

21 MR. DAVIDSON: And I think you mentioned it

22 earlier. The FAA's policy sometimes, not

23 necessarily right, but if you have land as an

24 airport operator, everyone has the right to go

25 bankrupt. So, if someone's willing to meet your

1 minimum standards, you know, you have to entertain
2 the idea or -- of the second FBO.

3 Now, what you can do, though, is reassure
4 yourself and protect yourself that they have a
5 quality business plan and a financial strength to
6 back up. If anyone approaches you with a one-year
7 plan that, we're going to turn around and make
8 money, you know, I'd trash it because it's, you
9 know, three to four years before they start
10 breaking even. And your fuel volumes aren't going
11 to double for the entire airport, and you have to
12 consider these different things.

13 And then also, the situation I was talking
14 about earlier with Galaxy being on the field,
15 that -- that's the kind of competition they're
16 going to be faced with. And you're -- and what's
17 really unique about this situation is that you
18 have an airport-operated -- Airport Authority
19 operated self-serving island.

20 So, you're -- you're meeting, although they
21 don't have the amenities, but you have that --
22 you're meeting that -- that pilot who's looking
23 for the real low-cost self-service. So it's sort
24 of unique.

25 When you throw that in there, plus

1 SK Logistics with over 400,000 gallons, when you
2 send this to -- if you do send this out to FBOs, I
3 mean, not every FBO's going to agree, but it does
4 provide light into the types of fuel that are out
5 there. You know, how much retail is out there?

6 MR. GEORGE: Yeah.

7 MR. DAVIDSON: How much is contracted? You
8 know. How much is the Airport Authority
9 self-service? So -- but like I said, yes, you can
10 move forward. Just make sure they have a solid
11 business plan and recognize what we talked about.

12 MR. BRUNSON: Ms. Chairman?

13 CHAIRMAN GREEN: Jack had his.

14 MR. BRUNSON: Go ahead, Jack.

15 CHAIRMAN GREEN: Kelly, were you --

16 MS. BARRERA: Those -- those answered my
17 questions. Thank you.

18 MR. GORMAN: Mine's very simple. In other
19 words, whatever happens, because we should, as

20 Mr. Wuellner said, you know, develop a common
21 area, but try to possibly plan in our overall
22 planning so that in some point in the future,
23 we're not -- you know, we don't paint ourselves
24 out of an FBO as far as space-wise. In other
25 words, we have some reservation of space, some

1 planning of space in our overall land usage so
2 that we could entertain one some time in the
3 future. But -- now, that's the positive side.

4 On the negative side, you've really got to
5 look at what our expenses will be, and there will
6 be expenses. And right now, we can't endure any
7 more failure. We can't endure any more expense,
8 you know.

9 Mr. Wuellner does a great job. He's making
10 money, like shoveling money for a while and all of
11 a sudden, the fuel killed Skybus. We just can't
12 have any more failure right now. But we can plan
13 for success without enduring failure and just by
14 land usage. Simple as that.

15 CHAIRMAN GREEN: Randy?

16 MR. BRUNSON: Mark, I wanted to ask a
17 question. In your opinion, is there any credence
18 at all to a second FBO maybe to having a different
19 business plan that would add -- add to the overall

20 business of this airport? But you'd have to know

21 the business plan of the second FBO to answer

22 that. But if you have any illustrations of that

23 that you --

24 MR. DAVIDSON: If you had a -- if you had a

25 second FBO that was concentrating on maintenance,

1 repair and overall of Pilatuses or King Airs and
2 that wasn't the FBO portion, the fuel sales in the
3 traditional FBO, you know, where that was -- that
4 was just almost the side business with the fuel,
5 certainly something like that could work. We did
6 not go through every case scenario of someone
7 operating that way.

8 MR. BRUNSON: Which we've said in the past
9 that we have a need for general aviation small
10 businesses here. So, we hope that that would --
11 would help with the business.

12 But I agree with Jack, the expenses, we don't
13 need to incur and -- but I certainly would like to
14 not table this and come up with some criteria that
15 we can move forward more quickly than 24 months,
16 or even 12 months, if we can -- as Kelly said, if
17 we can get the criteria that we need to look at.
18 So I'm -- I'm excited about us moving forward.

19 CHAIRMAN GREEN: And I left my comments to

20 the last. I read through that study several
21 times, and I know we spent the time and effort on
22 it. And I commend, Mark, you guys for putting it
23 together.

24 I was a little concerned with some of the
25 boilerplate language, the history of

1 St. Augustine, whatever, that that wasn't the
2 point we were looking at, but then when you get
3 down to the end of it, there was some meat and
4 bones to it.

5 I really would like to keep our eyes open. I
6 think giving this out to the entities that were
7 interested and saying, hey, this is what we found
8 out, I'd like to see a business plan. I'd like to
9 see if there is an entity out there that says --
10 or maybe we do it, I don't know -- I'm willing to
11 funnel all of this money in. I'll do some of the
12 infrastructure.

13 Maybe the ROI's not what we want, but I don't
14 think we can keep our eyes closed to this. It's
15 just taken us way too long to get to this point.

16 So, I would really like to send those letters out
17 and keep our options open, you know. Yeah?

18 MR. GEORGE: One comment on Jack and Randy's
19 about the expenses. We've got a waiting list for

20 other types of hangars and everything, that we
21 need to fix some of the ones we have and we need
22 to pursue those, too. But the whole concept
23 behind the Skybus terminal was that is easily
24 convertible, you know, to a hangar for a
25 Gulfstream that good -- gets good money.

1 Take that same logic and say, okay, if we can
2 agree that five years down the road this is the
3 area for the FBO, then that's where we put the
4 commercial hangar with enough space in between
5 that an FBO could come in at another date. So
6 we're -- we're doing what you're saying, but we're
7 getting ready for it. Because I think it's
8 inevitable a good moneymaker for us.

9 And I'll be glad to volunteer again as a
10 member of the board to work with Ed and them to
11 come up with a more detailed plan, if that's what
12 the board wants. I'm probably going to do it
13 anyway.

14 MR. BRUNSON: And one last thing. I really
15 think in the next several years, we're going to
16 have a shot in the arm here with our 450th
17 anniversary and a lot of good things going on in
18 the county. So, I certainly would agree that we
19 need to move forward.

20 CHAIRMAN GREEN: Ed, do you need any further
21 direction from us? I think -- I didn't see it on
22 an agenda voting item.

23 MR. WUELLNER: No.

24 CHAIRMAN GREEN: I think you're getting
25 feedback that we don't want this to be stagnant.

1 And, Wayne, if you need some help, let me know,
2 because I'm kind of with you on sending this out.

3 MR. GEORGE: Okay.

4 CHAIRMAN GREEN: Okay?

5 MR. BRUNSON: Thank you.

6 CHAIRMAN GREEN: Mark, thank you very much
7 for all your efforts.

8 Okay. Next agenda item's general aviation
9 presentation.

10 GENERAL AVIATION AREA PLAN PRESENTATION

11 MR. WUELLNER: All right. Andrew's up.

12 MR. BRUNSON: Wake up.

13 MR. GEORGE: He's smiling, look out. He
14 wants something.

15 MR. HOLESKO: We're going to switch gears now
16 and switch over to south GA development.

17 Mr. George mentions the amount of time and effort
18 and years and months that it takes to really get
19 something going.

20 I will tell you that the last few months and
21 the planning efforts in this task, which is to
22 look at both the immediate needs in the south GA
23 area and the long-term needs, are really laying
24 the foundation and groundwork so that when the
25 time comes when anything comes up back there,

1 whether it be one hangar, ten hangars or fifty
2 hangars, you're actually well along in months and
3 months of effort to accommodate that development.

4 I would like to talk about the process that
5 we went through back there for the past, I guess,
6 three to four months.

7 First of all, I guess I'd like to have a show
8 of hands of everybody in the room who attended a
9 south GA area committee meeting. Everybody --
10 come on, Ed, you were there. I saw you. Bryan.

11 MR. GEORGE: Hold them up so I can write them
12 down.

13 MR. HOLESKO: Okay. You know, maybe a third.
14 Maybe a half the room.

15 When Ed first approached us with this
16 concept, you know, as a traditional airport
17 planner, that's what I -- that's what I've done
18 for a living for years and years. You know, I
19 said, Ed, you've already got your Airport Layout

20 Plan in place. It -- it shows exactly, you know,
21 the how and where you're going to develop inside
22 the south GA area.

23 (Ms. Barrera leaves the room.)

24 MR. HOLESKO: And he said, Andrew, you know
25 that we cannot take that terminal area plan and

1 simply develop what's on there. And he's
2 absolutely right.

3 The terminal area planning that's done in
4 master planning effort, I mean, it shows you the
5 general idea where you're going to develop and it
6 shows you some overall concepts, but going back to
7 our own T-hangar area and the interest of the
8 Authority, doing the 42 hangars that we had back
9 there, we put them in general where the T-hangars
10 were planned on the Airport Layout Plan, but we
11 didn't put them exactly how they were.

12 We switched them from side to side. We don't
13 have linear development. We put out there exactly
14 what you wanted. And it doesn't end up the way it
15 is in terms of the airport master planning
16 process.

17 Taking that a step further -- and really, I
18 had a little bit of a moment of clarity from Ed at
19 the very first meeting, we had some detailed

20 discussion about airport hangar and business
21 tenants, how some of them simply need a hangar and
22 the airside area and all they need is a taxiway.
23 So there -- there's a certain group of needs for
24 those people.
25 There's another group of tenants that have

1 airside access needed on one side of the hangar
2 and they must have public access on the other.
3 Whether it's through a gate or just somebody
4 driving up, you have that need on the other side
5 of the hangar.

6 And it is not easy to provide public access
7 on one side of the hangar and airside on the
8 other, because there just aren't that many areas
9 of the airport where you can drive up to hangar,
10 do business and taxi out the other side.

11 (Ms. Barrera enters the room.)

12 MR. HOLESKO: So I looked at that from the
13 very start as one of the most difficult aspects of
14 what we did back there. But we had six to eight
15 meetings with numerous people coming and going.
16 Most of the times, we flooded this table and we
17 overflowed to the back areas. And I would say the
18 average, we probably were together two, two and a
19 half hours.

20 We did some things that I'm sure Mr. Gorman
21 would appreciate, because for one of the meetings,
22 we had our big plans out and we had our cutouts of
23 hangars and we had our markers and crayons. And
24 we laid out plans and I invited many people to
25 come up and take those pieces and say, Here you

1 go. Okay. We need a -- we need a hundred
2 T-hangars. Where are you going to put them that
3 makes sense?

4 And actually, we had members of the committee
5 that went out in the field, walked sites and came
6 back and said, Well, it looks good on paper right
7 there, but it's not going to work over here, or,
8 This is a really good idea over there.

9 So we tweaked and tweaked. I think we ended
10 up with about maybe 15 different alternatives and
11 tweaks, very similar to a T-hangar plan. And I
12 guess I volunteered, appointed, whatever the case
13 may be, nobody else would do it. So I'm here to
14 present three different concepts. We actually
15 have seven drawings, but I have three of them to
16 review here with you this afternoon.

17 First one here is our existing plan. This is
18 what you see back there today. This is our new
19 apron that Mr. George mentioned with FAA funding.

20 It was constructed a little over a year ago.

21 Here's our 42 units.

22 So, that's -- that's our existing plan.

23 That's what we've got out there today and we've

24 simply started building both short term and long

25 term on that. And we're going to look at a

1 very -- a very detailed long-term plan here on our
2 next sheet.

3 This is our ultimate plan. I'm going to take
4 you through this bit by bit. First thing again,
5 we've got our central core here of T-hangars.
6 We've got our basic apron and access. Surrounding
7 that in green, you've got a few small 50 x 60
8 hangars here with some small offices.

9 You could go there today and build that
10 hangar with easy access and be gone on your way.
11 Same thing over here, coming in off of Casa Cola,
12 you could build these hangars. This taxiway
13 exists. You'd be gone on your way.

14 We have an aircraft wash rack here. There's
15 a need for another long-term aircraft wash rack
16 back in what we're calling the smaller south GA
17 area. We've got some conversion up here,
18 something you could do today to convert some of
19 the smaller hangars also into 50 x 60 with

20 offices.

21 Heading to the south, you've got some larger

22 business development here, which again, direct

23 public access here to Casa Cola. We've got a

24 public building. I've heard it called the

25 training center, a public building, a special need

1 building, but a lot of different uses and things
2 we've heard for a 10,000 square foot building down
3 here.

4 We have an access road coming here off of
5 Casa Cola to a -- what looks like a paved parking
6 area there, and we all agree it's not going to
7 look like that. That is going to be a joint use
8 access road, both for the development here along
9 the taxiway. It will also be the access road to
10 what will become the central core of the -- of the
11 park.

12 That access road will also lead all the way
13 back here to the aircraft rescue and firefighting
14 facility. It will be very nonlinear in nature.

15 And we do acknowledge that there will be some
16 pocket parking back here. We will do some more
17 tree preservation, no question, back there. But
18 there's plenty of room for it all to work out.

19 The area here all along the marsh, you've

20 seen this before, this is the central core of the
21 proposed park. Our walkway here around the main
22 pond. Central walking area here, which is kind of
23 a -- a wooded jungle area.

24 As we head to the east here splitting around
25 the pond right now, looking at an observation deck

1 area here, which actually could end up with a
2 kayak launch and a continuing walkway here to the
3 main pond area and a larger observation deck
4 overlooking the entire airfield. That fits just
5 fine here along the marsh.

6 The access road begins here again, and ends
7 perhaps with some secure gate areas here,
8 continuing on the access road to the aircraft
9 rescue and firefighting area.

10 The area which was previously discussed for a
11 second FBO now converts to an area that will be
12 long-term T-hangar development. Physically
13 speaking and looking at the condition of some of
14 the port-a-ports in the existing T-hangar area,
15 one of the logical first projects would be
16 replacing these port-a-ports and one by one
17 building development back and forth, taking these
18 tenants and moving them over here in the new
19 T-hangars.

20 We also kept -- for emergency access reasons,
21 we kept one taxilane connector. That could, not
22 on a daily basis, but could allow traffic to pass
23 from here over into the K, L -- K, L and M area.
24 If there was ever an emergency or accident back in
25 this area, we wouldn't want to make it so all of

1 these aircraft could not depart. So you could
2 actually come here, you could cross Estrella
3 Avenue, cross that taxilane and go on your way.

4 There's also some other pockets here of
5 60 x 50 small commercial development in the area
6 out here, which is pretty much the frontage to
7 U.S. 1. It simply made sense, as we discussed
8 earlier, for businesses that need public access on
9 one side of the building and airside access to the
10 other, it just makes sense here that you can come
11 off of U.S. 1, you can come down Estrella, turn
12 down the street, do your business here in the
13 front of the hangar and a plane can taxi out the
14 other side and go on taxiway Delta and go on its
15 way.

16 Also wanted to look at a long-term need and
17 be able to accommodate T-hangar development.
18 Again, if many many aircraft continue to wish to
19 base here in St. Augustine, we looked at this

20 other area which you see dashed in black. It's
21 not an area that's owned by the Authority right
22 now, but this is a key area for long-term T-hangar
23 needs.
24 There's another 60 units planned right there
25 that if demand comes along and you need someplace

1 to put a lot more T-hangars, this is the logical
2 area that everyone agreed upon.

3 As I note on the bottom of this plan, again,
4 this is plan 7 and it is a 10- to 20-year plan.
5 You know, questions come up from the committee.
6 Well, how long is that going to take? What's our
7 first project? Well, that is completely dependent
8 on the aviation and business demand that comes to
9 the Airport Authority.

10 We wanted to make a plan so that if somebody
11 comes up and says, you know, we need 20 T-hangars.

12 Okay. We need 20 T-hangars, let's start
13 developing here. If somebody comes to Ed and
14 says, I have somebody who wants to come in and
15 lease six 60 x 50 hangars with small offices,
16 well, I've got one, two, three, four, five, six,
17 seven, eight -- I've got nine right here, if
18 that's what they want.

19 Somebody comes along and says, I need a

20 larger hangar, an 80 x 80 or 100 x 100 with some
21 apron area, that will put them right down here.
22 If there is a true demand from the Airport
23 Authority and the tenants and people here in St.
24 Johns County for a community meeting and training
25 room, well, that spot's going to be right here.

1 Again, whichever one of those things occurs,
2 that's the first thing that you'll do and the
3 first thing that you'll move forward with. That's
4 the ultimate plan.

5 Our next plan is just a little bit of a step
6 back and looking at some immediate things that
7 might happen so we don't get overwhelmed by the
8 magnitude of what you see there in the long term.
9 These are things that can happen very easily on
10 Airport Authority-owned land.

11 Starting on the bottom, again, we have the
12 entire park here along the -- our wetland and
13 marsh area. We've got our access road here
14 leading back to the aircraft rescue and
15 firefighting station. We've got small five
16 hangars right here, 60 x 50's, with small offices.
17 We've got some small hangars here with office
18 space. We've got our wash rack.

19 We've got T-hangar Phase 1. And I just boxed

20 it in because, again, could it be a five-unit?

21 Could it be a 10-unit? Could it be a 15-unit?

22 Whatever the Airport Authority has demand for and

23 has funding for ready to go, you can put anything

24 in here from five units to fifty units.

25 And again, here along Casa Cola, the south

1 side of new taxiway F, you still have the
2 community building and two 80 x 80s with an
3 aircraft parking apron in between, if you have
4 somebody who has a larger need for a hangar or
5 needs some apron area, typically this is the first
6 thing, the first areas that you would use to
7 accommodate demand as it came along today.

8 CHAIRMAN GREEN: A lot of work.

9 MR. HOLESKO: Okay. I am going to --

10 MR. WUELLNER: I would invite any of the
11 committee members up that --

12 CHAIRMAN GREEN: Yeah. I think some of them
13 have given me sheets, too. So, let's see.

14 Michael, I know you had some comments, too.

15 MR. SLINGLUFF: I think Andrew was very
16 efficient in his presentation, as there were a
17 lot -- a lot of drawings.

18 Mr. George, you brought this up a lot when we
19 were trying to figure out where to put all the

20 hangars. What is the net increase in hangars?
21 And I was like a stuck record during these
22 meetings saying, Okay, but what's the net increase
23 in hangars? Because I'm still unclear on the
24 total number. But I think we're building 42
25 hangars right now.

1 MR. WUELLNER: Correct.

2 MR. SLINGLUFF: Okay. And we've got a
3 hundred and some on the list. But then we do have
4 an attrition of the old port-a-ports. And so, we
5 were looking at how do we keep a positive number
6 of hangars coming in? Because it's the net
7 increase that counts, that will bring the other
8 airplanes in here.

9 And we kept coming up with more hangars that
10 needed to come down, the old port-a-ports and then
11 starting in A, B and C row. So that's why the
12 south area sort of started to grow into a much
13 larger T-hangar complex. And it's quite a job
14 trying to fit everything into those slots. I give
15 Andrew a hand.

16 CHAIRMAN GREEN: Thanks.

17 MR. WUELLNER: I think the net increase was
18 over -- if all hangars were developed, the net
19 increase was well over.

20 MR. HOLESKO: There's many variables of net
21 increase, but I'll just go through a few. I
22 anticipated perhaps that question would come this
23 evening.

24 Total hangar square footage goes from 237,000
25 to 418,000. So about 180,000 square feet of

1 hangar space.

2 Bulk hangar space is an increase of 103,000.

3 T-hangars increase from 236 to 314. T-hangar

4 units increase from 171 to 214. However, that --

5 that can go as high as 250, depending on how we

6 replace the port-a-ports and the specific demand

7 of the 60 x 50 hangars. And office space goes up

8 to about 13,500. So, significant increases in

9 T-hangars, bulk hangars, corporate hangars and

10 office space.

11 CHAIRMAN GREEN: Okay. Mr. Martinelli?

12 MR. MARTINELLI: The committee was rather

13 diverse in -- in their thoughts, and we tried to

14 think of just about every alternative or

15 possibility that might occur. And that -- of

16 course that's impossible.

17 But let me start out by saying this was a

18 grassroots approach, which I think is worthy of

19 note, because instead of someone on top issuing a

20 edict of this is the way it's going to be and then
21 the tenants and the people who use it end up
22 having to live with something that perhaps should
23 have been planned a little bit better. So, my
24 hat's off to the Airport Authority, to Ed, to
25 really develop this process and listen to it.

1 That being said, one of the things that we
2 thought about and, Jack, starting out with your
3 incubator idea, which was a great idea and is a
4 great idea, we then went the next step and said,
5 okay, we incubate a business. What happens when
6 that business grows to the point where it needs to
7 grow out of the incubator and grow into something
8 where it can run a business? What do we do with
9 it then? And so, we then began to think of, okay,
10 we need to have some flexibility to move these
11 folks into -- we want to keep them on the field.

12 (Mr. Burnett leaves the room.)

13 MR. MARTINELLI: We don't want to incubate
14 them to send them off somewhere. We want them to
15 grow here. So we had to think of that. And we
16 also had to keep the flexibility of funding in --
17 in hand as well. And Ed was a big help here,
18 because some of these things, maybe we can get
19 funding right away. Some of them, maybe we have

20 to front the money and get funding reimbursement
21 later on. And there, the budgeting process that
22 you've gone through, allowing reserves and being
23 able to use those reserves to up-front fund later
24 reimbursable projects also gives us more
25 flexibility. So, all of these things, we had to

1 think about, and we -- we think we did a pretty
2 good job of doing that.

3 So, I would suggest that the short-term plan,
4 which is based upon demand and which has right now
5 major funding, for example, for the access road up
6 to the fire rescue area, for the park development
7 and so on, that that -- go ahead and that you
8 folks approve this and we begin to work the plan.

9 CHAIRMAN GREEN: Thank you. Any more public
10 comment?

11 (No public comment.)

12 CHAIRMAN GREEN: Board comment?

13 MR. GORMAN: The short-term plan is almost a
14 moot point. I mean, it's just common sense. It
15 looks like it all fits together. And the space is
16 going to be utilized as where -- where it can be.

17 The park, you know, I keep going on the park,
18 and of course I like the trees and the park, but
19 there isn't anything else to use that property for

20 anyway except a park. So, I would like to see the
21 board just approve that and set aside and reserve
22 that as a park. That gives the public something
23 for all this.

24 And the rest of the -- of the T-hangar, the
25 Phase 1, that's common sense. That's -- that's

1 just a slash pine area and it's not -- and it's --
2 would be good to put a density of hangars in
3 there. Why not?

4 I like the -- the rest of it, I'm a bit lost
5 on as far as the incubator concept and the larger
6 hangars. Is that -- that doesn't encompass in the
7 short term here?

8 MR. MARTINELLI: Yes, it does.

9 MR. GORMAN: It does. Yeah, I would be a bit
10 lost as to where both the incubator and the larger
11 hangar to move to would be. Either Andrew or
12 Martinelli, you can fight for the microphone.

13 MR. MARTINELLI: For example, you have one
14 incubator business on the field, which is right
15 now Wind Dancer. And Wind Dancer has outgrown
16 really its -- its facility.

17 Okay. So you have right here the possibility
18 of three 60 x 50s without partitions. So that
19 gives you 180 x 50 as one large hangar that could

20 be the second phase of the incubator and also
21 gives you the flexibility that if the incubator
22 next step fails, you still have the ability to
23 have three 60 x 50 hangars there that will -- just
24 put partitions between them and you have three
25 hangars. So, that's the kind of flexibility we're

1 talking about.

2 Also, down here is another possibility for
3 the next phase from an incubator business. And
4 then of course the -- the area that is vacated,
5 let's say by Wind Dancer, provides then the next
6 step for an incubator to start.

7 So, Jack, that's what we're trying to do.
8 We're trying to give it a continuity to take it
9 all the way through ultimately to the final plan.

10 MR. GORMAN: Okay. You sound very
11 conversive. Can I keep going here a little bit?

12 CHAIRMAN GREEN: Yeah, go on.

13 MR. GORMAN: The secondary issue is I really
14 see a very -- it's going to be a very poignant
15 need, especially if we have a couple of
16 hurricanes --

17 (Mr. Burnett enters the room.)

18 MR. GORMAN: -- to get rid of these old
19 hangars. We've really got a problem. We've got a

20 liability problem starting on these old hangars.

21 And I'm not sure what this short-term base would

22 do to address that issue. In other words, you

23 know the rows and the condition they're in now

24 and --

25 MR. HOLESKO: Actually, that exact issue,

1 which is the replacement of the old with new, was
2 discussed at every single meeting we had and both
3 the short-term and some of the other intermediate
4 and long-term issues is a complete replacement of
5 the old hangars with new.

6 MR. GORMAN: All right. Thank you. There's
7 my answer.

8 CHAIRMAN GREEN: Other board comment? Buzz?

9 MR. GEORGE: Congratulations. Looks like a
10 good plan. There was some tweaking as we go, you
11 know, along.

12 Going back to some of the comments that were
13 made earlier about, you know, the expenses and the
14 things we have to do, I think we have to work in
15 the replacement of the existing hangars along with
16 a project that's bringing in new revenue, because
17 first of all, I have to move those people
18 somewhere while the destruction is going on there.

19 But I think it's easier to walk the tight

20 rope of, okay, what's my new revenue, you know,
21 coming in -- and if I put new hangars there, that
22 I would expect the rent to go up. But what's the
23 new revenue from that? And is there new revenue
24 from another source that also goes along the same
25 time of, okay, are we going to get rid of two

1 rows? Are we going to get rid of three rows? Are
2 we going to do this? I think it's a great plan.

3 MR. WUELLNER: The intent was to add -- as
4 those, for example, port-a-port units are replaced
5 and the units essentially relocated in terms of
6 capacity to that T-hangar Phase 1 area, was the
7 building could be sized to where there's always a
8 net gain of a couple of units that draw on the new
9 waiting list. So it's not just a --

10 MR. GEORGE: One-for-one?

11 CHAIRMAN GREEN: A lateral move?

12 MR. WUELLNER: -- one-for-one. It becomes a
13 slight advantage to the new project. That way,
14 you are working the hangar list concurrently with
15 replacing an obvious structural, you know,
16 long-term problem with those.

17 MR. GEORGE: Well, I prefer to see a
18 two-for-one, two sources of new revenue versus one
19 of --

20 MR. WUELLNER: You sort of do have.

21 MR. GEORGE: But you've got to look at the

22 geography, so...

23 MR. WUELLNER: You sort of do have in that

24 you -- your -- certainly your net gain units are

25 at full return.

1 Your others, you're looking at that
2 incremental increase in rent from what they were
3 paying as a port-a-port tenant to a -- to a new
4 unit rent rate. So, it -- and there's certainly
5 an increase on both pieces. It's not as dramatic
6 as, you know, having them all off the waiting
7 list.

8 MR. BRUNSON: It's a good plan, short-term
9 plan for now. I look forward to seeing the
10 business plan and the arithmetic on it.

11 CHAIRMAN GREEN: Any other board comment? I
12 agree. I mean, it answers what short-term needs
13 we were looking for and even puts in the -- Reba,
14 the building that the Pilots Association was
15 looking forward to. So I think it addresses. We
16 tried to address. I'm sure the committee's done a
17 good job doing that, too.

18 MS. LUDLOW: Thank you. I think so, too.

19 CHAIRMAN GREEN: Okay. Thank you, Andrew.

20 Very much. Do you need any other direction from

21 us?

22 COMMERCIAL HANGAR DEVELOPMENT DIRECTION

23 MR. WUELLNER: Not on this, but I would --

24 the third item I had on the agenda today --

25 CHAIRMAN GREEN: Commercial.

1 MR. WUELLNER: -- was commercial hangar
2 development, and the area, we're already talking
3 these areas here as the general areas that I'm
4 going to be talking about today.

5 We have a number of businesses who
6 continually contact us, are very very vocal in
7 stating their desire for space on the airport in
8 some commercial capacity, and it ranges from
9 everything from flight schools to just simply
10 getting someone out of the incubator such as Wind
11 Dancer and into a facility that allows them to be
12 much more successful in their own business plan.

13 And we have -- you probably recall some
14 months ago allowing the design of these 50 x 60
15 units to proceed. It did not fit the budget in
16 terms of the current capital projects that were
17 out there to be able to get it going with the
18 T-hangar projects that's down there at this time.

19 However, you have a project coming up on the

20 FDOT work plan that would allow a total project
21 value of approximately \$1 million that matures in
22 the work program in 2010, the 2010 time line,
23 which is -- falls in the late part of our 2009 --
24 excuse me. It's near '10, so fits in our 09-10
25 budget year in terms of reimbursement.

1 We're asking that if -- if we can come
2 forward to you in the next, say month or so,
3 especially before entering the budget period here,
4 the final budget hearings in September, with
5 agreements, such as MOUs or something, with these
6 businesses that would like to be located back
7 there and in a sense putting, an argument, money
8 where their mouth is relative to the development,
9 whether the Authority would be -- would be willing
10 to entertain capitalizing that project or funding
11 the FDOT portion of this project for the -- it
12 will probably be less than an 18-month period;
13 probably less than a year when it comes down to
14 it -- of the FDOT portion of the job. It's
15 front-ending that, getting that under
16 construction, getting people in hangars.

17 I think we could arguably, because of the --
18 the point at where they are in design, we could
19 probably be bidding this thing in the next couple

20 of months. It needs some fine -- very final
21 tweaks on the buildings. And getting it through
22 DRC at this point. And then we could be getting
23 ready to bid.
24 So we could enter October in a strong
25 position, almost ready to -- almost ready to go to

1 construction with some hangars, some corporate --
2 excuse me, commercial-type hangars and expand the
3 business base and of course expand the revenue
4 base on the airport.

5 So, my question to you was, if we can bring
6 those business plans or whatever you want to call
7 it, the business part -- agreements together and
8 get them in front of you, is it something you
9 would like us to pursue, and are you willing to
10 consider capitalizing that into the 08-09 budget?

11 CHAIRMAN GREEN: Okay. I have public
12 comment. Just two. Mr. Lopinto?

13 MR. LOPINTO: Pass.

14 CHAIRMAN GREEN: Okay. And, Michael, did
15 you? Looks like two or three.

16 MR. SLINGLUFF: Pass.

17 CHAIRMAN GREEN: And then Vic. Any public
18 comment on the commercial hangar?

19 MR. MARTINELLI: Well, I -- well, the

20 commercial hangar he's talking about are the ones

21 that we just talked about.

22 CHAIRMAN GREEN: Right. And putting -- and

23 bringing them -- a plan together for us to --

24 MR. MARTINELLI: Yeah. And I would strongly

25 suggest that you go ahead with that, because it

1 does several things; it helps the incubator
2 business grow, number one. Number two, it
3 increases revenue base for the airport, which is
4 along the lines of getting off the tax rolls and
5 what the objective is there. So, I would suggest,
6 yeah, go ahead with it.

7 CHAIRMAN GREEN: That's all I have for public
8 comment. Board comment?

9 MR. GORMAN: My question was asked --
10 answered by Mr. Martinelli when he said that using
11 that plan, that basic plan would be where the
12 commercial hangars would be.

13 CHAIRMAN GREEN: Ed, what's the matching? Is
14 it 50?

15 MR. WUELLNER: We have 50/50 on this grant.
16 We could even -- we could do it as an 80/20, but
17 the 80/20 would give you much less project, so you
18 would put -- be able to build, you know,
19 substantially fewer square footage out of it.

20 My suggestion is we accept the grant in the
21 50/50 and match it and do our ROIs based on 50/50.

22 CHAIRMAN GREEN: And our short plan proposal
23 is more of the larger scale, the FDOT grant money?

24 MR. BRUNSON: And, Ed, this capital
25 expenditure would come down from our reserves?

1 MR. WUELLNER: Reserves that you're
2 discussing creating into next budget year, yes.

3 MR. BRUNSON: Okay.

4 MR. WUELLNER: I'm sorry, I may not have
5 understood --

6 CHAIRMAN GREEN: What's the difference in the
7 size of the project, is what I was asking you?

8 MR. WUELLNER: Actually, we'd use
9 available -- I'd say available funds, but a
10 project budget of \$1 million and we'll work
11 backwards to see exactly how much could be
12 constructed for \$1 million. I somewhat doubt that
13 five units are doable under \$1 million.

14 CHAIRMAN GREEN: That was my question.

15 MR. WUELLNER: It might build three or four.

16 CHAIRMAN GREEN: Okay.

17 MR. WUELLNER: It may. I mean, it's a pretty
18 good return --

19 MR. GEORGE: So you're not talking about the

20 replacement of the J row up there?

21 MR. WUELLNER: No. No, I'm not.

22 MR. GEORGE: I'm sorry. That was in green,

23 so I thought --

24 MR. WUELLNER: It is as a part of the overall

25 concept, but --

1 MR. GEORGE: But not in this commercial.

2 Okay. Fine.

3 MR. WUELLNER: Not this phase, for lack of
4 better terms. I know Mr. Gorman loves that term.

5 MR. GEORGE: Yeah.

6 CHAIRMAN GREEN: It couldn't be put into our
7 FDOT grant. That would be more for the commercial
8 incubator?

9 MR. WUELLNER: Yes. We -- we continue to
10 program. We'll program, you know, as aggressively
11 as we can. It's just there's -- it's very
12 difficult to get big projects in DOT's budget
13 right now. It's just not there.

14 CHAIRMAN GREEN: Right. Well, I think we
15 should at least make the application and -- since
16 with our short-term budget, we've got --

17 MR. WUELLNER: Yeah. Well, we won't have
18 any --

19 CHAIRMAN GREEN: -- a need.

20 MR. WUELLNER: From a -- from an
21 administrative standpoint, won't have any trouble
22 advance funding, in the sense that we can get them
23 to prequalify that grant money. Then it's just a
24 commitment to budget that until which time as you
25 can get reimbursement in the DOT year that that

1 money's programmed.

2 So, it's much like what you did for the

3 land -- land acquisition over the five years.

4 It's exactly the same method. You'll get a check,

5 you know, in a July -- July/August time line,

6 closer to August, before the money's freed up out

7 of the state budget. Their fiscal year is

8 different than ours.

9 But, you know, in order to ask these -- not

10 tenants, but these people who have indicated an

11 interest in our -- in these kind of projects, you

12 know, I think in order to ask them to commit in

13 writing to these projects, we ought to have some

14 feeling that this is something --

15 MR. GEORGE: That's doable.

16 MR. WUELLNER: -- we're going to entertain

17 going into the final budget hearings in the month

18 of September.

19 MR. GEORGE: Okay. So the five we're talking

20 about, would you point to them for me?

21 MR. WUELLNER: Yeah. We're looking at these

22 units --

23 MR. GEORGE: Okay.

24 MR. WUELLNER: -- these units and maybe

25 looking at one of these, depending on the actual

1 square footage needs that come out of the
2 discussions with those prospective tenants.

3 It may be that the one who's looking for 11-,
4 12,000 square foot might be better placed down
5 here as one building and then build one unit here
6 as an example.

7 MR. GEORGE: I got you.

8 MR. WUELLNER: But we'll try to make it fit
9 with the list as the order we have them.

10 MR. GEORGE: All right.

11 MR. BRUNSON: And you think you have
12 immediate --

13 MR. WUELLNER: We --

14 MR. BRUNSON: -- discussions?

15 MR. WUELLNER: We have I believe 12 people
16 asking for small commercial hangar space. A vast
17 majority of it is viable. We're going to plug
18 through it and see -- see what shakes out.

19 I think this is the point where you -- kind

20 of like we're doing with the T-hangar list, you're
21 going to find out very quickly what's -- who's
22 talking and who's walking.

23 CHAIRMAN GREEN: So it's like a precommitment
24 agreement?

25 MR. WUELLNER: Exactly.

1 MR. GEORGE: I think it's -- Madam Chairman,
2 I make a motion that we accept staff's
3 recommendation and proceed.

4 MR. BRUNSON: Second.

5 CHAIRMAN GREEN: Is there a second? There's
6 a second. Any further discussion?

7 (No discussion.)

8 CHAIRMAN GREEN: Hearing none, all in favor
9 of the motion to accept staff's recommendation,
10 say aye.

11 MR. BRUNSON: Aye.

12 MR. GEORGE: Aye.

13 MS. BARRERA: Aye.

14 MR. GORMAN: Aye.

15 CHAIRMAN GREEN: Aye. Any opposed?

16 (No opposition.)

17 CHAIRMAN GREEN: Hearing none, accept staff's
18 recommendation. Okay.

19 2008-09 TRIM ACTION

20 MR. WUELLNER: Okay. The last item I have
21 for you today is your official function in the
22 month of July, which is to set -- related to your
23 budget, which is to set your TRIM rate, which
24 as -- as you recall from previous -- some of you
25 have been on the board a long time, so you hear

1 this every year.

2 But the purpose of the TRIM notification, the
3 setting of the TRIM millage at this meeting is to
4 set what is in effect the not-to-exceed millage
5 that this -- that the Authority would consider
6 going into the final budget hearings in the month
7 of September again.

8 As proposed the other night at our -- our
9 budget workshop on the 7th, I believe it was, we
10 proposed a budget around a millage of .1697 mills,
11 which generates, based on the current tax base,
12 approximately a \$4 million total capital -- or,
13 excuse me, revenue from ad valorem proceeds.

14 That's down from last year approximately 400
15 and some thousand dollars, so it's a net reduction
16 in total ad valorem proceeds to the Airport
17 Authority. It's also a net reduction in the ad
18 valorem millage rate to the individual citizen.

19 You probably recall that our TRIM, I don't

20 remember the exact number, but I remember that we
21 had a .1807 millage rate last year. The TRIM
22 would allow you to actually increase the millage
23 without advertising it as a tax increase, and that
24 would escalate it to a .19 number.

25 We are -- you know, from a budget preparation

1 and presentation, the Authority the other night
2 recommending that we actually reduce those items,
3 reduce total ad valorem receipts as well as the
4 TRIM rate. And we're -- we're recommending that
5 you adopt a millage TRIM rate at .1697 mills.

6 CHAIRMAN GREEN: Public comment? I don't
7 think -- I think, Vic, you're the only one.

8 MR. MARTINELLI: Well, I'm -- first of all,
9 normally in the past, it was always wise to take
10 the roll-back rate as your TRIM rate because it
11 was something you could go down from, but you
12 couldn't go up to -- up above. And -- and of
13 course that same constraint still exists.

14 But today, because of the reduced assessable
15 properties, I think if I use that term, the
16 roll-back rate actually is an increase in the --
17 in the rate over the previous year, where in
18 the -- in the past, it's always been a reduction.
19 So, that could be construed as a tax increase,

20 even though it's the roll-back rate and there are

21 no real dollar increases, but the rate increases.

22 So, taking the compromised position of the

23 1 -- the .1697, which is the \$400,000 reduction in

24 revenue, really is a true reduction. It's a

25 reduction in rate and it's a reduction in the

1 revenue, and still gives you a viable budget for
2 this coming year. So I would suggest that that's
3 what you do, adopt that.

4 CHAIRMAN GREEN: Okay. Other public comment?

5 (No public comment.)

6 CHAIRMAN GREEN: Board comment. I know we
7 spent a lot of time on Monday, a couple of hours
8 going over the budget, and I want to thank
9 everybody for coming. That figure, I think the
10 difference is \$456,000 that we're cutting from ad
11 valorem.

12 MR. GEORGE: Madam Chairman, the -- what
13 Mr. Martinelli says about the roll back being --
14 you know, that that -- this particular point in
15 time, we're setting the maximum that we're going
16 to go. We had a lot of changes to the budget that
17 we put in, you know. Adding this, taking this and
18 doing this.

19 I think that I would feel very comfortable in

20 make the TRIM rate the roll-back rate and then
21 after we get the next position of the budget, we
22 can always come down, maybe even further, you
23 know. But at least the .1697. But this gives us
24 the option of doing that after we look at the
25 budget one more time.

1 CHAIRMAN GREEN: Right. Because we did spend
2 a lot of time saying let's take this out of
3 reserves --

4 MR. GEORGE: That's right.

5 CHAIRMAN GREEN: -- let's line item it over
6 here. We haven't seen those -- obviously it's
7 been too short notice to see those. But it does
8 give us flexibility. I think the intent obviously
9 even after the workshop of the board and the
10 public that was -- that attended, that that's our
11 intent --

12 MR. GEORGE: Exactly.

13 CHAIRMAN GREEN: -- to get it down as low as
14 we can. Just make sure we have the numbers that
15 are there. And already with what we're looking
16 at, that's a big significant.

17 MR. GEORGE: Uh-huh.

18 CHAIRMAN GREEN: But I would like to see
19 that, because we did change some reserves over to

20 even discussing today about the commercial hangar

21 development that would come out --

22 MR. GEORGE: That's right. It sure would.

23 CHAIRMAN GREEN: -- of some reserves. Just

24 to see the numbers to see what's left. And then

25 we have flexibility to go, like you said, even

1 lower if we need to.

2 MR. GEORGE: Well, it gives us a chance to
3 get an answer from our auditors on what they
4 suggest -- based on our assets that we have what
5 we -- they suggest that a typical company with
6 those kind of assets and this kind of business
7 would have as a reserve. Because we are all
8 bouncing at the two and a half to 5 million,
9 somewhere in that range, and I would love to hear
10 what they -- the experts have to say about it.

11 CHAIRMAN GREEN: Can we get an answer by the
12 August 18, Ed, on that from the auditors?

13 MR. WUELLNER: Yes. I'm sure we can.

14 CHAIRMAN GREEN: Okay.

15 MR. WUELLNER: I'm trying to -- I thought --

16 MR. GEORGE: You're trying to find where
17 there's .19723 of -- what is the roll back?

18 MR. WUELLNER: We had a -- actually, I can --
19 the only number I didn't have. I was trying to

20 find you -- I did a little spreadsheet that gave
21 you the -- the ad valorem proceeds for those three
22 different millage rates --

23 MR. GEORGE: Yeah.

24 MR. WUELLNER: -- so you could see what -- as
25 another alternative approach would be to take

1 the -- yeah, would be to take the existing rate so
2 that you're not changing the rate to that .1807.

3 MR. GEORGE: Yeah, .1807.

4 MR. WUELLNER: Is going to generate obviously
5 something between the two --

6 CHAIRMAN GREEN: Right.

7 MR. WUELLNER: -- between what you were
8 proposing, which was the roll-back rate, and --
9 and the number that we put up, the .1697 number.

10 MR. GEORGE: I -- I just hate -- my own
11 opinion is, it takes a while to learn how to,
12 quote, play the game, end quote.

13 And at this stage of the game playing, we're
14 falling in line with what's expected of us, we're
15 not asking for any more money, and we're giving
16 ourselves the flexibility. So, for us to go down
17 to .1807, what does that really buy me?

18 MR. WUELLNER: Yeah. I -- I'm sorry. I
19 don't have it in front of me. I can calculate it

20 for you with the .1807.

21 MR. GEORGE: It doesn't make a difference.

22 If we approve the roll-back rate, you can --

23 MR. WUELLNER: Yeah.

24 MR. GEORGE: Anyway, those are my opinions.

25 CHAIRMAN GREEN: Any other board comment?

1 MR. GORMAN: Well, just --

2 CHAIRMAN GREEN: Jack?

3 MR. GORMAN: -- in summation, in other words,
4 we have to see -- with these capital projects,
5 which will get us off the tax rolls, but we have
6 to see how lean we can go with reserves and still
7 operate properly.

8 CHAIRMAN GREEN: Uh-huh.

9 MR. GORMAN: And I think we could go awfully
10 lean, probably one touch leaner than people want,
11 but -- and that would then -- until we figure that
12 out, we will not be able to come up with a real
13 rate.

14 MR. BRUNSON: What -- what's the date we
15 have, Doug, that we have to adopt this?

16 MR. WUELLNER: You need to do this during the
17 month of July. It has to be in their hands.

18 MR. BRUNSON: The month of July.

19 CHAIRMAN GREEN: Not the TRIM. I think you

20 mean the actual millage --

21 MR. WUELLNER: The actual, you've got through

22 your whole budget process. You're looking at

23 mid-September.

24 CHAIRMAN GREEN: Right.

25 MR. BRUNSON: Okay.

1 CHAIRMAN GREEN: The TRIM is now.

2 MR. BRUNSON: Yeah. But still, we have the
3 option of, if we -- if we adopt the .1807 roll
4 back, we have the option of --

5 MR. GEORGE: The .1807 is not the roll back.

6 CHAIRMAN GREEN: Right.

7 MR. WUELLNER: That's last year's millage.

8 CHAIRMAN GREEN: That's last year's roll
9 back. The roll back this year is somewhere 19
10 something.

11 MR. BRUNSON: Okay.

12 CHAIRMAN GREEN: But what it does is it gives
13 us the flexibility, when we get our numbers from
14 the reserves and the couple of different
15 allocations that we did at the workshop --

16 MR. BRUNSON: Based on -- based on the
17 additions that we made at the workshop --

18 CHAIRMAN GREEN: Right.

19 MR. BRUNSON: -- and the -- the discussion of

20 the short -- the short-term plan, I think I would

21 support the .1807.

22 CHAIRMAN GREEN: Well, that's not what --

23 MR. BRUNSON: Are you saying --

24 CHAIRMAN GREEN: -- that's not what's being

25 discussed.

1 MR. BRUNSON: -- do the roll back now?

2 MR. GEORGE: I'm saying -- I'm saying do the
3 roll back now. We've got a month and a half to
4 set the final. We are all of the mindset that we
5 are coming down. And .1809 (sic) says, you know,
6 we're coming down \$400,000. We just approved a
7 \$500,000 project. I'd just like to see that
8 wrapped into what the numbers are.

9 MR. WUELLNER: The -- the only negative
10 comment to taking the rolled-back rate at this
11 point is that they take your tax calculation based
12 on that number. So everybody who gets a tax
13 notice will have the perception that your tax rate
14 went up.

15 MR. BURNETT: And --

16 MR. WUELLNER: You know, it's not the final;
17 it's just what they're going to get first.

18 CHAIRMAN GREEN: As proposed.

19 MR. WUELLNER: If they -- if they do it,

20 there's some language they use that says something

21 like, if the taxing entity adopts this rate, it

22 generates.

23 MR. BURNETT: Yeah. If I could --

24 MR. BRUNSON: Go ahead.

25 MR. BURNETT: -- just answer a couple of

1 things. That's exactly what Mr. Martinelli was
2 alluding to when he was making his comments, is
3 that's something you're faced with.

4 And one thing, Mr. Brunson, to go back to
5 your question, the statute is amazing when it
6 comes to setting budgets and millage on what it
7 says, because everything is a precise deadline
8 that you have to meet. And we've got to, within
9 35 days of the Property Appraiser certifying the
10 value, actually set the proposed millage. And
11 then we've got this window of 65 to 80 days to do
12 the tentative millage and budget.

13 So, it's a -- and we're on an interesting
14 schedule. I don't -- you don't see this anywhere
15 else in the statutes where you have this kind of
16 time line for things you have to do as a
17 government entity, but this is one of them.

18 MR. WUELLNER: I think our drop date -- drop
19 deadline, I do not have the form in front of me, I

20 want to say it's the 4th or 5th of August it must
21 be in their hands. It's essentially the month of
22 July.

23 CHAIRMAN GREEN: Well, what would it come
24 across then if we stayed at the 18 --

25 MS. BARRERA: -- 07.

1 CHAIRMAN GREEN: Because their tax base is

2 less, if there was --

3 MR. BRUNSON: That's a tax increase.

4 MR. WUELLNER: That's going to show as an

5 increase, also.

6 MR. BURNETT: Yeah. And it's that notice

7 that you've seen where it says notice of proposed

8 tax increase. That's the headline that comes

9 across. It says, you know, the St. Augustine-St.

10 Johns County Airport Authority has tentatively

11 adopted a measure to increase its property tax

12 levy.

13 MR. WUELLNER: Well, that's not the --

14 MR. BURNETT: Oh --

15 MR. WUELLNER: What you're reading is

16 correct, but that's the first budget -- after the

17 first budget hearing notice.

18 MR. BURNETT: Got you.

19 MR. WUELLNER: That's the legal advertising

20 between the first and second notice.

21 MR. GEORGE: We haven't had the first budget.

22 That's not till September the 5th, so...

23 MR. WUELLNER: No. That's a part and parcel

24 of what we're discussing today, because a part of

25 what we have to provide to the Tax Collector's

1 Office and the Property Appraiser's Office is not
2 only your TRIM millage proposal, but your first
3 initial public hearing date in September, which
4 we're recommending to be the 8th of September, but
5 you may want to check your calendars and make sure
6 that works for you. Because they advertise --

7 MR. GEORGE: What is -- what is the tax
8 revenue of the three alternatives, .1697, .1807,
9 and the roll-back rate?

10 MR. WUELLNER: I'm going to have to calculate
11 your .1807 number. It's the only number that the
12 form doesn't calculate itself. But it is -- the
13 169 -- the .1697 number is \$4,000,415 when you do
14 it out completely. The .1938, which is the
15 roll-back rate, generates --

16 MR. GEORGE: Would it be \$4 million --

17 MR. WUELLNER: -- \$4,453,747.

18 CHAIRMAN GREEN: That's still less than last
19 year. Last year was 456 -- \$4,000,456.

20 MR. WUELLNER: 453 something. Yeah.

21 MR. BRUNSON: And what's the .1697?

22 CHAIRMAN GREEN: 4 million and 15.

23 MR. WUELLNER: I'm going to have to do --

24 MR. GORMAN: And the question is, can we

25 sustain ourselves with the lowest number?

1 MR. GEORGE: Sorry?

2 MR. GORMAN: The question is, can we sustain
3 ourselves with the lowest number?

4 CHAIRMAN GREEN: I don't think that's the
5 question today. The question today is we need to
6 see what we can set to work with the numbers we're
7 going to get from Ed when we take again a look at
8 our -- what we had allocated to revenues and
9 stuff. I think ultimately that's -- next meeting,
10 that's what we want to go to --

11 MR. GEORGE: Yeah.

12 CHAIRMAN GREEN: -- to what we can sustain
13 with the real numbers in front of us. Right now
14 what we're trying to do is maybe get the lowest
15 possible that we can without it being a tax
16 increase and then trim it when we get our actual
17 numbers and --

18 MR. BRUNSON: Okay. What is that number?

19 CHAIRMAN GREEN: Well, that's why I was going

20 by what Ed was saying --

21 MR. BRUNSON: What is the number that we

22 don't have a tax increase?

23 MR. GEORGE: Dollars? .1938.

24 MR. WUELLNER: Yeah, that's the total number.

25 MR. GEORGE: .1938 is the same dollars as

1 last year.

2 MR. WUELLNER: And the dif -- the minor
3 difference between the two numbers has to do with
4 how they play with the tax base and the value
5 adjustment board that goes on in November. So,
6 it's a tweaking that ultimately changes the
7 number. Let me give you your .1807 number. It's
8 \$4,259,723.

9 MR. GEORGE: So \$200,000 different than the
10 roll back.

11 CHAIRMAN GREEN: Yeah. About every
12 increment's \$200,000.

13 MR. GEORGE: What?

14 CHAIRMAN GREEN: Every increment's 200,000.

15 MR. GEORGE: Oh, okay.

16 CHAIRMAN GREEN: About.

17 MR. GEORGE: I think the taxpayer would look
18 at this board favorably if we did not commit to
19 anything until we knew what the numbers were. You

20 know, we've had one shot at the numbers and we

21 made some significant changes.

22 Now, I think we would all be doing our job

23 well if we left ourselves the option of whatever

24 those numbers come up to. I agree with everybody

25 that the intent is get it down to the .1697 or

1 down to 1 -- .15 if it meets the plan that we're
2 off the tax rolls in the year 2010-11.

3 MR. BRUNSON: That statement right there is
4 the most important.

5 MR. GEORGE: Exactly.

6 MR. BRUNSON: Ed, can you do all this you
7 want to do at the .1697?

8 MR. WUELLNER: 16 -- the .1697 number is as
9 proposed the other night. So you had --

10 MR. BRUNSON: Yeah.

11 MR. WUELLNER: -- that's the number.

12 MR. BRUNSON: And we added some, took away a
13 little.

14 MR. WUELLNER: Yeah. Essentially your ad
15 valorem stayed the same.

16 MR. GEORGE: I make a motion we accept the
17 roll-back rate as our TRIM rate for this meeting.

18 CHAIRMAN GREEN: Is there a second?

19 (No second.)

20 CHAIRMAN GREEN: Failed to have a second.

21 All right. Any other motions?

22 MR. BRUNSON: I make a motion we accept the

23 .1697 as -- as presented in the budget at the

24 workshop.

25 MS. BARRERA: I second that one.

1 CHAIRMAN GREEN: Board discussion?

2 MR. GEORGE: I think we're not doing
3 ourselves any justice and we're not doing the
4 taxpayers any justice to set a number in the
5 blind.

6 MR. BRUNSON: I don't think it's that much.

7 MR. GORMAN: Can we afford to wait? Can we
8 just wait and not do it in the blind? I would
9 agree with Mr. George on that.

10 CHAIRMAN GREEN: We have a set a TRIM. We
11 have to set a TRIM.

12 MR. GORMAN: We've got set our TRIM right
13 now.

14 CHAIRMAN GREEN: Correct. But it's not the
15 number that we have to be bound to.

16 MR. GEORGE: But it is the maximum number
17 that we can be bound.

18 MR. GORMAN: That's correct.

19 MR. GEORGE: So if we have our first budget

20 meeting or another workshop and we turn out that,
21 oops, we underestimated the revenue from -- from
22 Customs, which we're getting ready to make some
23 money investment into, we're not going to have
24 that revenue coming in but we've got to pay
25 Customs, bingo, there's a \$200,000 difference.

1 I'm just making it up.

2 I'm just saying that, guys, you've got to --
3 in my opinion, you have to deal with finances to
4 give yourself the flexibility.

5 The roll back is saying we're not having a
6 dollar increase in interest rates this year. When
7 we have the next meeting is when it will hit the
8 press, and the next meeting is when we can come
9 down below that. Is that not correct?

10 MR. WUELLNER: That is true. You can always
11 come down. You just can't go up from whatever
12 the --

13 CHAIRMAN GREEN: And actually,
14 dollar-for-dollar, the roll-back rate is less
15 revenue than before.

16 MR. BRUNSON: We've already voted on that.
17 If it's another motion that you're giving
18 discussion --

19 MR. GEORGE: Right.

20 MR. BRUNSON: So, if this fails, we'll go --

21 CHAIRMAN GREEN: That's fine. This is board

22 discussion. So, is there any more discussion?

23 There's a motion on the floor for the -- get the

24 number right, .1697.

25 MR. WUELLNER: I'm not too sure that that

1 .1807 number doesn't -- doesn't solve your -- it
2 doesn't still show as a tax reduction number. It
3 may very well. I don't --

4 CHAIRMAN GREEN: Well, that was going to
5 be -- I can't make a motion, but that was going to
6 be my medium. You know, I think that's close
7 enough and it shows we're not increasing and we
8 can still trim it. But there's a motion on the
9 floor.

10 MR. WUELLNER: I'm pretty sure that's the
11 case, because when they do the tax -- the millage
12 adjustment, it's -- worst case, it's the same as
13 it was last year, the millage rate is.

14 CHAIRMAN GREEN: Right. So it shows no
15 increase in the rate, but there's a motion on the
16 floor. Doug?

17 MR. BURNETT: Madam Chair, I just want to
18 make one comment and I -- I don't want to give the
19 impression I'm going one way or the other. I do

20 just want to echo one comment, which is whatever
21 the maximum number is you set today, that will be
22 the maximum number going forward.

23 CHAIRMAN GREEN: Right.

24 MR. BURNETT: So, whatever number you set,
25 that's it. You can't exceed that later, no matter

1 what you get into discussions for a later budget
2 hearing.

3 MS. BARRERA: I'm much more comfortable with
4 the .1807 than I am with .1938.

5 CHAIRMAN GREEN: But the motion's on the
6 floor for 16 right now --

7 MR. BRUNSON: But didn't --

8 CHAIRMAN GREEN: -- and there's a second.

9 MR. BRUNSON: But didn't we -- okay.

10 MR. GEORGE: Call the question.

11 CHAIRMAN GREEN: Yeah. Call for a vote.

12 MR. BRUNSON: Wasn't your original motion the
13 .1807?

14 MR. GEORGE: No. Mine was --

15 CHAIRMAN GREEN: The roll-back rate.

16 MR. GEORGE: -- .1938. Mine was the
17 roll-back rate.

18 MS. BARRERA: .1938.

19 MR. GEORGE: I just called for the question.

20 Does that mean that we jump right into --

21 CHAIRMAN GREEN: Unless Mr. Brunson wants to

22 make an amendment to --

23 MR. BRUNSON: I will be glad to make an

24 amendment, based on the attorney's, that -- that

25 this will be as high as we can go with the .1697

1 and based on the figures coming in from you and

2 we'll -- I'll amend it to the .1807.

3 CHAIRMAN GREEN: Is there a second on the
4 amendment, then?

5 MR. GEORGE: I would like to restate --

6 CHAIRMAN GREEN: Okay. Well, the motion is
7 he's amending his first rate, which was the not to
8 exceed .1697 and amend that rate, in light of
9 discussion, to the .1807 amount not to exceed.

10 MR. BRUNSON: Not to exceed.

11 MR. GEORGE: There is a second for that,
12 right?

13 CHAIRMAN GREEN: Not yet. Is there a second?
14 Kelly?

15 MS. BARRERA: I'll second that.

16 CHAIRMAN GREEN: I thought you would. All
17 right.

18 MS. BARRERA: It's a poker game.

19 CHAIRMAN GREEN: Any further board

20 discussion? I just think that gives us
21 flexibility. We can get input from Davis, Monk.
22 It's not increasing the millage from last year,
23 the actual numbers, the rate numbers, and then we
24 can work with it and trim it as we -- as we can.
25 MR. BRUNSON: And I look at total dollars

1 coming in.

2 CHAIRMAN GREEN: Uh-huh. All right.

3 MR. GEORGE: Bowing -- bowing to the wisdom
4 of this board, I can accept that.

5 CHAIRMAN GREEN: All right. All in favor of
6 the motion as amended, say aye.

7 MR. BRUNSON: Aye.

8 MR. GEORGE: Aye.

9 MS. BARRERA: Aye.

10 MR. GORMAN: Aye.

11 CHAIRMAN GREEN: Aye. All opposed?

12 (No opposition.)

13 CHAIRMAN GREEN: None opposed. Then the TRIM
14 rate will be the same as last year. It's the
15 .1807. That's the not-to-exceed number. And then
16 we can plug in our numbers at the next meeting and
17 see where we are. And, Ed, I'm sure you will, but
18 if you could give us other scenarios what it would
19 be at .1697 or maybe even a little less than that,

20 too.

21 MS. BARRERA: Maybe three different ones.

22 CHAIRMAN GREEN: Yeah.

23 MR. WUELLNER: I actually have it set up in a

24 spreadsheet. We can just plug in whatever you

25 want --

1 MR. GEORGE: Yeah.

2 MR. WUELLNER: -- generate it either
3 direction.

4 MR. GEORGE: I need new spreadsheets with all
5 of those in it, please.

6 MS. BARRERA: E-mail to us.

7 MR. GEORGE: You didn't know that, did you?

8 MR. WUELLNER: Didn't see that coming.

9 MR. GEORGE: You wouldn't respect me tomorrow
10 if I didn't.

11 MR. WUELLNER: Right. September 8th, you
12 need to check your calendars quick and just -- we
13 have to transmit that as a -- either a meeting
14 date or if you have an alternate date you want to
15 use for the first public hearing. September 8th.

16 And by statute, that can't start until 5:01.

17 CHAIRMAN GREEN: Right.

18 MR. BURNETT: That's what I was going to say,
19 so that's perfect.

20 MR. WUELLNER: This will not be your regular
21 Airport Authority meeting. This will simply be
22 your initial public hearing on the budget. We
23 will try to collocate, if you wish, the -- your
24 regular meeting with the second budget hearing.

25 CHAIRMAN GREEN: Oh, okay. Because I was

1 going to say we try and do them --

2 MR. GEORGE: The second one would be when?

3 MR. WUELLNER: It could be the following week

4 on the 15th --

5 CHAIRMAN GREEN: Looking at the 8th and the

6 15th.

7 MR. WUELLNER: -- which is also the third.

8 MR. GEORGE: Don't make it the 15th. That

9 week, I'll be out of town.

10 CHAIRMAN GREEN: That's our normal airport

11 meeting.

12 MR. WUELLNER: It can be as I believe

13 statute -- we can take it to the following -- the

14 following week, also. So, 15, so what is that, 7

15 is 22. The 22nd? That's the other Monday?

16 CHAIRMAN GREEN: Uh-huh.

17 MR. WUELLNER: It can go that far. You have

18 15 days to -- between -- you can have 15 days

19 between your first and second.

20 MR. GORMAN: Is there an advantage to waiting

21 that long?

22 MR. WUELLNER: Other than perhaps have a full

23 board. Other than that.

24 CHAIRMAN GREEN: 22nd, I'm in trial.

25 MR. GEORGE: I would prefer, yeah, the 22nd.

1 The 15th happens to be one of the last games that
2 the Yankees play in the stadium, I think.

3 CHAIRMAN GREEN: How close can we put them
4 together, rather than the other way?

5 MR. WUELLNER: I don't have it in front of
6 me, but I think it's -- it requires a minimum
7 three-day advertisement, I believe it is. What,
8 about five or six days? The magic spreadsheet.
9 Within 15 days.

10 CHAIRMAN GREEN: Buzz, are you --

11 MR. WUELLNER: You cannot hold it sooner than
12 two days and not later than five days after the ad
13 appears. So it's going to be governed by how
14 quickly we can get it in the -- in the paper as
15 the advertisement part.

16 Typically, it's about a three-day response
17 into The Record, just because it's got to be --
18 it's a -- what do they call it? It's a regular
19 ad. It's not a legal ad. So it's got to be made

20 to fit into the newspaper and meet the
21 requirements of statute, which is always tricky.
22 And that's from the ad. So you're looking at
23 approximately -- a week's optimum. That's
24 probably as tight as you normally make it, six
25 days.

1 CHAIRMAN GREEN: Okay. So the earliest we
2 could have the first one, you're saying, is
3 September 8th.

4 MR. WUELLNER: Actually, the 8th, we can
5 go -- I think September 3rd is actually the first
6 day you can have it.

7 CHAIRMAN GREEN: That still doesn't give us
8 enough time for Buzz to get back.

9 MR. WUELLNER: It says not earlier than 65
10 days, which puts it to the 3rd of September on
11 the --

12 CHAIRMAN GREEN: Okay.

13 MR. WUELLNER: -- is the absolute earliest.

14 CHAIRMAN GREEN: Well, if you want to do it
15 on a Monday, then it's either the 15th or the
16 22nd.

17 MR. WUELLNER: And it has to occur between
18 the 3rd and the 18th, the first one.

19 CHAIRMAN GREEN: The first one, right.

20 MR. GEORGE: Well, the first one is going to

21 be the 8th; is that correct?

22 MR. WUELLNER: That's up to -- that's what

23 you're deciding right now.

24 MR. GEORGE: Oh, I'm sorry.

25 CHAIRMAN GREEN: You're here for that. It's

1 the second one that's the issue.

2 MR. GEORGE: Yeah, the second one is the
3 issue with me. I'd like it on the 22nd.

4 MS. BARRERA: But the 22nd, Suzanne's not
5 here.

6 CHAIRMAN GREEN: I'm in trial.

7 MR. GEORGE: And you're what?

8 CHAIRMAN GREEN: I'm in trial.

9 MR. GEORGE: Oh, okay.

10 MR. WUELLNER: You can change the day of the
11 week. I mean, you're not -- you don't have to do
12 it Monday --

13 CHAIRMAN GREEN: That's why I asked him.

14 MR. WUELLNER: -- but you do have to avoid
15 the two primary boards in the county, and I think
16 one's the school board and the other is the county
17 commission.

18 CHAIRMAN GREEN: That's why I was asking --

19 MR. WUELLNER: As long as you avoid their

20 meeting dates for these -- for budget hearings,

21 you're fine. You can set it any time.

22 CHAIRMAN GREEN: -- when you were coming back

23 Buzz.

24 MR. WUELLNER: You can conflict with

25 everybody else's.

1 CHAIRMAN GREEN: That's why I was trying to
2 find out if you're available on that Wednesday or
3 Thursday or something.

4 MR. GEORGE: 23rd, 24th, 25th? Yeah.

5 MR. GORMAN: I can't do 23rd, 24th, 25th.

6 MR. GEORGE: I'm gone all the week of the
7 14th.

8 CHAIRMAN GREEN: No. I meant earlier than
9 that. Oh, you're gone the whole week of the 15th?
10 I was thinking the 17th.

11 MR. GEORGE: Yeah. I'm leaving the 12th,
12 right.

13 CHAIRMAN GREEN: Well, I mean, Buzz is a done
14 deal that he won't be here. Mine's not. I just
15 don't know. So we can shoot for the 22nd and if
16 I'm out, I'm out. Because that's going to be a
17 regular meeting date, so that's more --

18 MR. GEORGE: What -- what are you gone, Jack,
19 the 24th?

20 MR. GORMAN: Yeah, 24th, 25th, 26th.

21 MR. GEORGE: How about Tuesday the 23rd,
22 then?

23 MR. GORMAN: I could do that if we had to.

24 CHAIRMAN GREEN: But is that going to be a
25 school board or a commission?

1 MR. WUELLNER: Tuesdays have been the Board
2 of County Commissioners. But they won't set that
3 for probably a few more weeks. You do not have to
4 set your second date yet.

5 CHAIRMAN GREEN: Okay.

6 MR. WUELLNER: If you're going to use the
7 8th, you know, the 8th's the only day we need to
8 be concerned with, other than you need to be
9 thinking about it when you're going to be
10 available because --

11 MR. GEORGE: Oh, okay. So maybe --

12 CHAIRMAN GREEN: I don't think the 8th's an
13 issue.

14 MR. GORMAN: Just set the 8th and discuss it.

15 MR. WUELLNER: We don't advertise that second
16 date until after the first date.

17 MR. GEORGE: Okay.

18 CHAIRMAN GREEN: So that will be 5:01, 5
19 o'clock, 5:01?

20 MR. WUELLNER: Yes, if that's acceptable.

21 MR. BRUNSON: Excuse me, but did you just

22 talk about August the 8th?

23 CHAIRMAN GREEN: No, September 8th.

24 MR. WUELLNER: September 8th.

25 MR. BRUNSON: Okay.

1 MR. WUELLNER: September 8th.

2 MR. GEORGE: September 8th for the first
3 budget meeting. And then we'll decide when the
4 second budget meeting is going to be. Suzanne
5 will know better what her schedule is. Jack will
6 know better and I'll know better.

7 MR. BRUNSON: Okay.

8 MR. BURNETT: But our next regular meeting --

9 CHAIRMAN GREEN: Is set for the --

10 MR. BURNETT: -- is August 11th.

11 MS. BARRERA: August 18th.

12 CHAIRMAN GREEN: Our regular meeting next is
13 August 18th, actually.

14 MS. BARRERA: 18th.

15 MR. BRUNSON: Could I ask this question? Is
16 August the 11th too early to have the necessary
17 work to discuss the first setting of the TRIM?

18 CHAIRMAN GREEN: Yes. He just talked about
19 that. It has to be 65 days.

20 MR. GEORGE: September the 3rd is the

21 earliest.

22 MR. WUELLNER: Legally, yes. If you just

23 want to talk about the budget, you can do that

24 certainly any time you want. In the context of a

25 public hearing, it has to occur between the 3rd

1 and the 18th of September.

2 MR. BRUNSON: Okay.

3 CHAIRMAN GREEN: So, right now, we're going
4 to have it September 8th just for the first budget
5 hearing. And then keep in mind, everybody, the
6 15th, 22nd, 23rd, whatever, in the back of your
7 mind.

8 MR. WUELLNER: Be trying to work your
9 schedules or think through your schedule so that
10 when we hit the 8th, you can -- you're pretty
11 focused on a date there.

12 CHAIRMAN GREEN: And that will be a regular
13 meeting plus the budget hearing, probably.

14 MR. WUELLNER: Yes. We'd like to combine
15 them. But if that doesn't work, we'll create a
16 third meeting, whatever we have to do.

17 CHAIRMAN GREEN: Okay. So September 8th at
18 5:01.

19 MR. WUELLNER: Okay.

20 CHAIRMAN GREEN: All right. You have

21 housekeeping?

22 HOUSEKEEPING

23 MR. WUELLNER: Just a couple of things to

24 point out. FAC conference, 20th through the 24th.

25 Heard no objections to extending engineering

1 contracts with LPA and Passero, so we'll -- we'll
2 get that done. And that's all I have for
3 housekeeping at this point.

4 CHAIRMAN GREEN: We have some public comment.
5 Alice?

6 PUBLIC COMMENT - GENERAL

7 MS. SUTHERLAND: Am I the only one?

8 CHAIRMAN GREEN: No, you're not.

9 MS. SUTHERLAND: Can I go --

10 CHAIRMAN GREEN: No. Go ahead. We've got --
11 I've got to deal with the employment contract,
12 too, so...

13 MS. SUTHERLAND: Okay. I'm sorry.

14 I just wanted to make a couple of comments
15 about, you know, pursuing the commercial airline
16 business coming into St. Augustine.

17 I think that everybody involved with that is
18 doing a terrific job, and I just wanted to remind
19 everybody that St. Augustine Airport really has

20 more -- we can offer more value to the commercial
21 airlines at this point because we don't have that
22 extended history of all those previous commercial
23 airline contracts, and that makes us way more
24 attractive to a commercial airline that may want
25 to improve their financial standing by pulling out

1 of a more expensive airport and coming to our
2 airport. So, I think that there's really -- like
3 Ed said, that there's just a lot of options out
4 there, and I would hope that we continue to do
5 that in a lot of different regards.

6 And I just had a question. I don't know,
7 maybe I can answer it -- or ask it now and get an
8 answer. But the Customs coming on board, I seem
9 to remember hearing some sort of comment that it
10 wasn't like going to be for the big international
11 scheduled charters that come in, like Sanford and
12 that sort of thing. We -- we can't use that in
13 that capacity or --

14 MR. WUELLNER: It is being built and
15 contracted as a general aviation facility. They
16 can, with that presence on the airport, make
17 exceptions --

18 MS. SUTHERLAND: Right.

19 MR. WUELLNER: -- and allow single-use

20 activities to happen with larger aircraft.

21 MS. SUTHERLAND: Right. Like a --

22 MR. WUELLNER: But without it on the field,

23 they can't do it at all.

24 MS. SUTHERLAND: Right. So -- so the concept

25 of a 350-passenger jet arriving from, you know,

1 Gatwick Airport with all these free-spending
2 English, you know, pound-carrying people is an
3 option or --

4 MS. BARRERA: As a charter for --

5 MS. SUTHERLAND: As a scheduled charter.

6 MR. WUELLNER: Scheduled charter?

7 MS. SUTHERLAND: Right. Not commercial.

8 MR. WUELLNER: I --

9 MS. SUTHERLAND: Anyway. I was just thinking
10 about that. You know, one flight in a week in,
11 one flight a week out. Spend all your money. See
12 you later.

13 MR. WUELLNER: If we were to get that kind of
14 scheduled charter activity, the facility could
15 be -- the type of facility could be --

16 MS. SUTHERLAND: Just one. Just one. Okay.

17 But also, I wanted to make a mention, too,
18 more about the report from Business Solutions, I
19 think it is. Somebody mentioned a doom and gloom

20 report. It really was. And I just never pay
21 attention to the gloom and doom reports because
22 everybody in the town of St. Augustine is saying,
23 you know, oh, business is down, the T-shirts just
24 aren't selling.

25 Well, golly gee, you know, I'm doing a

1 marketing analysis for the second most expensive
2 thing that you can do in St. Augustine, second
3 only to the helicopter service out here, and their
4 business is up 8 percent. This is a hundred bucks
5 for, you know, an hour and 15 minutes'
6 entertainment. So, 8 percent increase over last
7 year, we're supposed to be doing so much worse.

8 So, I don't know that I'd always believe all
9 of these gloom and doom reports that you get. And
10 this -- it seems like the only people that do
11 badly over those reports are the ones who do
12 believe in them. So, anyway.

13 Also, I -- I'm concerned that that report
14 seemed to take into account things in the past,
15 you know. I don't know where these fuel reports
16 came from. Was it this previous past year or --

17 MR. WUELLNER: It had a multiyear history, I
18 don't remember.

19 MS. SUTHERLAND: Okay. Because not

20 accounting for Customs coming on the field, I
21 mean, we've all discussed, you know, at length how
22 dramatically that should increase our business.
23 We are just so geographically desirable here
24 at St. Johns County airport for people from the
25 northeast, the midwest, you know, the south coming

1 here as a stopping point over to the islands and
2 everything else, that I -- I just can't believe
3 that that wasn't taken into account.

4 And lastly, I mean, if another defense
5 contractor wanted to come here and open up another
6 business, you know, like Grumman's biggest, I
7 don't know, competitor, whoever that might be,
8 Boeing or ITT, something or another, whatever, but
9 if they wanted to come here and just open up a
10 business, would we be giving them as hard of a
11 time as we are the FBO?

12 I mean, you know, it's revenue to us. So, if
13 there's no output from the airport, why are -- I
14 don't understand why we're just, you know,
15 dragging our feet with making money with a
16 allowing people to come in here and add revenue to
17 the coffers of St. Augustine Airport.

18 You know, we don't restrict any other
19 business from opening on St. Augustine Airport's

20 field too much, I guess. And I just wonder why
21 we're giving it so much worse, you know, business
22 to -- to bringing in a second FBO. But anyway,
23 that's it. Thank you.

24 CHAIRMAN GREEN: Thanks, Alice. Chris?

25 MR. MICHALAKIS: My name is Chris Michalakis.

1 I'm the director of business development for Sky
2 Harbor Aviation group. Executives need to look
3 forward. Airport authorities need to look
4 forward.

5 For the last two years, you've gathered a lot
6 of data for free, which can directly challenge
7 what we've seen here that was collected in the
8 last two months which you paid for. On any level,
9 you can grab any example from the data that we
10 provided, everybody's provided in the last two
11 years to challenge what's been provided here
12 today.

13 I urge the board to consider adopting a
14 recommendation that you continue to move forward
15 with looking frequently and constantly at the
16 possibility of a second FBO for two reasons. For
17 the very reasons that you initiated debate in this
18 latest report, uncertainty and volatility, those
19 are the very reasons why you need to continue this

20 debate going. We talked about the long lead times

21 that it's going to take to develop a business.

22 So, for those reasons, I think it's justifiable to

23 continue this discussion.

24 Consultants tell you a lot of things. It's

25 been said that they tell you the time with your

1 own watch. Put another way, they look either at
2 the static condition or they look backwards.
3 Otherwise, they would be speculators.

4 Mr. George, Ms. Green, you said it in your
5 discussion about the budget. You've got to have a
6 flexibility and be prepared to take advantage of
7 any opportunity when it presents itself. Thank
8 you.

9 CHAIRMAN GREEN: Thanks, Chris. And, Vic,
10 you're my last one.

11 MR. MARTINELLI: Doug, is the 1807 -- .1807,
12 will that be construed as an increase or will it
13 be the same, when the notice goes out to the
14 taxpayers, the preliminary notice?

15 MR. WUELLNER: It -- you've got two
16 different -- two different things going on.
17 The -- the -- it's not an increase in the context
18 of total ad valorem revenues generated.

19 MR. MARTINELLI: No, I understand that.

20 MR. WUELLNER: I think for purposes of -- but
21 the TRIM notice shows the impact on the individual
22 taxpayer, and it -- and it's in direct contrast
23 with the way the law is written in development of
24 budget and whether it's a tax --

25 MR. MARTINELLI: No, I understand that. I'm

1 thinking from the PR aspect of it.

2 MR. WUELLNER: I think it's going to be
3 represented effectively as neutral --

4 MR. MARTINELLI: Okay.

5 MR. WUELLNER: -- because it's the same rate
6 as last year. The only -- only individuals who
7 are -- experience an increase in their appraised
8 value would see the dollar value jump up.

9 MR. MARTINELLI: Okay. But basically, and
10 for PR purposes, it will not be an increase. And
11 I'm -- I'm real sensitive to the PR side of this
12 simply because the Airport Authority has been on a
13 campaign with the public to say we're getting off
14 the tax rolls, we're going to be off the tax
15 rolls. And then if a notice comes out and I read
16 that notice as a taxpayer and, my God, the Airport
17 Authority's increasing my taxes, that was my
18 concern. And so, but anyway, you've already
19 passed it. It's .1807. I just wanted to point

20 that out.

21 The other thing that I want to point out is

22 the risk, the risk of failure of a second FBO of a

23 business on the airport. Forget second FBO. No

24 matter what that business is. And you can say,

25 well, there is no risk to the airport --

1 MR. BRUNSON: Your time's up.

2 MR. MARTINELLI: -- there is no risk to the
3 airport because it's their money.

4 Well, I beg to differ, simply because the
5 asset's going to be sitting here. And if X, Y, Z
6 comes in here and says I'll build a \$5 million
7 facility and he goes under, he's going to go under
8 with debt, because he's not -- if he finances it
9 himself and he takes it out of his -- his
10 inheritance money and he spends \$5 million
11 before -- and I would advise him as a financial
12 adviser, before you go belly-up, borrow on the
13 collateral that the facility provides.

14 And so, the -- the institution that finances
15 is going to come against the Airport Authority
16 then because it's on your property. And so you
17 don't own -- end up owning the building, you end
18 up owning the debt. And so, you've got to be very
19 careful that any -- any enterprise that comes on

20 the field has the staying power and has the

21 prospects of enough business to support it.

22 Otherwise, you end up paying the risk. So I just

23 wanted to point that out.

24 CHAIRMAN GREEN: Okay. Authority members'

25 comments. I have Kelly.

1 AUTHORITY MEMBER COMMENTS - MS. BARRERA

2 MS. BARRERA: I have no comments.

3 CHAIRMAN GREEN: Okay. Randy?

4 AUTHORITY MEMBER COMMENTS - MR. BRUNSON

5 MR. BRUNSON: None.

6 CHAIRMAN GREEN: Mr. Brunson? Jack?

7 AUTHORITY MEMBER COMMENTS - MR. GORMAN

8 MR. GORMAN: I'm going to do it every time

9 just to start a little litany, see what happens,

10 stir the pot. I'm going to challenge this board

11 to put together a -- it's out of context with our

12 last discussion. It doesn't matter.

13 I'm going to challenge this board to put

14 together a 10-year plan that makes common sense.

15 Just, it's going to be my parting shot for a while

16 until we get that on the agenda and try to work on

17 it.

18 CHAIRMAN GREEN: Wayne?

19 AUTHORITY MEMBER COMMENTS - MR. GEORGE

20 MR. GEORGE: I am going to compassionately
21 reject the temptation to challenge your comment.

22 MR. GORMAN: Good for you.

23 MR. GEORGE: For six years, you approved it,
24 so you ought to know what's in there. But anyway.

25 Madam Chairman, the public comment at the end

1 of the session says for general. There were a lot
2 of good comments that were made on subjects that
3 we voted on previously. So, I would welcome
4 everyone to make those comments at the appropriate
5 time so that we can consider it, you know, in our
6 discussion points. That's all I have to say.

7 AUTHORITY MEMBER COMMENTS - CHAIRMAN GREEN

8 CHAIRMAN GREEN: Okay. We have under my
9 comments the employment contracts that we have had
10 for 30 to 45 days for everyone to review. We've
11 had a workshop on it. So we need to move ahead.
12 This was due July 1st. This is now the 14th. So,
13 I'm putting it on the table.

14 We've had the questionnaires I sent out, the
15 evaluation forms. I brought that back and we did
16 a discussion and compiled the numbers on
17 percentages as far as performance.

18 We spent at least an hour or two earlier on a
19 workshop with the employment agreement, throwing

20 around numbers and data, and we also had
21 comparisons, comparables with other airports and
22 the benefits and perks that come with different
23 airport executives. So we need to put this on the
24 agenda to make a vote on it and make a decision.
25 So --

1 MR. GEORGE: Before we start, can somebody
2 tell me what the cost of living percentage was
3 this year?

4 CHAIRMAN GREEN: The COLA increase?

5 MR. WUELLNER: What was the last one you did?
6 Do you have any idea?

7 MS. GLASSER: I'll go look.

8 MR. BURNETT: And while she's doing that, if
9 I may add one comment.

10 CHAIRMAN GREEN: Yeah.

11 MR. WUELLNER: The only change from the
12 workshop to what you -- the most recent version
13 was to add that language that was suggested that
14 was the "and/or the Authority may award the
15 executive a merit bonus for such excellent
16 outstanding performance."

17 CHAIRMAN GREEN: Uh-huh.

18 MR. BURNETT: The only other change on there
19 related to moving physically within the contract

20 the location of where the residency-related
21 paragraph was located to make -- and that really
22 has a tax issue.

23 It doesn't do anything to the Airport
24 Authority; it just gives Mr. Wuellner the most
25 beneficial tax treatment that he could get. And

1 it's really one -- the way we had worded it
2 previously I think would have been fine, but just
3 to make absolutely sure, the location of that has
4 been taken out of being underneath the
5 compensation-related language. It just gives him
6 a tax benefit. It doesn't do anything to the
7 Airport Authority.

8 CHAIRMAN GREEN: While Donna's getting that,
9 I had one question, and maybe I just missed this
10 last time. And it's not major at all. But we're
11 reimbursing for an annual comprehensive physical
12 exam. Obviously we want Ed to be in the best
13 possible health shape. But why would that not be
14 covered under insurance? Is that allowed to go
15 out and get a --

16 MR. WUELLNER: I think historic -- well, for
17 the most part it is under the insurance. It was
18 any other item that was not covered under -- that
19 was not covered under insurance ordinarily or went

20 to a deductible for whatever reason. I don't
21 think you've actually expended more than a few
22 hundred dollars in the last 13 years under that
23 item.

24 CHAIRMAN GREEN: I'm probably sure that's the
25 way it was working, but the way it's worded, it

1 just says that we shall reimburse him for the
2 annual comprehensive exam at a place of your
3 choice, a physician of your choice, and I don't --
4 I don't -- I haven't been under the state program
5 for a while, but you go to out Mayo and you get
6 one of these \$25,000 executive exams, you know. I
7 just wanted to make sure like to use --

8 MR. WUELLNER: Not otherwise --

9 CHAIRMAN GREEN: -- what's reasonably
10 available under the plan.

11 MR. BURNETT: Yeah. And I -- my only
12 speculation for why that language is the way it is
13 it's one of those old holdovers from ten years ago
14 where maybe it wasn't in the plan to get an annual
15 physical that would be covered.

16 CHAIRMAN GREEN: Can we add that? Just -- I
17 mean, it's as his choice, but if it's -- what's
18 reasonably available under the plan, for him to
19 utilize the plan parameters prior to having to do

20 anything above and beyond.

21 MR. BRUNSON: That would make a discussion,

22 reasonable.

23 MR. BURNETT: For the reasonable cost of

24 the --

25 MR. BRUNSON: Yeah.

1 MR. BURNETT: -- annual comprehensive.

2 CHAIRMAN GREEN: Correct. What we were
3 supposed to reimburse. Because it's his choice
4 and his physician and his place, which that's
5 fine. But it's whatever's reasonably available
6 under the plan.

7 MS. BARRERA: Reasonable choice, reasonable
8 physician. If he wants to go to Rochester to
9 Mayo, that would be --

10 CHAIRMAN GREEN: Uh-huh.

11 MR. BRUNSON: I agree.

12 MR. GEORGE: I'd go with him. Check it out.

13 CHAIRMAN GREEN: We deal with this a lot in
14 our domestic cases when you have, you know, a
15 parent that takes a kid to go to this physician
16 and the parent says it's under my plan under this
17 physician. So we usually word it as what's
18 reasonably available under the plan. And
19 reasonable is an operative word that we the board

20 can say, well, Mayo here is just as good as Mayo

21 Rochester or something like that.

22 MR. BRUNSON: You don't have a problem with

23 that, do you, Doug?

24 MR. BURNETT: No. I can change that easily

25 enough.

1 MS. BARRERA: Suzanne?

2 MR. WUELLNER: And percent change is 4.2.

3 CHAIRMAN GREEN: Thanks.

4 MS. BARRERA: We had talked about getting
5 some more comparables of other airports with the
6 air service that was similar.

7 CHAIRMAN GREEN: Uh-huh.

8 MS. BARRERA: Have we gotten anything back?

9 CHAIRMAN GREEN: Not to my knowledge, other
10 than the ones that were provided last time we did
11 this and this year that we did this. Buzz gave us
12 a bunch last time, too.

13 MS. BARRERA: Can I get a copy of last time?

14 MR. GEORGE: You mean at the workshop or --

15 MS. BARRERA: No.

16 MR. GEORGE: -- the one prior to that?

17 MS. BARRERA: At the workshop, it was --

18 Suzanne actually brought it up at the workshop.

19 But, no, the one -- the one that was done prior to

20 this.

21 MR. GEORGE: Yeah, I can give it to you.

22 MS. BARRERA: Well, you have to give it to

23 Ed.

24 MR. GEORGE: Yeah, right.

25 CHAIRMAN GREEN: Well, but --

1 MS. BARRERA: Ed, if you can make that
2 available to me.

3 MR. GEORGE: I'll put a mark on it and make
4 sure that you --

5 MR. BRUNSON: And are we going to vote on the
6 contract --

7 CHAIRMAN GREEN: Yeah, I'm bringing this up
8 for the contract to vote on. So I'm not sure how
9 quickly you need that information --

10 MS. BARRERA: Well, I know you had -- you had
11 asked for that information at the workshop, and I
12 don't remember getting it prior to today.

13 CHAIRMAN GREEN: I didn't get it. I just
14 went back and looked through my notes and --

15 MR. GEORGE: Yeah.

16 CHAIRMAN GREEN: -- asked Buzz what was there
17 before. I mean, I'd rather not table this again
18 for another month, because this should have been
19 done July 1. So, I just want -- we had the

20 workshop. I want to hear some comments with
21 regards to -- we didn't come up with what an
22 increase in salary was.

23 MR. GEORGE: Right.

24 CHAIRMAN GREEN: 4.2 was the COLA, is what
25 Donna said.

1 MR. GEORGE: How much is it?

2 CHAIRMAN GREEN: 4.2.

3 MR. GEORGE: Okay.

4 CHAIRMAN GREEN: Do you have anything?

5 MR. GEORGE: Okay. Shall I go on with my
6 discussion?

7 CHAIRMAN GREEN: Sure.

8 MR. GEORGE: I think we probably, all of us,
9 ran on a platform of running the airport like a
10 business and getting off the tax rolls. And I've
11 run my own business with 55 prima donna employees.
12 At times, I thought they were all prima donnas.

13 But my number one and number two person, I
14 had to look at them to say, what does it cost me
15 to keep them and what would I have to do in the
16 event that they left? How much would the
17 operation suffer if that key person left?

18 And I think that the voters, residents of St.
19 Johns County are looking to us to run this like a

20 business and to make business decisions. All of
21 the things that Mr. Wuellner and staff and us have
22 accomplished this past year, in my opinion, do not
23 justify or warrant just a cost of living increase.

24 In my business, I wouldn't give a cost of
25 living increase only to my key people. If you

1 were running a ship and you had to pay the bills
2 and if your head guy left, you'd have the step in
3 and take care of it. So I don't think that you
4 would do that, either, in your business. And I
5 urge all of the board members to consider that and
6 take this like a business.

7 If you're -- if you're worried about
8 spending, you know, the money, then there's plenty
9 of other areas we can worry about spending money
10 on. But I think that we owe this to the taxpayer
11 to make sure that this oiled machine keeps
12 running.

13 CHAIRMAN GREEN: Jack?

14 MR. GORMAN: I like incentive in life. I
15 think it drives people to do good things. Ed
16 knows what he's doing. He's done a good job. We
17 don't talk enough about the staff. I'd like to
18 give the staff raises. I wish we had that
19 capability.

20 We're looking at just the proposed only
21 brings up a salary his at 14,2. Okay. That's
22 in -- is that -- I want to ask, does that include
23 a COLA or does not include a COLA? In other
24 words, we're talking about proposed.
25 CHAIRMAN GREEN: I don't see --

1 MR. GORMAN: I'm looking at my old sheets
2 here, and my old sheets here said base salary's
3 \$113,8-.

4 CHAIRMAN GREEN: Correct.

5 MR. GORMAN: Proposed, \$128-.

6 CHAIRMAN GREEN: Right.

7 MR. GORMAN: Is that proposed, is that
8 including the COLA?

9 MR. WUELLNER: Yes.

10 MR. GORMAN: That does include the COLA?

11 CHAIRMAN GREEN: That's everything.

12 MR. GORMAN: Well, my -- my proposal is to
13 grant him that. And I'd like -- at this time,
14 let's put to bed the fact I like to beat Ed up,
15 because I don't; I think he does a great job.

16 My proposal would be to give him that because
17 it is not a large raise. It is about 10 percent.

18 But actually, put forth a carrot of -- in other
19 words, on -- even on top of that, but it is just

20 purely based on incentive, and it's purely based
21 on an incentive bonus awarded on completion of
22 board-appointed tasks.

23 CHAIRMAN GREEN: Well, that's actually in
24 Paragraph 3.A.2.

25 MR. GORMAN: Well, that would be -- all

1 right, Ms. Lawyer. I stand corrected.

2 CHAIRMAN GREEN: It even has --

3 MR. GORMAN: Okeydokey.

4 MR. GEORGE: As subsequently modified in

5 the --

6 CHAIRMAN GREEN: It even has more. It has if

7 there is just satisfactory completion.

8 MR. GORMAN: Right. Okay.

9 CHAIRMAN GREEN: So it gives us more leeway

10 as a board to do what you're doing.

11 MR. GORMAN: So, in other words -- but

12 here's -- just to keep it simple, because I've got

13 to, in other words, to award the proposed and

14 propose a -- a \$20,000 incentive, not to be

15 awarded unless the board votes on it, to allow the

16 proposed. Because it's 10 percent. 4 percent of

17 that is then COLA and the rest of that, we're

18 talking about a little over 5 percent on merit,

19 which is not a lot.

20 So, going with this proposed, and on top of
21 that, allowing the board to award a \$20,000
22 incentive bonus, but only upon completion of a
23 board-appointed task.

24 MR. GEORGE: Up to \$20,000.

25 MR. GORMAN: Up to \$20-. Right. That would

1 be my proposal. It's not overboard, but it does
2 allow a carrot, which I think is a nice thing.

3 And that's the end of it.

4 MR. GEORGE: Is that a motion you're making?

5 CHAIRMAN GREEN: No. We're just discussing.

6 MR. GORMAN: I'll end up making a motion on
7 it. I'm waiting for more discussion.

8 MR. BRUNSON: We've had a long workshop on
9 this, and -- and everybody knows my views. I'm a
10 great believer in incentives, and if we were
11 making money here, my comments would be different
12 than today that I've said before.

13 I certainly think he's warranted a pay
14 increase. In my mind, I haven't come with a
15 figure of that. I think it should be somewhat
16 more than the cost of living. But I really like
17 our merit clause. And I would not be in favor of
18 the proposed increase. It would be more
19 conservative, because of us -- the not being off

20 the tax rolls. That's the only comment I have.

21 CHAIRMAN GREEN: Kelly, any comment?

22 MS. BARRERA: I've gotten the salary

23 comparisons. But when you look at them and you

24 look down the list, we are definitely on the low

25 side.

1 CHAIRMAN GREEN: Uh-huh.

2 MS. BARRERA: I -- I'm in favor of the
3 contract the way it's been proposed. I think that
4 it does provide the opportunity for merit, and I
5 think that that can be determined on an annual
6 basis, based on what you're saying, Jack, of
7 what -- what goals have been met, which we talked
8 about at the board workshop.

9 CHAIRMAN GREEN: I have to agree with Kelly.
10 I'm in favor of -- I was more in the \$125- range,
11 whatever the percentage is.

12 MR. GEORGE: Yeah.

13 CHAIRMAN GREEN: COLA plus -- I was like 9
14 percent or somewhere around there. But I don't
15 want to limit the merit. In other words, if we
16 want to do zero, we're going to do zero.

17 And if we had a great year and Skybus was
18 here again and we made a great windfall and these
19 staff worked as hard as they did this past year, I

20 want to make sure as a board we're not bound by
21 any decision we may make with regards to merit. I
22 just want to leave that open for subjective -- or
23 objective, us hopefully, discussion and further
24 boards down the road.

25 MR. GEORGE: So you're saying take the zero

1 to \$20,000 -- take the \$20,000 off and say zero to
2 whatever the board so determines at that time?

3 CHAIRMAN GREEN: For a merit. Right. So we
4 have our base salary, which we already said we're
5 going to establish a base, and then the merit can
6 be commensurate with what's been achieved and
7 whatever revenues are.

8 MR. BRUNSON: I have no problem with that.

9 MR. GEORGE: Well, Jack brings up a good
10 point. Incentives inspire performance. So I
11 would rather see the verbiage, keep the \$20,000 in
12 there and save up to \$20,000 or whatever the board
13 determines is appropriate.

14 But at least it's got that \$20,000 nut that's
15 sitting out there, you know, and hopefully we'll
16 take the appraisal form and put some more
17 concrete, you know, performance milestones in it,
18 which we can do over the next two months.

19 CHAIRMAN GREEN: I would just rather have

20 the -- as the board determines. Why have a figure

21 in there?

22 MS. BARRERA: My hesitancy with that is that

23 we're talking about future boards --

24 CHAIRMAN GREEN: Right.

25 MS. BARRERA: -- because this is going to be

1 a long-term contract, not just for -- and that
2 would be my only hesitancy, to put a limit.

3 CHAIRMAN GREEN: And we'll leave the boards
4 up to decide what they want. If they want to do
5 \$5,000, if they want to do \$50,000. I mean, if
6 it's warranted and merited --

7 MS. BARRERA: Or zero --

8 CHAIRMAN GREEN: Or zero, right.

9 MS. BARRERA: -- depending on the
10 performance.

11 MR. GEORGE: Okay.

12 CHAIRMAN GREEN: All right. We still need
13 some -- we've got some numbers thrown out as a
14 base salary. Any more discussion on that?

15 MR. BRUNSON: Are these two separate votes?

16 CHAIRMAN GREEN: I think, no, the contract is
17 what it is. And I think everyone, the language --
18 I think Kelly said she's accepted the contract.

19 As I mentioned, Paragraph 3.A.2 says the

20 different levels of merit, which is what Jack was
21 talking about. It's just worded if it's
22 exceptional, if it's satisfactory, if it's below
23 satisfactory, and it gives the board a lot of
24 leeway --

25 MR. BRUNSON: Sure.

1 CHAIRMAN GREEN: -- to work on what you call
2 the merit. But what we do need to plug in is
3 under A.1, 3.A.1, which is base salary. And there
4 have been a couple of proposals and you heard what
5 the COLA is, so we need to entertain some numbers
6 for that.

7 MR. BURNETT: It's 4.A.1, though.

8 MR. GEORGE: Jack, you want to put it in the
9 form of a motion?

10 MR. GORMAN: Well, only because it's only --
11 it includes -- if that includes COLA, we're only
12 talking about a 6 percent basic merit raise, so I
13 would like to propose -- which is not excessive.

14 So, I would like to propose that we accept
15 the \$128,000 base salary, that we leave the rest
16 of his benefits as they are, unless of course --
17 and I do have to put this caveat in the motion,
18 unless of course his medical benefits go up,
19 they'll have to be paid.

20 But \$128,000 base salary, 20K incentive to be
21 awarded by the board on completion of appointed
22 tasks, not to exceed \$20,000 at this point. That
23 would be my motion. Is it too long for you?

24 CHAIRMAN GREEN: Is there a second?

25 (No second.)

1 CHAIRMAN GREEN: I don't hear a second.

2 Motion fails. Is there another motion?

3 MR. GEORGE: Yes. I have a motion. I would
4 like to go along with what Mr. Gorman said about
5 the \$128,000 base and an incentive program that is
6 as defined by the board sitting at that time.

7 CHAIRMAN GREEN: Uh-huh. In other words --
8 okay. You've got a motion. So --

9 MR. GEORGE: Yeah.

10 CHAIRMAN GREEN: Is there a second for that?

11 MR. GORMAN: Yes, I'll second that.

12 CHAIRMAN GREEN: Okay. Then we're going to
13 have comment. And I didn't open it to public
14 comment, so there's a motion, but we can still
15 open it to public comment at this point if anyone
16 has a comment. It was on a agenda and I didn't
17 get any slips, so that's why I was just -- Vic?

18 MR. MARTINELLI: I'll go back to what I said
19 at the budget hearing, and that is, the airport is

20 an enterprise fund, as are several other county
21 enterprises, such as the golf course, the
22 convention center, the amphitheatre and so on.

23 None of those county enterprise funds are
24 money-makers. They are all supported by our tax
25 dollars. And every one of them has the potential

1 of being off the tax rolls and being
2 self-sufficient. That's why they were set up as
3 enterprise funds.

4 This airport is a model. You are going to
5 definitely be off the tax rolls. You have taken
6 gigantic strides to do that. And while the
7 mission has been established by policy of the
8 board to get off the tax rolls, it's been
9 implemented by your executive director and the
10 staff.

11 Now, the head golf pro at the golf course and
12 the administrator of the convention center and so
13 on, I'm sure those folks get paid handsomely,
14 because that's what the market demands. And yet,
15 they're not doing the job that the county expects
16 of them, that we as taxpayers expect of them. But
17 your executive director and his staff here are
18 doing the job that we expect of them and I think
19 that they should be rewarded.

20 CHAIRMAN GREEN: Thank you. No other public

21 comment?

22 (No public comment.)

23 CHAIRMAN GREEN: Okay. Further board

24 comment? We have a motion and a second on the

25 floor. Can you remember your motion?

1 MR. GEORGE: Yes.

2 CHAIRMAN GREEN: Make sure.

3 MR. GEORGE: The motion was that the base
4 salary be increased to \$128,000 and that the
5 incentive -- that an item or incentive be added to
6 the compensation that based on the performance of
7 the preceding years, the boards sitting at that
8 time could give a bonus at their discretion.

9 CHAIRMAN GREEN: All right. Any further
10 board discussion?

11 MR. BRUNSON: The only comment I will make,
12 that this is a taxing authority --

13 CHAIRMAN GREEN: Uh-huh.

14 MR. BRUNSON: -- the Airport Authority. The
15 golf courses do not -- are not a taxing authority.

16 MR. GEORGE: But it is in the county.

17 MR. BRUNSON: But I'm ready to vote.

18 CHAIRMAN GREEN: It's an enterprise and they
19 suck it out. No, I think that's good. I think

20 that it deals with this past year and every

21 positive thing that's happened.

22 We are a taxing authority and because of the

23 efforts of staff and Ed, we're not going to be.

24 So I think that needs to be shown and we want to

25 keep them, and God forbid we should not keep them

1 and have to reeducate somebody as to what our
2 goals have been when we're so close to getting
3 those goals.

4 MR. BRUNSON: They're doing a great job.

5 MR. GEORGE: Aye.

6 CHAIRMAN GREEN: All right. No further
7 discussion? All in favor of the motion?

8 MR. GEORGE: Aye.

9 MS. BARRERA: Aye.

10 MR. GORMAN: Aye.

11 CHAIRMAN GREEN: Aye. All opposed?

12 MR. BRUNSON: No.

13 CHAIRMAN GREEN: Okay. Motion carries 4 to

14 1.

15 MR. GEORGE: You said no? You're not --

16 MR. BRUNSON: I'm said --

17 CHAIRMAN GREEN: He's against the motion.

18 MR. GEORGE: Okay.

19 CHAIRMAN GREEN: The only question I have,

20 and I note you said in your motion the next board,

21 when is the -- when does the merit get discussed?

22 Do you do it at each annual?

23 MR. BURNETT: The way it was drafted was at

24 each annual. If you want to change that, that's

25 fine. But the way it's currently drafted with the

1 little bit of tweak in language that Mr. George
2 offered, then it would be part of the annual
3 review.

4 CHAIRMAN GREEN: Okay. And this is
5 retroactive to July 1, correct?

6 MR. GEORGE: The date of it is --

7 CHAIRMAN GREEN: The date of the contract's
8 dated July 1.

9 MR. BURNETT: That is correct. Yes.

10 CHAIRMAN GREEN: Just I want to make sure
11 that we're --

12 MR. GEORGE: Well, the performance appraisal,
13 is that July 1 or is that at the time of the next
14 budget? Because that's when we have the
15 performance, the financial performance for the
16 previous year that we're going to be acting on.

17 MR. WUELLNER: You have the time latitude
18 within there to make it fit.

19 MR. GEORGE: Good. Sounds good.

20 MR. WUELLNER: Technically, July, but you've
21 got a period of time afterwards.

22 CHAIRMAN GREEN: Because I'd like to equate
23 it with the budget, you're right, to see what we
24 have. Okay. That is the last thing I have on the
25 calendar for today.

1 NEXT BOARD MEETING

2 CHAIRMAN GREEN: Our next meeting is August

3 18th. That's the board meeting. And then

4 September 8th is a budget hearing, the first one

5 at 5:00. But the board meeting's at 4:00. Thank

6 you, everybody, for helping us out in the meeting.

7 The meeting's adjourned.

8 (Meeting adjourned at 6:32 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 24th day of July, 2008.

13

14

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

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