

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 21, 2003

6 from 4:02 p.m. to 6:30 p.m.

7 * * * * *

8 BOARD MEMBERS PRESENT:

- 9 SUZANNE GREEN, Chairman
- 10 WAYNE "BUZZ" GEORGE, Secretary-Treasurer
- 11 JOSEPH CIRIELLO
- 12 BOB COX
- 13 JOHN "JACK" GORMAN

14 * * * * *

15 ALSO PRESENT:

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

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

20 BRYAN COOPER, Assistant Airport Director.

21 * * * * *

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24 St. Augustine Court Reporters
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3

1 PROCEEDINGS

2 CHAIRMAN GREEN: Call the meeting to order
3 of the St. Augustine Airport Authority. If we
4 could stand, please, and pledge the flag.

5 (Pledge of Allegiance.)

6 APPROVAL OF MINUTES

7 CHAIRMAN GREEN: We have minutes from two
8 meetings, our workshop meeting held the 16th and
9 our regular meeting held the same day at -- right
10 after each other. Are there any comments on the
11 minutes, additions or anything from any of the
12 board members?

13 (No comments.)

14 CHAIRMAN GREEN: With no comments, then,
15 I'll entertain a motion to accept the minutes as
16 transcribed.

17 MR. COX: I'll second.

18 CHAIRMAN GREEN: There's -- I need a motion,
19 first.

20 MR. COX: Oh.

21 MR. WUELLNER: Actually, had -- actually, I
22 could save you-all some time. You had -- this
23 board adopted a meeting policy a while back that

24 saves you from having to create motions and the
25 like related to minutes and financial statements.

4

1 They just stand approved if there are no
2 comments, and that will save that you in the
3 future --

4 CHAIRMAN GREEN: Then if there's --

5 MR. WUELLNER: -- if you'd like to avail
6 yourselves of that.

7 CHAIRMAN GREEN: If there's no comments,
8 then, they will stand approved as transcribed.

9 MR. GEORGE: I notice the absence of the
10 minutes from the special session we had.

11 CHAIRMAN GREEN: Yes.

12 MR. BURNETT: Yes. Those -- those would --

13 MR. GEORGE: Ed?

14 MR. BURNETT: Those would not be available
15 until after the litigation has concluded.

16 CHAIRMAN GREEN: Correct.

17 MR. GEORGE: No, no, no. Not that one. I'm
18 sorry. This was a workshop that we had where we
19 did -- we had these particular minutes --

20 MR. WUELLNER: The July --

21 MR. GEORGE: -- were the first session we
22 had --

23 MR. WUELLNER: -- 2nd (sic) ones? They're
24 not ready yet. Or they just got them?
25 MS. OCHKIE: They just got them today.

5

1 MR. GEORGE: Okay. So, they also required a
2 few action items that I didn't see on the action
3 item list, and that was my main reason for
4 bringing them up.

5 CHAIRMAN GREEN: And if they were just
6 turned in today, they'll have to be approved at
7 our next meeting.

8 MR. GEORGE: Okay.

9 CHAIRMAN GREEN: Okay? Then the minutes for
10 the workshop and regular meeting on the 16th of
11 June will stand approved.

12 ACCEPTANCE OF FINANCIAL REPORTS

13 CHAIRMAN GREEN: We also have the financial
14 reports for May 31 end. Are there any comments
15 on that? Yes.

16 MR. GORMAN: We are talking about the
17 financial statements, historical and budgeted?

18 CHAIRMAN GREEN: For the eight months ended
19 May 31, yes.

20 MR. GORMAN: Right. There is a statement by
21 Richard L. Waler, Jr., CPA, in there, and it is

22 basically a broad-based disclaimer, and it's very
23 broad based. It was odd and such.

24 It was -- well, I'll paraphrase it, but it
25 says the "compilation is limited to presenting,

6

1 in the form of financial statements, information
2 that is rep -- information that is the
3 representation of management. We have not
4 audited or reviewed the accompanying financial
5 statements and, accordingly, do not express an
6 opinion or any other form of assurance on them.

7 "Management has elected to omit
8 substantially all of the disclosures required by
9 generally accepted accounting principles. If the
10 omitted disclosures were included in the
11 financial statements, they might influence the
12 user's conclusions about the Authority's
13 financial positions, results of operations, and
14 cash flows. Accordingly, these financial
15 statements are not designed for those who are not
16 informed about such matters."

17 I would just like a clarification of that
18 and --

19 MR. GEORGE: I can give that.

20 MR. GORMAN: -- possibly written. There's

21 got to be a good answer for that. But that is
22 such a broad-based disclaimer, it does deserve an
23 answer.

24 MR. GEORGE: I would -- I would imagine that
25 if you look back for the last five years, you'll

7

1 see the same disclaimer --

2 MR. WUELLNER: Every one.

3 MR. GEORGE: -- that's there.

4 MR. GORMAN: Right.

5 MR. GEORGE: What typically happens is, to
6 pay someone to come out and audit every month and
7 generate an audited financial statement, just
8 takes the bill up.

9 So, what happens is you retain a company to
10 kind of look over Donna's shoulder, just to make
11 sure that everything is generally there, but
12 we're not going to go back and give any of our,
13 you know, disclaimers, and we're not going to be
14 held responsible and, you know, all that sort of
15 stuff. I think that that's standard operating
16 procedure --

17 CHAIRMAN GREEN: And then we --

18 MR. GEORGE: -- for most companies.

19 CHAIRMAN GREEN: And then we do have an

20 audit at a certain period of time which would go

21 back --

22 MR. GEORGE: But we do -- the one at the end

23 of the year goes back and looks at every

24 receipt --

25 MR. GORMAN: Right.

8

1 MR. GEORGE: -- every approval, every

2 purchase order and stuff like that. And that's

3 one of the agenda items today, is to go over the

4 contract for that for next year.

5 MR. GORMAN: And when we do discuss that

6 agenda item, we can discuss the type and depth of

7 audit.

8 MR. GEORGE: I think that'd --

9 CHAIRMAN GREEN: Sure.

10 MR. GEORGE: -- be a good place to do it,

11 yeah.

12 MR. GORMAN: All right.

13 CHAIRMAN GREEN: Any other comments on the

14 financial statements, Mr. George?

15 MR. GEORGE: I had -- had mentioned at

16 the -- I think it was at the special meeting,

17 that I would like an agenda item added to go over

18 some -- some suggested management reports that I

19 think would give us on the board a better
20 understanding of -- of the financial. I can wait
21 and go over that later on or we can go over it at
22 this particular time right now, whichever way you
23 want to do it.

24 CHAIRMAN GREEN: It's fine --

25 MR. CIRIELLO: Madam Chair, point of order.

9

1 We are in the discussion now on this
2 financial thing, and if I'm not mistaken, really
3 all we're supposed to do is either accept this
4 report or any corrections or additions to it, not
5 make any discussions on anything that's in it.
6 And that could come, like Mr. George says, later
7 as an agenda item.

8 So really, for saving time and everything,
9 all we're doing is either approving or dis -- or
10 making corrections to this thing without making
11 any comments or statements or questioning it.
12 So, I'd like to stick to that procedure --

13 MR. GEORGE: Point well taken.

14 MR. CIRIELLO: -- parliamentary procedure.

15 CHAIRMAN GREEN: That's fine. Any other
16 comments on these financial statements as
17 presented?

18 (No further comments.)

19 CHAIRMAN GREEN: If there is no other
20 comments, they'll be admitted as approved as
21 stated here. The next agenda item I have are
22 reports. Mr. Maguire's delayed, so I'll hold his
23 comments.

24 APPROVAL OF MEETING AGENDA

25 MR. GEORGE: Approval of the agenda?

10

1 MR. WUELLNER: The meeting agenda?

2 CHAIRMAN GREEN: I'm sorry. All right. We
3 have the agenda, July 21st, two-page, of a
4 meeting agenda. Are there any comments on the
5 agenda? Mr. George.

6 MR. GEORGE: First, the point that I just
7 made about going through the financial reports, I
8 would like that added to the bottom as another
9 agenda item, as I., I guess. It would be
10 financial management reports, proposed financial
11 management reports.

12 CHAIRMAN GREEN: Okay. And this is as we
13 discussed in the special meeting?

14 MR. GEORGE: Uh-huh.

15 CHAIRMAN GREEN: Okay. Mr. Cox?

16 MR. COX: I'd like to add three agenda

17 items. I'd like to have them for discussion
18 right up front so we can get into this a little
19 bit discussionary (sic) and then maybe for action
20 before we get into the rest of this.

21 And those are the Phase 1 buildout and
22 completion. Right now, over there, we've got
23 some real problems moving forward with that.
24 Second one will be the contractor's office that's
25 in the Phase 1 building right now.

11

1 And then point three is discussion of a
2 noise issue disclaimer, airport noise disclaimer,
3 for any new construction within the airport
4 noise-sensitive area. That could be added.

5 There's another couple of cities that I have
6 run through that have disclaimers that the
7 developers have to give to purchasers of new
8 homes, saying that the purchasers know that they
9 are buying within a noise-sensitive area. And
10 I'd like for us to discuss that and move forward
11 with the county in maybe moving towards having
12 the county and the city make that a mandate for
13 new home development in this area, anyway.

14 CHAIRMAN GREEN: Okay. Mr. Wuellner, can we
15 address the Phase 1 buildout and contractor's

16 office within your reports that you would give on
17 the status?

18 MR. WUELLNER: It's up to you, I guess.

19 CHAIRMAN GREEN: Well, I would think those
20 would be addressed as to what the status is,
21 where we are.

22 MR. GEORGE: Yeah, I don't see any of that
23 in -- in here. I think that was Mr. Cox's point,
24 is that in the agenda as presented through item
25 H --

12

1 CHAIRMAN GREEN: Uh-huh.

2 MR. GEORGE: -- there was nothing in that to
3 go over the Phase 1 building or the disclaimer
4 about the noise. And --

5 MR. COX: Yeah, I don't --

6 MR. GEORGE: -- I would -- taking
7 Mr. Ciriello's lead about the purpose of
8 approving the agenda or adding to, I would say
9 that that would be added as J. and K. at the end
10 of it.

11 CHAIRMAN GREEN: Any comments?

12 MR. CIRIELLO: Well, Mr. Cox, if I believe,
13 wanted to discuss it now before we got into the
14 regular agendas, then would we, Madam Chair, need

15 to make a motion to deviate from the regular
16 agenda and do that to allow that to happen?
17 Would that need to be made in the form of a
18 motion? If so, I'll make it.

19 CHAIRMAN GREEN: I think we needed a motion
20 to amend the agenda to add those items.

21 MR. CIRIELLO: Yeah, but it -- it could also
22 be the motion made to add the items but to
23 discuss them now before -- to, you know --

24 MR. COX: I'll -- I'll put my request in the
25 form of a motion --

13

1 CHAIRMAN GREEN: Sure.

2 MR. WUELLNER: -- that we move -- I'll move
3 to change the agenda to add those items for
4 discussion and action.

5 MR. CIRIELLO: Now or later?

6 CHAIRMAN GREEN: Right.

7 MR. COX: Now.

8 MR. CIRIELLO: I'll second it.

9 CHAIRMAN GREEN: Any further discussion?

10 (No further discussion.)

11 CHAIRMAN GREEN: All in favor?

12 MR. CIRIELLO: Aye.

13 MR. GEORGE: Aye.

14 CHAIRMAN GREEN: Aye.

15 MR. COX: Aye.

16 MR. GORMAN: Aye.

17 CHAIRMAN GREEN: All opposed?

18 (No opposition.)

19 CHAIRMAN GREEN: Okay. We'll amend the
20 agenda, then, to add the three items before A.

21 That will deal with the Phase 1 buildout
22 completion, the contractor's office, and the
23 noise issue. Any other changes or additions to
24 the agenda?

25 MR. GEORGE: I have a question. Some of the

14

1 times, we mention things we would like to get on
2 the agenda, and I find that they don't actually
3 get on the agenda.

4 I had made a note that Mr. Ciriello had
5 talked about the lease, and I didn't see it on
6 the list here to begin with, but I did find a
7 handout for that. So, that did get on there. I
8 had mentioned that -- those reports, but that
9 didn't get on there.

10 The action items that we came up at the June
11 23rd (sic) workshop, where the staff was going to
12 report back to us on the acquisition of Araquay

13 Park, I didn't see that, you know, on this.

14 MR. WUELLNER: Yeah. They're not under us,
15 because they're not action items. There was no
16 action item for us to do. We provided in your
17 packet information related to both land
18 acquisition and, I mean -- but I think we
19 addressed the items that you-all --

20 MR. GEORGE: Okay. I thought it was
21 going -- I thought that the request had been to
22 present to the board that the -- and the public,
23 you know, the status of all of that, and then to
24 generate some discussion through the board about
25 what we want to do about it. I mean, it is

15

1 budget time that's coming up.

2 MR. WUELLNER: Okay. Well, budget would
3 certainly be an appropriate place to -- to deal
4 with any of those topics.

5 MR. GEORGE: Also, in February, we asked
6 that the -- the present contract with the
7 attorneys that expired a year and a half ago,
8 something like that, and we didn't think it would
9 be a good idea to, you know, address that while
10 we were having some litigation action going on.
11 But I think in the -- in the February meeting, we

12 did request that it be put back on the agenda for
13 the July meeting. And --

14 MR. WUELLNER: I think that was the initial
15 request, but then the discussion among the board,
16 I believe, left it to where you were not going to
17 consider it until the conclusion of litigation.

18 That was my understanding of it.

19 MR. GEORGE: Okay. Well, I guess --

20 MR. WUELLNER: However, I --

21 MR. GEORGE: -- that's what my problem is,
22 like I will --

23 MR. WUELLNER: -- we can put on whatever you
24 want.

25 MR. GEORGE: -- bring something up to put on

16

1 there and I don't hear any objection from
2 anybody, but it doesn't get on the agenda.

3 MR. GORMAN: I -- I had that as an agenda
4 item. I wanted to actually discuss it at this
5 meeting. It wasn't critical it be discussed at
6 this meeting, but discussion for retention of
7 Rogers, Towers.

8 I also had one other clarification of the
9 advertising for agenda issues. I had those two I
10 wanted to add. And I might as well, since I've

11 said them, request that they be added.

12 MR. GEORGE: But before you add those, could

13 I just get a clarification on how we get things

14 added to the agenda? Because I --

15 MR. GORMAN: Thank you.

16 MR. GEORGE: -- I seem to go off, you know,

17 thinking that it's going to be on; then it

18 doesn't show up. And I --

19 MR. WUELLNER: Well, I -- I think that's

20 entirely -- it would be entirely our fault, that

21 we didn't take them as agenda items, since there

22 was no -- we didn't -- we didn't understand we

23 were supposed to be preparing a presentation

24 relative to that.

25 We presented -- provided the information

17

1 relative -- you asked what the status of

2 acquisition was. We provided that in a -- in a

3 paper form versus an agenda item because there's

4 no action specific to go with it. Same way with

5 there was -- there were two other items where we

6 provided backup detail for you.

7 MR. GEORGE: Yeah, you gave me my copy when

8 I was out a couple of days ago. I just was

9 expecting it to be --

10 MR. WUELLNER: Right.

11 MR. GEORGE: -- part of the agenda items --

12 MR. WUELLNER: I mean, we can -- we can
13 certainly make them agenda items in the future
14 when you ask it for -- you know, and then put
15 them on there, but there's no -- not necessarily
16 any action associated with it, so --

17 MR. GEORGE: Well, we'll just have to be a
18 little bit --

19 MR. WUELLNER: It's just inform -- we
20 provided it as informational. I think we even
21 tried to write something to the effect --

22 MR. GEORGE: Yeah.

23 MR. WUELLNER: -- it was information
24 provided versus an agenda item. But we certainly
25 don't object to providing an agenda item line, if

18

1 that's what you want.

2 MR. GEORGE: Okay. I would like to add a
3 discussion of that to the -- at the bottom of the
4 agenda.

5 CHAIRMAN GREEN: As to what?

6 MR. GEORGE: Discussing the acquisition of
7 property in the Araquay Park area.

8 CHAIRMAN GREEN: Just in the interest of

9 time, because we have a number of agenda items
10 today already, and I don't want to keep our court
11 reporter or anybody here past 8 or 9 o'clock in
12 the interest of cost and time.

13 So, my suggestion is, if we have I think the
14 Rogers, Towers issue, maybe Araquay Park, because
15 to be honest, I haven't had a chance to review
16 that information provided, that those items be
17 put on as an action item so that they're on the
18 agenda for our next meeting, just because right
19 now, we'll have one, two, three, four, five, six,
20 seven, eight, nine, ten, eleven -- we have twelve
21 items already today.

22 MR. CIRIELLO: Madam Chair, Mr. George
23 mentioned the leasing of the hangars and that,
24 and Mr. Wuellner said he provided a packet thing,
25 but my intention was to have it as an agenda item

19

1 and discussion, and I don't think it's a
2 five-minute discussion, because I've got a lot on
3 it to complain about.

4 So, if that hangars and what Mr. George was
5 saying and these other guys, if we're all
6 available -- of course, I'm always available
7 because I'm a do-nothing, but if we're all

8 available, couldn't we have another meeting
9 before next month's meeting to take care of some
10 of these things?

11 We're getting heavy -- pretty heavily loaded
12 lately on our agenda items --

13 CHAIRMAN GREEN: Right.

14 MR. CIRIELLO: -- every month, and the
15 meetings are lasting considerably longer than
16 they used to.

17 Maybe -- I suggested before one time, I
18 know, and I got shot down, that we ought to maybe
19 have two meetings a month instead of just one
20 because the work load is getting that way, at
21 least temporarily. Then if the work load
22 lessens, we can go back to a month -- or once a
23 month.

24 But would you guys be favorable of a meeting
25 between now and the regular meeting, if you're

20

1 available, if your schedules allow it, to -- so
2 we would have more time to discuss these heavy
3 issues?

4 CHAIRMAN GREEN: Do you want to make that in
5 a motion?

6 MR. CIRIELLO: Well, yeah, I'll put that in

7 the form of a motion --

8 MR. GEORGE: I'll second it.

9 MR. CIRIELLO: -- and you guys can check
10 your calendars.

11 MR. GEORGE: I'll second it.

12 CHAIRMAN GREEN: All in favor?

13 MR. CIRIELLO: Aye.

14 MR. GEORGE: Aye.

15 CHAIRMAN GREEN: Aye.

16 MR. COX: Aye.

17 MR. GORMAN: Aye.

18 CHAIRMAN GREEN: All opposed?

19 (No opposition.)

20 CHAIRMAN GREEN: Okay. Then we can -- let's
21 do it at the end of the meeting when we set some
22 dates, because our next regular board meeting's
23 the 25th of August, so I'm assuming we want to do
24 it between now and then.

25 And we can put on that, just so we make

21

1 sure, agenda items and/or action items, however

2 we take it, the lease provisions that

3 Mr. Ciriello requested, the Araquay Park issue.

4 I want to make sure we get all those. There was

5 one more -- I think one other. The Rogers,

6 Towers.

7 MR. WUELLNER: Do you want those deferred to
8 that next meeting or you're --

9 CHAIRMAN GREEN: We're going to put it on
10 the special meeting, the one that they're going
11 to pick a date -- we're going to pick at the end
12 of the --

13 MR. WUELLNER: Those three items at this
14 point?

15 CHAIRMAN GREEN: At least, right. I just
16 want to make sure we didn't forget those, since
17 we're going to defer them from adding them on
18 today.

19 MR. GORMAN: There was, and I don't care
20 when we discuss it, but as long as we do, the
21 clarification of advertising for agenda items,
22 and that -- wherever you want to put that.

23 CHAIRMAN GREEN: We can do that at the
24 special meeting as well, if you'd like.

25 MR. GORMAN: That's fine.

22

1 CHAIRMAN GREEN: Okay. So, there's four
2 specific items right now. Mr. George?

3 MR. GEORGE: Plus any action items at our
4 last workshop, you know, that didn't -- any other

5 ones that didn't get on here. Because I was
6 under the impression that we had four or five
7 different things that Staff was going to do to
8 get us clarified on certain issues. I will go
9 back and coordinate with Ed on the -- look at the
10 minutes and everything.

11 CHAIRMAN GREEN: If you want, Mr. George --
12 I don't know what Staff feels. If you wanted to
13 put -- if you go back and look at the minutes and
14 wanted to put something in writing, just so we
15 know and have Staff copy us so we know what's
16 going to be on there. Just, oh, we forgot X, Y
17 and Z --

18 MR. GEORGE: I can do that, yes.

19 CHAIRMAN GREEN: -- and then we'll all know
20 from a little note what's going to be on the
21 agenda. Is that all right?

22 Okay. All right. With that, how about the
23 agenda as modified for the three items and the
24 financial management reports for approval or
25 acceptance for today's meeting? Any further

23

1 discussion?

2 (No further discussion.)

3 CHAIRMAN GREEN: Then the agenda as amended

4 will stand approved. Now we have reports. And I
5 still will defer Mr. Maguire, if he has a report.
6 Mr. Slingluff, Aero Sport?

7 6.B. - AERO SPORT

8 MR. SLINGLUFF: Nothing to report at this
9 time.

10 6.C. - NORTHROP GRUMMAN

11 CHAIRMAN GREEN: Anybody from Northrop
12 Grumman?

13 (No representative present.)

14 6.D. - ST. AUGUSTINE AIRPORT PILOTS ASSOCIATION

15 CHAIRMAN GREEN: St. Augustine -- Pilots
16 Association?

17 (No representative present.)

18 6.E. - FLORIDA AVIATION CAREER TRAINING

19 CHAIRMAN GREEN: Bjorn? Anyone from
20 Aviation?

21 MR. OTTESEN: Nothing to report.

22 CHAIRMAN GREEN: Okay.

23 6.F. - AIRPORT AUTHORITY ATTORNEY

24 CHAIRMAN GREEN: And attorney, Doug.

25 MR. BURNETT: Just one follow-up, and that

24

1 is already previously provided in your materials,
2 is a copy of the pretrial order from Judge

3 Traynor in the Earth Tech litigation.

4 What you'll see from the pretrial order is
5 it's fairly involved regarding what the parties
6 have to accomplish before trial. The trial date
7 will be November the 17th, sometime during that
8 two-week period following November the 17th.

9 Additionally, one other thing that I think
10 might be helpful to you, I've provided -- I've
11 also brought a copy of a letter from Greg Lunny
12 from our office that sets forth the specific
13 dates for the pretrial requirements that have to
14 be met.

15 You may find it useful so that you can have
16 a date certain to glance down and see where the
17 litigation should be at as it's progressed, and I
18 brought -- brought a copy of that letter for each
19 one of you.

20 MR. COX: Oh, okay. Thank you.

21 CHAIRMAN GREEN: Any news on mediation?

22 MR. BURNETT: Other than the deadline has
23 not yet come for that. I believe there's
24 discussions related to the mediator to be used,
25 but I don't know beyond that at this stage.

25

1 CHAIRMAN GREEN: But just for everyone's

2 edification, that mediation's going to be held
3 sometime soon prior to our trial date, obviously.

4 MR. BURNETT: Yes, certainly.

5 CHAIRMAN GREEN: Okay.

6 MR. CIRIELLO: Can I ask the attorney a
7 question?

8 CHAIRMAN GREEN: Yes, Mr. Ciriello.

9 MR. CIRIELLO: I don't know if this would
10 come under the guise of a legal question, but at
11 the last board meeting, the board voted not to
12 accept Staff's proposal on the Embry-Riddle
13 lease.

14 My question to you is, was that a vote of
15 shutting Embry-Riddle out completely, or the way
16 I take it, that it was just a vote that we didn't
17 like the financial arrangements in the lease,
18 then if something -- if they were interested, if
19 something could be worked out to change that,
20 that they would be allowed to come back and
21 reapproach the board?

22 I -- I want to know, clarification which way
23 that -- that goes, because I understand they'd
24 still like to be here, from what I hear. But so
25 did we shut them out completely or did we just

1 tell them to redo the financial package?

2 MR. BURNETT: The only action that was
3 taken -- and I think the record will show that
4 the action that was taken was not to approve the
5 proposal as submitted to the Airport Authority.

6 That would not prohibit Airport --
7 Embry-Riddle from coming back under a different
8 alternative plan or the same plan with larger
9 rental payments or some other alternative, or
10 even for a different facility at the airport or
11 facilities at the airport.

12 MR. CIRIELLO: Okay. Thank you.

13 CHAIRMAN GREEN: Is that all, Mr. Burnett?

14 MR. BURNETT: Yes.

15 CHAIRMAN GREEN: Okay. Now we'll go to the
16 action items. And the added items then would be
17 Phase 1 buildout completion. Mr. Cox, do you
18 want to address that?

19 PHASE 1 BUILDOUT DISCUSSION

20 MR. COX: Sure. It's about 90 days beyond
21 our hundred-day promise that we were going to get
22 the Phase 1 buildout completed.

23 I was just over and looked at the building
24 over there today. There is a laundry list of
25 items in that building right now that we need to

1 get fixed. And those are being addressed, but
2 one of the major issues is the floor and the
3 carpet right now, and there's some problems with
4 glass panels in the building, et cetera.

5 But I'm just -- I am -- I'm amazed at what's
6 not been done in this building. And I'm -- I'm
7 disgusted and I'm mad because the contractor
8 lives over there, and which -- my two points here
9 can be kind of dovetailed in it.

10 The contractor's got a permanent office in
11 our building, and he was supposed to be
12 overseeing this construction in this building
13 this whole time. We're twice beyond where we
14 should have been to close out this building right
15 now, and we're -- the airport -- I'm tired of the
16 airport getting screwed, excuse my language, but
17 that's the way it is.

18 I think we need to adopt some type of a
19 financial hit for the contractor on a daily basis
20 for him not being done. And I understand now
21 he's got a bigger -- a bigger, better deal down
22 in the Virgin Islands, so he's no longer on the
23 property here for the most part of the time; he's
24 somewhere else. Meanwhile, his office is being
25 run out of our property on Phase 1 over there.

1 So, we need to address that somehow.

2 CHAIRMAN GREEN: I think one of the
3 questions would be to our attorney, because in
4 the contract between -- the contract's with the
5 surety; is that correct?

6 MR. WUELLNER: Correct.

7 CHAIRMAN GREEN: So, we'd have to look to
8 the terms of the contract to see if there's a
9 daily penalty fee or a liquidated damages or
10 whatever for noncompliance with the completion.

11 MR. WUELLNER: There isn't. There isn't.

12 MR. BURNETT: We have not -- I don't believe
13 my office has looked at that. Ed's telling me,
14 though, that there is not a liquidated damages
15 provision in that contract. We can certainly
16 take a look at that and give you a report on it.

17 MR. WUELLNER: And we've had this
18 conversation with Greg --

19 MR. BURNETT: Okay.

20 MR. WUELLNER: -- over the course of time
21 here, and there's nothing to preclude us from
22 attempting to assess or --

23 MR. COX: Let's move forward with it.

24 MR. WUELLNER: -- fine or whatever.

25 MR. COX: We need to get off top dead center

1 on this thing.

2 MR. WUELLNER: Whether they pay, it's
3 another -- you know, may be another issue, but...

4 MR. COX: Yeah. Well, somebody needs to
5 push -- push the contractor forward to get this
6 thing done.

7 MR. WUELLNER: As I understand it, you --
8 you could recover things like continued lost rent
9 on it, things -- tangible things that you could
10 put a factual number to. Those kind of things
11 could be -- or attempt to be assessed back to the
12 contractor -- not the contractor, but the bonding
13 company in this case.

14 CHAIRMAN GREEN: Mr. Gorman?

15 MR. GORMAN: Yes. Since we have a situation
16 here that's just not resolving itself, is there a
17 way to fix it?

18 If Asset Builders is not performing, is
19 there a way -- I'm just throwing out an idea. Is
20 there a way to hire another contractor, do these
21 things, get them finished, pull it out of his
22 contract form, whatever, whatever it takes to
23 actually make some progress?

24 Because it seems like if we're -- if we're

25 going to the lawyer asking it -- that's not a

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1 word, but I made it up, and talk about who's
2 responsible to who, all of the finger pointing
3 starts and nothing gets done, you know, and
4 that's not good for anyone.

5 So, I'm just trying to think of realistic
6 terms, what have we got for a dollar figure to
7 fix this, finish it, and occupy it, and in
8 realistic terms, could that be done? And
9 starting now.

10 MR. WUELLNER: Yes. You -- you could go do
11 this or accomplish this work on our own at our
12 own risk and our own cost.

13 If you want to try and mitigate the cost
14 against the contract and do those things, then I
15 think you're into a much more cumbersome effort,
16 and, you know, whether it ever resolves equitably
17 would -- who knows?

18 I don't think you're looking at a whole lot
19 of money and -- especially the cosmetic -- more
20 cosmetic things, such as wrapping up the carpet
21 installation and, you know, I know the
22 electrician over there would -- you know, would
23 have that wrapped up in a day or two, relative to

24 outlets and things of that nature, more cosmetic

25 in nature.

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1 We are going to ask the other -- there are
2 two other, not call them major issues, but issues
3 over there. One is a concern that perhaps
4 some -- some of the glass that's installed in
5 that end wall has been installed properly,
6 meaning oriented properly to inside versus
7 outside, and we're going to ask the
8 manufacturer's representative to come up and --
9 and look that over to be assured that's -- that
10 was done right by the installer.

11 The other piece is some hardware
12 installation that was done for doors and the
13 like, which I'm -- you know, I've got a meeting
14 in the morning with -- or a walk-through with the
15 inspector on it, and hopefully we'll have
16 those -- that list to the -- to the contractor
17 tomorrow afternoon already that will say these
18 three or four items need to be accomplished.

19 You know, in order for us to accept that and
20 allow -- you know, I say allow, but allow both
21 parties to -- to get moved out of the -- the
22 office trailer and into the building and -- and

23 get that next phase wrapped up, if you will. And
24 a great deal of what's remaining on the contract
25 is being held specifically because it can't be

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1 accomplished until that -- that office
2 move-out's -- is done.

3 There's nothing there that appears to be a
4 long lead item that in any way should take more
5 than a couple of days to physically wrap up
6 once -- once they begin. Historic problem is
7 getting them to actually get started and do it.

8 And, you know, you had -- you and I spoke
9 earlier today on the topic, and you had asked me
10 to invite Mr. Scharf, the owner of Asset, to be
11 here, and we were told that he is -- his parents
12 were involved in some sort of serious automobile
13 accident and he's on his way to New York.

14 So, what that means relative to wrapping
15 that up, I can't think that that's a positive
16 development in terms of getting a shortened
17 schedule. They're not -- they're what I would
18 call a change -- kind of a paper contractor.

19 MR. GORMAN: Again, without a --

20 MR. WUELLNER: If you'd like us to go do
21 that independently, we certainly can -- we can

22 have a -- you know, a number of carpet installers
23 on site tomorrow to tell us the approach, and
24 hopefully within a day or so, have somebody out
25 here actually doing it.

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1 I mean, I can't imagine that's a high-dollar
2 item to -- to wrap up, although, you're -- you're
3 stepping yourself out of warranty, you're
4 stepping yourself perhaps out of -- you know, I'm
5 just throwing them out because you need to know
6 that. I --

7 CHAIRMAN GREEN: That's what my concern is.
8 What's our exposure as far as contractual --

9 MR. WUELLNER: They're not big items.

10 CHAIRMAN GREEN: -- interference or
11 anything?

12 MR. WUELLNER: The only big item that has
13 potential risk, in my opinion, would be glass
14 related --

15 CHAIRMAN GREEN: Okay.

16 MR. WUELLNER: -- and that's going to take
17 days to wrap up no matter what. It may just very
18 well end up being an inconvenience to the tenant
19 if they find ones that had been installed wrong.

20 CHAIRMAN GREEN: Do we need to in writing

21 put Asset on notice: We're going to do this, you
22 failed to do it, and we're doing it?

23 MR. WUELLNER: We can. But that's --

24 MR. BURNETT: Yeah, that's one thing that I
25 will make sure tomorrow we look at and make sure

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1 from a legal standpoint what we need to do in
2 order to put them or the surety on -- on notice.

3 MR. WUELLNER: But that doesn't have to hold
4 us up from resolving it. Those are concurrent
5 items, so...

6 CHAIRMAN GREEN: Right. I'm just wondering
7 if --

8 MR. WUELLNER: If it's your direction to us
9 to take those warranty elements, if you want to
10 call them, and get them resolved as rapidly as
11 possible with or without their cooperation, we'll
12 do that. I mean, that's certainly not a --

13 MR. GORMAN: What kind of a dollar figure?
14 What kind of exposure are we talking about? It
15 can't be --

16 MR. WUELLNER: I can't imagine --

17 MR. GORMAN: Without the glass.

18 MR. WUELLNER: I mean, the majority of the
19 carpet work, I can't imagine there's a thousand

20 bucks in ripping that up and having it, you know,
21 reglued or -- assuming the carpet's reusable. If
22 not, you're still not talking a lot of money.
23 It's not that big an area to have more carpet
24 down or explore other options.
25 MR. COX: I don't know if the carpet's

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1 reusable. It's been cut zigzaggedy and all kinds
2 of junky stuff, so...

3 MR. WUELLNER: Well, I agree, but I'd rather
4 let somebody that knows what they're looking at
5 make a determination --

6 MR. COX: I think we need to move forward
7 aggressively on it, get this thing out of the
8 way. And here's the reason why, is because
9 when -- if that building is not done, then
10 North -- Bjorn can't move into the building.

11 The trailer is still there, not to mention
12 the fact that the county, I guess --

13 MR. WUELLNER: Yep.

14 MR. COX: -- has sent us a notice saying
15 they could charge us bazillion (phonetic) dollars
16 a day for noncompliance. But then we can start
17 on finishing the ramp that's been blocked off
18 over there.

19 So, basically --

20 MR. WUELLNER: Right.

21 MR. COX: -- what's happened is, is the

22 contractor's holding up --

23 MR. WUELLNER: Stopped it all.

24 MR. COX: -- the whole airport. And we need

25 to move forward just so that we can get things

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1 off top dead center here and move along.

2 CHAIRMAN GREEN: Mr. Ciriello?

3 MR. WUELLNER: Well, given -- given the

4 dollar value, you don't -- you know, you don't

5 need to appropriate money or do anything else.

6 We can do all that kind of stuff. If, you know,

7 the general consensus is let's -- we'll take care

8 of it, we'll take care of it. I mean, we'll --

9 we'll start first thing in the morning.

10 MR. CIRIELLO: Madam Chair? Ed?

11 MR. WUELLNER: Yes, sir.

12 MR. CIRIELLO: Correct me if I'm wrong, but

13 the contractor is under the auspices of the

14 bonding company, right? We had nothing to do

15 with picking him or doing --

16 MR. WUELLNER: Right.

17 MR. CIRIELLO: So, all of these questions,

18 should they be directed to the bonding company
19 and ask them to get this contractor moving or let
20 us get another one with the same conditions and
21 guarantees? So, all of these questions should be
22 going to the bonding company and not the
23 contractor, right? And the bonding company could
24 give us permission to --

25 MR. WUELLNER: There are -- yes, there are

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1 completion items and there are warranty items.
2 Either way, the bonding company is that entity
3 now.

4 MR. CIRIELLO: Okay.

5 CHAIRMAN GREEN: And that -- that was my
6 question about just put them on notice. If we
7 want to go forward, let's just comply with what
8 we have to do.

9 MR. WUELLNER: That, again, is independent
10 of what --

11 MR. GORMAN: I think, Joe, the point is if
12 we ask them to do it, they'll take their sweet
13 time, and we need to get it done --

14 MR. COX: Right.

15 MR. GORMAN: -- and it's not very expensive.

16 MR. COX: Right. Because we need to move

17 forward aggressively on it. We just -- we've got
18 a tremendous amount of business coming to this
19 airport in September, October, November, and if
20 that ramp buildout's not done, we're going to
21 have some real problems, and I don't want them
22 going to Craig, Duval County.

23 CHAIRMAN GREEN: Well, Mr. Cox, you want to
24 make a motion so we give direction to Staff with
25 regards to --

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1 MR. COX: I move that we -- I'll move that
2 we give direction to Staff to move aggressively
3 forward to do whatever's necessary to -- to take
4 care of Phase 1 to the point that we can get the
5 tenants, at least that portion of it.

6 CHAIRMAN GREEN: Is there a second?

7 MR. CIRIELLO: I'll second.

8 CHAIRMAN GREEN: Further discussion?

9 MR. GEORGE: Yes.

10 CHAIRMAN GREEN: Yes, Mr. George?

11 MR. GEORGE: I resent that we have to do
12 this.

13 MR. COX: I agree with you.

14 MR. GEORGE: This has been a problem since
15 last November. And we talked then about let's

16 have a weekly report from the attorneys. Let's
17 do with this, let's do with this. And it just
18 looks like, Ed, that it's got to come back to
19 this board, you know, to get something done.

20 So, for us to sit here and say now we make a
21 motion that you aggressively attack this project,
22 I think we did that last November.

23 MR. GORMAN: But, Wayne, unfortunately, it
24 didn't get done, and you know why. They're not
25 motivated to close it up.

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1 MR. CIRIELLO: Madam Chair, I can understand
2 what Mr. George is saying, and I feel the same as
3 he and Mr. Cox and everybody else. But I was
4 over to the project a few times with Mr. Ed.

5 In fact, one time, I -- a few months back,
6 maybe more than a few, I brought up the question
7 of the office the contractor had in the building,
8 and the excuse that I was given at the time, I
9 don't remember who did it, was he's using that
10 office for his own -- for the job here on the
11 airport. He wasn't -- but I was given the
12 impression he was using it for his whole company.
13 And so, that was the excuse I got.

14 But the couple of times I was over there

15 with Mr. Ed and Ed was asking him questions about
16 when's this going to be done, when's that going
17 to be done -- and this contractor's a little guy
18 like me. You know, he just gave -- real sweet to
19 talk to. He doesn't get mad or swear or
20 anything. But he gave all kind of excuses that
21 almost sound reasonable. And none of the delays
22 was his fault, the way he talked. But yet, if
23 you looked around, you didn't see a gang of
24 workers on the job, either. There was -- you
25 know.

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1 So, I don't know if we need to really say
2 that we weren't aggressive enough trying to get
3 the job done. Whenever the people doing the job
4 just keeps giving you excuses that sound half --
5 half-baked reasonable, there's not much you can
6 do.

7 CHAIRMAN GREEN: Further comments?

8 MR. COX: Just -- I just want to make sure
9 that I -- I covered all the bases with this. I
10 spoke with Bjorn this afternoon on issues and I
11 inspected the building over there. I haven't
12 spoken with Mr. Slingluff.

13 Is there any -- anything, I guess any

14 addition, anything that I could -- that I've
15 overlooked that you would like to add to
16 concerning the -- you know, the carpet issue, for
17 instance?

18 MR. SLINGLUFF: Well, I -- I do think there
19 are some cosmetic issues in there that -- that
20 are fairly easy to go in and -- and repair. I
21 mean, it would take just, you know, a couple of
22 afternoons of work.

23 But Ed and I went through last week, and we
24 both agreed there are areas that, if not
25 addressed now and corrected back to the original

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1 commercial spec that the building is drawn on, it
2 will cause long-term problems. Undermining of
3 the -- of the foundation, the slab, and things
4 like that.

5 We've got some major concerns with the door
6 sills and the pitch of door sills, the hardware
7 issues and things like that. And those are the
8 items that I think that the contractor needs to
9 be held accountable for, whether it's the
10 contractor or the surety.

11 But somebody signed on the line for a
12 commercial spec on that building, and what is

13 over there has been swapped-out equipment.
14 It's -- it's evident right in -- right in the
15 door hardware. Not only that but, you know, the
16 long-term effects of the environment. It would
17 be a short-term impact. Very quickly, we'll
18 start seeing water inside the building.

19 Carpet, things like that, is minor issues
20 and we're not -- we're not holding up for that.
21 We do have some questions about assuming
22 responsibility for the interior of the building
23 when the exterior cannot shed water correctly.

24 One other thing. Twice before we got in --
25 into the agreement with the contractor or -- or

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1 surety, I had asked twice, is this a performance
2 contract? Are there penalties for not having it
3 done within, I believe it was a 90-day period at
4 the time, and then it was stretched out to a
5 hundred days. And -- and we were given the
6 assurance that there was performance penalties
7 for not completing within the 100 days. And I'd
8 just like to find out what those penalties are.
9 Thank you.

10 CHAIRMAN GREEN: I think that would be
11 addressed to counsel. Well, this is further

12 discussion on the motion. We have a motion on
13 the floor, so...

14 MR. COX: The motion's on the floor.

15 CHAIRMAN GREEN: Right. Are you aware,
16 Mr. -- Counsel, of any penalties that are in the
17 contract?

18 MR. BURNETT: I do not -- I am not aware of
19 them. We will look at them tomorrow and be able
20 to give you a better idea on all of those issues
21 related to -- and one of the things in fact might
22 be at this stage, evaluating addressing the issue
23 with the surety in a more formal manner such as a
24 suit, but that is something that needs to be
25 evaluated.

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1 CHAIRMAN GREEN: I'd like to make an
2 amendment to the motion, just that we carry out
3 what Mr. Cox has proposed, but also with the
4 appropriate notice to the surety, not asking,
5 notice, we are going to do whatever, so that we
6 stay in compliance with whatever we need to,
7 since I don't want to expose the airport into any
8 contractual interference between the surety and
9 the contractor. Is the amendment accepted?

10 MR. COX: I'll -- I agree with that.

11 CHAIRMAN GREEN: Well, is the amendment
12 accepted?

13 MR. COX: Amendment's accepted.

14 CHAIRMAN GREEN: If no further discussion,
15 there's a vote. All in favor of the motion as
16 amended?

17 MR. CIRIELLO: Aye.

18 MR. GEORGE: Aye.

19 CHAIRMAN GREEN: Aye.

20 MR. COX: Aye.

21 MR. GORMAN: Aye.

22 CHAIRMAN GREEN: All opposed?

23 (No opposition.)

24 CHAIRMAN GREEN: Okay. The motion as
25 amended is carried. Mr. Cox --

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1 MR. GEORGE: After the motion -- just one
2 thing. When is the attorney going to get us the
3 information on the penalties?

4 MR. COX: Tomorrow, right?

5 MR. GEORGE: Well, he said he'd look into it
6 tomorrow. I just want to make sure it's not the
7 next meeting before I hear about it.

8 CHAIRMAN GREEN: He can put it on an e-mail
9 to us.

10 MR. BURNETT: I'll commit to you by Friday.

11 MR. GEORGE: Very good. Thank you.

12 CHAIRMAN GREEN: We have another noise
13 issue, I think, Mr. Cox.

14 NOISE ABATEMENT DISCUSSION

15 MR. COX: Just a discussionary item, I
16 think, or we could take action on it if you want
17 to, but I flew through Charlotte last week, and
18 Charlotte, Mecklenburg County, and the city have
19 adopted legislation, I guess, that any contractor
20 must include in any sales material the sales
21 agreement, whatnot, that if a person is buying --
22 and it has to do with the airport in Charlotte,
23 if they're buying a home in a certain zone, that
24 they know that they're buying a home that's going
25 to be tremendously noisy all the time.

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1 And there's -- it's hard for somebody to
2 come back as a neighborhood group or whatever,
3 saying, you know, we're going to sue you for
4 noise because we didn't know we were here or we
5 were here first, whatever it is.

6 So, I'd like to see us try to adopt
7 something like that and work with the county on
8 that issue. And Mr. Maguire is not here yet.

9 CHAIRMAN GREEN: Not yet.
10 MR. COX: But they have their meeting
11 tomorrow, and if we could move forward with this
12 to give him something to take to the County
13 Commission meeting tomorrow, they could start
14 moving forward on it, also.

15 MR. GORMAN: I --

16 CHAIRMAN GREEN: Mr. Gorman?

17 MR. GORMAN: Yes, I've heard -- on the same
18 exact vein, I've heard that the terminology
19 includes something called an avigation easement,
20 like "navigation" with an "a", and that is
21 included in the deed -- actually, it's to be
22 included in the deed wording, which then is
23 supposed to hold up -- now, I've got plenty of
24 lawyers around -- supposed to hold up as well as
25 possible, as anything is possible against --

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1 MR. COX: But it's -- but it's a -- the
2 avigation easement is a separate issue --

3 CHAIRMAN GREEN: Right.

4 MR. COX: -- than a noise disclaimer, but at
5 the --

6 MR. GORMAN: But the avigation easement on
7 the deed makes people that actually buy those

8 properties then enable (sic) to actually sue an
9 existing airport for noise.

10 And that was -- your idea, I think, is
11 absolutely necessary to be able to pursue that
12 from the county level, in other words, because,
13 for instance, these 350 condominiums that are
14 going to be built just south of us, those people
15 are high-income people and they're going to sue
16 the airport. It's historical fact from AOPA's
17 files they will sue you. So, it's -- I think
18 it's very important.

19 MR. CIRIELLO: That's city property, though,
20 not county. Shouldn't the city be involved?

21 MR. COX: The city is, is going to -- yes,
22 exactly. The city should --

23 MR. CIRIELLO: Both of them can be involved.

24 MR. COX: Yes.

25 MR. CIRIELLO: Okay.

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1 MR. GEORGE: For the -- for the Ponce
2 property, we were able to get the developer to
3 agree to put that in the covenants.

4 MR. GORMAN: The wording, I think -- I don't
5 know, I'm not a lawyer, but the wording, I know,
6 is critical. And I'm not sure that you -- I

7 mean, you can make a disclosure that says there's
8 an airport there, but again, I've been told by
9 AOPA attorneys that that sometimes, depending on
10 the exact wording and whether it's attached to
11 the deed or not -- and I don't know; I'm kind of
12 really winging it here because I'm not an
13 attorney, but that that's critical to being
14 whether or not they have grounds to be able to
15 litigate against the airport.

16 MR. COX: Let me just -- not to belabor this
17 point, but I'll just make a motion that we -- we
18 explore with the county and the city moving
19 forward on a noise disclaimer to be put into any
20 of the sales agreements or advertising, you know,
21 anything having to do with home development here
22 close to the airport.

23 CHAIRMAN GREEN: Can we direct Staff to send
24 something to the county or the city saying we are
25 concerned about this; we want this addressed? Do

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1 we need to go that far?

2 MR. WUELLNER: It will have to start with
3 Staff level.

4 CHAIRMAN GREEN: That's what I thought,
5 yeah.

6 MR. BURNETT: One thing, if I could just
7 share one -- one point, and Mr. Cox and I
8 discussed this.

9 It may be beneficial to identify the area
10 where the noise in the county is stem -- where
11 noise related to the airport could possibly be a
12 problem and use that identified area, ask the
13 city or county to pass a zoning regulation or
14 zoning ordinance related to developers seeking
15 approval of a PUD, et cetera. Their -- their
16 actual PUD ordinance would be governed by some
17 sort of provision related to the airport and
18 potential noise from the airport.

19 MR. CIRIELLO: Does the county have areas
20 zoned off? Like we're -- we should be talking
21 not just about the future of the Ponce. You have
22 homes up in the north end of the airport, Eagle
23 Creek and closer. And people over in Vilano has
24 complained about noise.

25 So, in this -- what we're looking for, this

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1 noise abatement easement, we should have more
2 than just the one area, more than just the Ponce.
3 We should cover ourselves all around the airport.
4 Don't you think?

5 CHAIRMAN GREEN: I think that's what Mr.
6 Burnett's saying.

7 MR. COX: Therein lies the county. Right.

8 CHAIRMAN GREEN: Right.

9 MR. GORMAN: I just -- I just used the
10 Ponce, Joe, only because that will be --

11 CHAIRMAN GREEN: Right.

12 MR. GORMAN: -- the closest and densest.

13 MR. CIRIELLO: But they ought to be
14 included, too, though.

15 CHAIRMAN GREEN: There's a motion on the
16 floor. I'll second it with the understanding
17 that Staff move forward to make this an issue to
18 try and see if there's any deed restrictions or
19 coming to the nuisance issues that can be
20 addressed on the county and city level. Any
21 further discussion?

22 (No further discussion.)

23 CHAIRMAN GREEN: All in favor of the motion?

24 MR. CIRIELLO: Aye.

25 MR. GEORGE: Aye.

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1 CHAIRMAN GREEN: Aye.

2 MR. COX: Aye.

3 MR. GORMAN: Aye.

4 CHAIRMAN GREEN: All opposed?

5 (No opposition.)

6 CHAIRMAN GREEN: Okay. All right. Now
7 we're going to the auditing contract renewal,
8 Mr. Wuellner.

9 7.A. - AUDITING CONTRACT RENEWAL

10 MR. WUELLNER: Yes. For the last three
11 years, Davis Monk & Company has been your annual
12 audit provider, and under Florida Statutes, you
13 have the ability to renew that contract without
14 going out and doing the solicitation for
15 professional services, much like you just did for
16 the -- for consulting services. In fact, it's
17 the same process.

18 They would -- as was typical during their
19 previous contract, it would be an annual increase
20 of basically \$400 per year. The annual audit
21 right now would be -- or for the coming year
22 would be at \$15,500, escalating over the
23 three-year period to a total of \$16,300.

24 In my opinion, they've done an excellent job
25 in keeping -- keeping in compliance with the

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1 Florida Statutes as well as federal auditing
2 requirements and do -- they seem to be just

3 incredible people to work with, versus especially
4 what we were working with before they were hired,
5 and seem to be very -- very understanding
6 relative to the size of this organization versus
7 say the county or other governmental structures.
8 And has a very broad history in that.

9 CHAIRMAN GREEN: Any public comment?

10 Mr. Slingluff?

11 MR. SLINGLUFF: Having just gone through
12 getting quotes on audited financials, I can say
13 that it's a deal.

14 CHAIRMAN GREEN: Mr. Martinelli?

15 MR. MARTINELLI: I just wanted to address a
16 point that -- that Mr. Gorman brought up earlier
17 about compilations.

18 In the old days, we used to call those
19 write-ups. And the disclaimer that he quoted is
20 kind of a standard disclaimer that auditors will
21 put when they do write-up work. And the reason
22 for that is because -- and I assume it's Davis
23 Monk that did that as well.

24 And the reason they do that is that if -- if
25 they didn't and at the end of the year when they

1 did their final audit, they would be auditing

2 their own work. And that doesn't make very much
3 sense.

4 And so, they put the disclaimer in saying
5 basically that management has supplied all of the
6 information. They haven't reviewed it, the
7 information, they've just put it -- they have
8 compiled it, just put it together. And at
9 year-end, though, they do a thorough financial
10 audit.

11 And also, it's very -- it's absolutely
12 uncustomary for audits to be done on a monthly
13 basis. They just wouldn't do that. It's too
14 expensive. It's too -- it takes too much time.
15 You'd never get it done. I just wanted to say
16 that.

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

19 (No further public comment.)

20 CHAIRMAN GREEN: Okay. I'll close public
21 comment. Board discussion? Mr. Gorman?

22 MR. GORMAN: I'm not an auditor, however, I
23 have concern of the fact that we have actually
24 two separate business entities and one is very
25 large; it's the Araquay Park -- what's called the

1 Araquay Park rental situation with 65 homes. We
2 also then have the airport.

3 I have called before for an independent
4 operational audit, and Mr. George, to his credit,
5 is actually trying to do, I think -- trying to
6 start doing that in the form of business reports.

7 I'm -- I'm a bit concerned that he would --
8 I'm sure he can do it and I'm sure that he's been
9 a successful businessman and certainly knows how
10 to do it, but I'd like to see some depth and I'd
11 like to see some very finite breakout of actually
12 the expenses that are going into this huge rental
13 community versus the airport, actually broken
14 out. And for that reason, I'm requesting and
15 asking the board to request for a simple
16 independent operational audit.

17 It's not witch-hunting here. I don't think
18 anybody's running over the fence with bags of
19 money. I'd just like to see exactly what we've
20 got in terms of liabilities and in terms of
21 really what's going on with those rental
22 community --

23 CHAIRMAN GREEN: Well, for the purposes --

24 MR. GORMAN: -- versus the airport.

25 CHAIRMAN GREEN: And for the purposes of

1 what we're doing -- what the -- right now, it's
2 whether we are accepting the contract with Davis
3 Monk at this point in time, whether we're going
4 to renew it. Any further direction, I think we
5 can --

6 MR. WUELLNER: And this is a financial
7 audit.

8 MR. GEORGE: This is accounting audit, not
9 a -- for a financial audit. I think a great
10 place for you to bring that up is when we get
11 back to talking about the management reports,
12 would be more appropriate.

13 CHAIRMAN GREEN: We added on to I.

14 MR. GEORGE: We've added that on to today's
15 agenda.

16 CHAIRMAN GREEN: Right now before the board
17 is whether we're going to renew on a three-year
18 basis the Davis Monk auditing contract.

19 MR. GORMAN: Would you use a different
20 possible auditor?

21 MR. GEORGE: Yes.

22 MR. WUELLNER: Yes.

23 MR. GORMAN: You would use a different
24 auditor.

25 MR. GEORGE: Yeah, a CPA would not --

1 MR. GORMAN: That's why I bring it up now.

2 MR. GEORGE: I wouldn't expect a CPA to know
3 operational ins and outs of the best way to
4 run --

5 MR. GORMAN: This is why I bring it up now,
6 in other words, whether we're going to separate
7 this or use the same firm, whether that firm has
8 capability.

9 MR. WUELLNER: If -- if you're looking for a
10 financial audit, you know, I mean, you can do,
11 you know, an audit financially on that specific
12 business area. I mean, that -- if your interest
13 is more financial related versus -- they're two
14 different things. I mean, an operating audit, as
15 I understand, it's more about how it's done
16 versus the expenditure.

17 CHAIRMAN GREEN: Mr. Ciriello?

18 MR. CIRIELLO: Madam Chair, when I first got
19 on this board a couple of years ago, and even I
20 think before I got on, these monthly reports that
21 we get were always either late or nonexistent for
22 a month or two, and I made a comment back then
23 that I thought that our monthly statements could
24 be done in-house, just saying what our net worth
25 is, how many checks we made during the month, how

1 many checks we received, something simple like
2 that. And I'm not quite sure -- so my question
3 then is, this auditing company, are they in any
4 way responsible for these monthly reports that we
5 supposedly get being late or anything like that?

6 MR. WUELLNER: No, sir.

7 MR. GEORGE: No.

8 MR. CIRIELLO: So, they have nothing to do
9 with that then. So, I shouldn't hold that
10 against them?

11 MR. WUELLNER: Right.

12 MR. CIRIELLO: Okay. All right.

13 CHAIRMAN GREEN: Mr. Cox?

14 MR. COX: I move we accept Staff
15 recommendation and approve the renewal for Davis
16 Monk.

17 MR. GEORGE: I move that we finish the
18 discussion first.

19 MR. COX: Let's finish the discussion.

20 MR. GEORGE: We are -- I have nothing
21 against Davis, Monk & Company, but we do have
22 Richard Waler, a local CPA, that does the
23 compilations. Is it just taboo to have the same
24 company do both of them?

25 MR. WUELLNER: Yes.

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1 CHAIRMAN GREEN: Uh-huh.

2 MR. GEORGE: How much do we pay Waler a
3 year, roughly?

4 MR. WUELLNER: Well, the compilations are
5 \$4- or \$450 a month, which is --

6 MR. GEORGE: Okay. \$6,000.

7 MR. WUELLNER: -- \$5-, \$6,000 a year.

8 MR. GEORGE: Six thousand a year, something
9 like that. Okay. I was noticing on the -- on
10 the budget that there was a budget for next year
11 for accounting services of \$30,000, and it just
12 didn't seem to compute with the \$15,5-.

13 MR. WUELLNER: Yeah. We typically -- we
14 didn't know what to anticipate here, but it's
15 typically, they add both values together and it
16 comes out of that line item.

17 MR. GEORGE: Okay. While Davis Monk is a --
18 seems to be a great company, is -- is there --
19 are there any local companies that are qualified
20 to do this, in other words, keeping the funds in
21 St. Johns County?

22 MR. WUELLNER: Yeah, this is actually --
23 they do the work out of the Palatka office for

24 this contract instead of Gainesville. We
25 solicited last time, and frankly didn't have

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1 local firms respond to it.

2 MR. GEORGE: Okay.

3 MR. WUELLNER: You know, we went through the
4 full-blown thing last time and --

5 MR. GEORGE: All right.

6 CHAIRMAN GREEN: Any further discussion?

7 Mr. Cox?

8 MR. COX: The motion's still on the table.

9 MR. GEORGE: And I second it.

10 CHAIRMAN GREEN: No further discussion?

11 (No further discussion.)

12 CHAIRMAN GREEN: A vote to accept Staff
13 recommendation, all in favor?

14 MR. CIRIELLO: Aye.

15 MR. GEORGE: Aye.

16 CHAIRMAN GREEN: Aye.

17 MR. COX: Aye.

18 MR. GORMAN: Aye.

19 CHAIRMAN GREEN: All opposed?

20 (No opposition.)

21 CHAIRMAN GREEN: Staff recommendation is
22 accepted.

23 MR. GEORGE: All right.

24 CHAIRMAN GREEN: Next, we have the
25 consultant master agreements.

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1 7.B. - CONSULTANT MASTER AGREEMENTS

2 MR. WUELLNER: Now, these -- these are the
3 form of contract that was reviewed by our
4 attorneys as well as provided to this board back
5 in January and February time line for additional
6 comments or changes relative to the master
7 consultant agreement.

8 There is no financial value associated with
9 this agreement, per se. However, it forms the
10 basis for all of the work that would be assigned
11 to any of the -- either of the two firms moving
12 forward for the time of the agreement and just
13 requires your concurrence and authorization for
14 Staff to go and execute the contracts with both
15 firms.

16 These are the two firms, LPA Group and
17 Passero Associates, the two firms selected by the
18 Authority at the last meeting, and have since
19 reviewed contracts and have provided their --
20 their signed version of the -- of those contracts
21 back to us.

22 CHAIRMAN GREEN: Public comment?
23 (No public comment.)
24 CHAIRMAN GREEN: Seeing no public comment,
25 we'll close public comment. Board discussion?

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1 MR. GEORGE: These two contracts are
2 basically identical?
3 MR. WUELLNER: They're identical.
4 They're -- they've been just reformatted for each
5 firm, but they're the same words.

6 MR. GEORGE: Then to act on option 7.B. here
7 would merely be consistent with our previous
8 directions of let's take two and go forward with
9 two.

10 MR. WUELLNER: Correct. As well as your
11 lack of action on changing the master contract as
12 proposed by legal.

13 MR. GEORGE: Okay.

14 CHAIRMAN GREEN: Any further board
15 discussion?

16 (No further discussion.)

17 MR. CIRIELLO: Make a motion to accept.

18 CHAIRMAN GREEN: Staff recommendation?

19 MR. CIRIELLO: Yeah.

20 CHAIRMAN GREEN: Okay. I'll second the

21 motion. Any further discussion?

22 (No further discussion.)

23 CHAIRMAN GREEN: All of those in favor of
24 the motion to accept Staff recommendation?

25 MR. CIRIELLO: Aye.

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1 MR. GEORGE: Aye.

2 CHAIRMAN GREEN: Aye.

3 MR. COX: Aye.

4 MR. GORMAN: Aye.

5 CHAIRMAN GREEN: All those opposed?

6 (No opposition.)

7 CHAIRMAN GREEN: Staff recommendation to be
8 accepted. Next would be item 7.C., Airport
9 Master Plan proposals.

10 7.C. - AIRPORT MASTER PLAN PROPOSALS

11 MR. WUELLNER: This is where you get to
12 pick. In the absence of direction to us as to
13 how you wanted us to decide between firms, we
14 solicited proposals to do the Airport Master Plan
15 from both firms that you just put under contract.

16 Those proposals are included in your agenda
17 item. From a financial perspective, they're
18 virtually the same. They're about \$9,000
19 difference in total. Over about a \$240- to

20 \$250,000 price range. It does involve an FAA
21 grant project. It is funded at 90 percent within
22 FAA and would have a 5 percent local share, with
23 the other 5 percent being met by Florida DOT for
24 the project.

25 Otherwise, the scope was that which was,

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1 again, brought before you back last -- earlier
2 this year, way early, like January, I think it
3 was, and is the same document that was used to
4 develop the grant document with FAA.

5 So, it's the same scope of work that FAA's
6 approved, FDOT's approved, and in theory you-all
7 approved back last -- last winter, and has now
8 been reviewed by both contracts and a price
9 submitted. And from this point forward, it's --
10 both have been legally accepted in terms of both
11 firms are under contract and you're able to award
12 as you see fit.

13 It's not price competitive unless you wish
14 it to be at this point. You -- essentially you
15 five need to make a determination as to which
16 firm is awarded the master plan contract.

17 CHAIRMAN GREEN: Any public discussion?

18 (No public comment.)

19 CHAIRMAN GREEN: Close public comment.

20 Board discussion. Mr. Ciriello?

21 MR. CIRIELLO: Madam Chair, I have two

22 questions, Ed. The first one's, I guess,

23 relatively simple.

24 In the budget, when we were talking about

25 the budget before, there was \$200,000 allocated

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1 towards going toward the master plan, and at that

2 time, I thought, boy, that was a lot of money.

3 And, of course, I find out that there's a lot

4 more involved. But now you say that this could

5 cost us some \$250,000.

6 Are we capped at the \$200,000 and anything

7 over that we have to pay, or whatever it comes

8 out to, the FAA will pay 90 percent?

9 MR. WUELLNER: No. And it's -- probably the

10 first thing we need to get corrected in the -- in

11 the new budget proposal is to reflect whatever

12 contract value you-all go with, but it is -- at

13 these numbers, it's entirely covered by the scope

14 of the FAA grant, which means it's -- the entire

15 amount that you award is covered at 90 --

16 essentially 95 percent with federal and state

17 dollars.

18 MR. CIRIELLO: Okay. My second is not a
19 question, but it's a comment, because we're going
20 to discuss among us which group we want, LPA or
21 LP what -- yeah, LPA or Passero.

22 MR. WUELLNER: Uh-huh.

23 MR. CIRIELLO: Unless my reading is a little
24 lax, when I read these two reports, I made
25 notations to myself. It seems to me that the

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1 emphasis that LPA was putting on wanting to do a
2 good job on the master plan was geared more
3 toward commercial aviation.

4 And you know I've made many a comments and
5 public comments here that this is a general
6 aviation airport and it's never ever going to be
7 a commercial airport. It will never be an
8 Orlando International, Jacksonville
9 International, Daytona.

10 And with that line of thinking, I'm not too
11 happy with what they propose for our master plan,
12 because they're emphasizing commercial aviation
13 too much.

14 When I read over what Passero was offering,
15 they was more geared toward the general aviation
16 aspects, which I kind of like. So --

17 MR. WUELLNER: I think you're just -- I
18 think you're comparing the -- the scope of work
19 is the same. Now, they've expanded upon it and
20 tried to describe it better and bigger, if you
21 will, in some cases, within the paragraphs in the
22 document, but the work that was given, if you
23 want to say "given," to them to propose to is
24 identical for both firms.

25 So, you're not -- you may have an internal

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1 emphasis from one firm to another on what they
2 believe your areas of interest are in the textual
3 descriptions, but the scope of work is exactly
4 the same for both firms.

5 MR. CIRIELLO: Well, why does one
6 concentrate on general aviation and the other
7 commercial? I don't want anybody wasting time
8 and money and effort on finding out facts and
9 figures of airline-type stuff and --

10 MR. WUELLNER: Well, your scope of work had
11 to some degree some of that evaluation. It's
12 not --

13 MR. CIRIELLO: Well, I have one vote, and if
14 I -- if I'm wrong in that thinking, that's my
15 business and my mistake, but I'm right now not

16 leaning toward LPA as my first choice, because
17 they're emphasizing in there what we will do for
18 you, is what this article is, we're going to do
19 this, we're going to do that, is leaning toward
20 commercial aviation more than general. And --

21 MR. WUELLNER: I just want to make sure you
22 understand that both firms will do the identical
23 thing.

24 MR. CIRIELLO: Well then, why didn't Passero
25 say a line about commercial aviation?

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1 MR. WUELLNER: They did not expand the scope
2 of work description beyond what we had asked them
3 to do. LPA did that on their own, expanded
4 the -- not the scope of the project, but the
5 scope of the description, as it's provided. The
6 same work elements are in there for both firms.

7 MR. CIRIELLO: You're telling me if I go and
8 vote for Passero and they get it, they're going
9 to come in here and give me a lot of wasted
10 effort on commercial stuff that I don't want?

11 MR. WUELLNER: Basically --

12 MR. CIRIELLO: Or if LPA gets it, can we --

13 MR. WUELLNER: Yes.

14 MR. CIRIELLO: -- direct them to leave out

15 the commercial aspects?

16 MR. WUELLNER: By changing the scope of
17 work, you could do that. But that is not what
18 you -- when it was approved by you and FAA, those
19 elements are in there for them to look at within
20 the master plan, both firms. No matter which
21 firm gets it, it's in there to look at right now.
22 If it's something you want to delete, you can
23 consider deleting it later.

24 MR. CIRIELLO: It doesn't make sense to me
25 to pay for something we're not going to need.

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1 MR. WUELLNER: Well --

2 MR. GEORGE: Wouldn't it be nice to listen
3 to a consultant tell us whether we do need it?
4 Maybe they see something that we don't see in our
5 everyday, you know, walking around, you know, in
6 the projected activity for this county.

7 CHAIRMAN GREEN: Mr. Cox?

8 MR. COX: I just wanted -- the project
9 scoping, and it's -- and it might help clarify
10 for you. It's -- they talked about how their fee
11 service is estimated and that the project -- we
12 can develop the scope of what we want them -- is
13 that not correct?

14 MR. WUELLNER: Yes.

15 MR. COX: So, if we don't want them to do
16 certain --

17 MR. WUELLNER: We told them, not the other
18 way around.

19 MR. COX: Right. If we don't want them to
20 do certain things, then -- and they're going to
21 do what we ask them to do within the scope of
22 that. So, we don't -- if it's something that you
23 feel uncomfortable with, we won't direct them
24 to -- to explore that.

25 MR. CIRIELLO: Mr. Cox, you're an airline

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1 pilot. How many states or communities do you
2 know that has a string of commercial -- I'm
3 talking about commercial airports; I'm talking
4 about ones that use airline service, as close as
5 what we're talking.

6 You have one at Jacksonville just a couple
7 of miles up the road. You have one at Daytona a
8 couple of miles down the road. A couple of miles
9 further from that's Orlando. A couple of miles
10 over is Tampa. And then a few more miles, of
11 course, you have Fort Lauderdale and Miami.

12 I can't see the FAA -- or I don't care how

13 many people you get in this county; I can't see
14 the scope being that we're going to need another
15 commercial airline-type airport here with so many
16 close by.

17 And from what Mr. George was saying, you
18 know, maybe the consultant will say, well, you're
19 going to maybe need this ten years down the road.
20 I can't see that. This will never be anything
21 more than a general aviation airport. And if I
22 die and it becomes a commercial aviation, dig me
23 up and tell me I was wrong.

24 MR. WUELLNER: Well, you know, you can
25 debate that part all you want. That really has

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1 nothing to do with the realities of you have at
2 least three different markets in Florida that all
3 have airline service within one-hour markets.
4 And, you know, it's a reality in Florida based on
5 the population and population growth, it's
6 something that prudent planning would say you go
7 look at.

8 It may not be something that is feasible
9 here within the planning time line or is even of
10 interest to the community, which I -- I perceive
11 would not be the case, but it needs -- needs to

12 be looked at and -- and due diligence done to
13 look at it.

14 MR. CIRIELLO: Okay. Ed, you know that
15 commercial airports have different -- I'll use
16 the word "qualifications" in general aviation
17 airport.

18 If you go to a classification to where you
19 are considered a commercial airport, you have to
20 have fire protection and there are specially
21 trained firemen. They're not these guys over
22 here. You have to have special security. You
23 have to have this, you have to have that.

24 And you're talking a lot of money to provide
25 these services for these airline services that

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1 you're talking -- to make this a commercial
2 airport. And yet, when people talk about getting
3 this airport off the tax rolls and making it
4 self-sufficient, when you think commercial
5 aviation, you're thinking of spending beaucoup
6 dollars to get there.

7 And I'm just saying that even thinking that
8 way, even to come out in the -- and waste time
9 saying that you could maybe need this down the
10 road is just -- it's just not going to be there,

11 and it's a waste of time and money.

12 And so, maybe I'm wrong in saying I don't
13 want LPA because of their emphasizing commercial
14 aviation, but then you say we can guide them and
15 tell them not to do that.

16 But -- so you people know how I feel. I
17 don't want any time and effort wasted on a lot of
18 commercial mumbo jumbo when it's not a -- 20
19 miles down a road -- 20 years down the road, I
20 don't think it will ever happen.

21 MR. WUELLNER: She's got to flip the tape.

22 MR. CIRIELLO: Well, I'm done anyhow.

23 MR. COX: Okay.

24 CHAIRMAN GREEN: Just with regards to the
25 scope of the work and FAA's requirements as well,

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1 I think at least it needs to be addressed. They
2 have addressed it, we don't need it, okay, fine.
3 And that may be the recommendation. That may be
4 what we say. But I think if we leave it out,
5 then we're not going to be in compliance with
6 what we need to do to do an adequate complete job
7 with what FAA says.

8 So, whether they make a proposal and they
9 say we -- you need to do all of this for

10 commercial and we say no, that's fine; that's up
11 to us in our discretion later when we finalize
12 the master plan.

13 Any other discussion on proposals? And what
14 my suggestion would be kind of what we did
15 before, each make your vote as to whom you would
16 award the contract, Passero or LPA.

17 MR. WUELLNER: If you have specific
18 questions, you have representatives from both
19 firms here.

20 CHAIRMAN GREEN: Right.

21 MR. WUELLNER: I mean, if you just have a
22 generic question, I wouldn't try to resolve
23 technical issues here, but...

24 CHAIRMAN GREEN: Are there any questions
25 from the board for representatives from Passero

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1 and LPA?

2 MR. GORMAN: I have a question.

3 CHAIRMAN GREEN: Mr. Gorman?

4 MR. GORMAN: Just one, but I'd like an
5 answer from each one in turn. Time line wise, if
6 you were asked to start now, how long do you
7 think it would take to come up with a workable
8 arrangement to build some hangars, or general

9 aviation hangars on this field? And I'll start

10 with Passero. Time line, if you start now.

11 MR. HOLESKO: Andrew Holesko with Passero

12 Associates. We talked about that all the way

13 back to the presentation itself, too.

14 I mean, I can tell you that everything -- if

15 you identify that as a -- as a strict issue,

16 immediately find us a place, you know, we would

17 put efforts toward immediately to try and find

18 the best place literally, you know, within a

19 month or two, trying to figure out what would

20 make sense for the plan.

21 I would hope that we could set something

22 aside. I know what you're -- where you're -- you

23 don't want to wait a year to find a place to put

24 a hangar that we could build now. And I remember

25 that we discussed it that day, so within in a

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1 month or two, we could probably get something on

2 rock solid that -- that would be conservative

3 enough to leave in the Airport Layout Plan.

4 MR. GEORGE: Let me clarify the question.

5 Supposing we know where we want it. How long

6 does it take your firm to design it and --

7 MR. HOLESKO: I'm sorry. I thought we

8 were --

9 MR. GEORGE: Hold it. Design it and go
10 through contract -- you know, help us with the
11 contract negotiations, get a contractor, and have
12 the first airplane going in one of those hangars?
13 Are we talking 18 months? Are we talking two
14 years? Or are we talking four months?

15 MR. GORMAN: Thank you. That does clarify
16 it.

17 MR. HOLESKO: Are you talking about
18 separating the master plan issue? We're not
19 talking about --

20 MR. GEORGE: Right. We're trying --

21 MR. HOLESKO: We aren't talking about
22 finding a site or we are talking about --

23 MR. GEORGE: I'm trying to find out how your
24 company thinks about projects from soup to nuts.

25 MR. HOLESKO: Okay. Well, the first thing I

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1 can tell you is I definitely don't have enough
2 information to answer that question. It would be
3 wrong for me to say that I did, because I don't
4 know the site you're talking about or anything
5 associated with the environment on that site, and
6 I really couldn't answer that.

7 I don't know whether it's a six-unit
8 T-hangar or a 20,000-square-foot bulk hangar. I
9 really couldn't answer.

10 CHAIRMAN GREEN: Thank you. LPA?

11 MR. DiCARLO: Good evening. Doug DiCarlo
12 with the LPA Group. To come to that question,
13 I'd have to almost say the same thing, because
14 perhaps the first thing you'd have to do,
15 depending on how the agencies react, is do maybe
16 a pen and ink, as we call it, change on the ALP
17 if that area is not already currently shown,
18 which, as my colleague said, I'm not aware of the
19 specific details or site you're talking about.

20 Coming back to the issue of just whether or
21 not you can front-load some of that stuff in the
22 planning side, because it seemed like we did
23 switch from a master plan element to, you know,
24 starting to really look at getting something out
25 on the ground, the master plan, typically by the

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1 FAA's definition, will follow a certain order,
2 and that's kind of outlined probably in both of
3 our scopes.

4 That is typically not a problem to change to
5 bring certain key issues or key elements up

6 front. And in this particular case, I think it
7 probably wouldn't be difficult, because the
8 funding you're talking about for hangars would be
9 from the state, and the state has in my opinion a
10 lot more flexibility in that respect.

11 So, any key element that the -- the airport
12 staff or Airport Authority members would want to
13 bring forward, I think would be no problem at
14 this -- for that particular type of facility.

15 But again, coming back to the -- the pure
16 engineering side, that's purely speculative at
17 best at this point, but -- because it --
18 environmental considerations alone could really
19 cause significant delays.

20 And something I'd like to make a comment, if
21 I have a chance. Related to the commercial
22 service, it was not my intent to have a
23 full-blown, if you will, commercial element. It
24 was something we were supposed to address at
25 direction of Staff.

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1 And I think it's important to consider the
2 fact that your current master plan not only has a
3 commercial facility, commercial terminal on it,
4 but also a parallel runway that comes across U.S.

5 1. And the FAA, especially putting 95 (sic)
6 percent dollars in, is going to be very
7 interested in seeing why you took that off.

8 So, not knowing how that result will come
9 out, the one thing you have to keep in mind about
10 a master plan study is you have really three key
11 documents.

12 You have your forecast, your ALP set, and
13 your Capital Improvement Program. The rest of
14 the text, the analysis supports what happened to
15 those, why things were taken off or why things
16 were added and the justification for them.

17 So, it's not to say perhaps that it would be
18 skies filled with regional jets or something when
19 you have the other facilities as were so noted,
20 but just to explain what -- how this was done and
21 why something was either left on or taken off the
22 ALP. I think that's a key consideration.

23 MR. COX: Thank you.

24 CHAIRMAN GREEN: Thank you. Any other
25 board --

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1 MR. BURNETT: I have -- I have one issue
2 that I need to address with the board. However
3 the board decides this issue, I would request and

4 advise you that the motion should be to pick one
5 firm or the other and to allow Staff still the
6 ability to negotiate the terms of the agreements.

7 One of the agreements as written has one
8 little problem that causes me some heartburn
9 related to a total fee versus typically, these
10 types of contracts involve a per-hourly fee for
11 the services provided, and that scope can change,
12 and the ability to change the scope means that
13 the fee will change one way or the other, but
14 it's not a lump sum that prohibits you from
15 perhaps arguably changing the scope of services
16 as it goes through the process.

17 CHAIRMAN GREEN: Any further discussion?

18 (No further discussion.)

19 CHAIRMAN GREEN: Okay. We can start as we
20 did before at the end. Mr. Gorman?

21 MR. GORMAN: You wish me to pick one now?

22 CHAIRMAN GREEN: Yep.

23 MR. GORMAN: LPA.

24 CHAIRMAN GREEN: Mr. Ciriello?

25 MR. CIRIELLO: Well, usually people will say

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1 your first choice of doing something, whether it
2 was gambling or whatever, is usually the right

3 thing to do. And what you people said here made
4 my thinking a little muddled, but I'm going to go
5 with my first gut feeling, and I like what
6 Passero said better than LPA, as far as what they
7 wanted to do for us. So, I'm going with Passero.

8 CHAIRMAN GREEN: Mr. Cox?

9 MR. COX: What happened to Buzz?

10 MR. GEORGE: I'll go next.

11 MR. COX: No. It's fine. I'll go with --

12 CHAIRMAN GREEN: I'm just moving in this way
13 (indicating).

14 MR. COX: I -- I'd put LPA number one.

15 CHAIRMAN GREEN: Mr. George?

16 MR. GEORGE: I put LPA number one.

17 CHAIRMAN GREEN: And I put LPA with number
18 one also on mine. So, with four LPAs and one
19 Passero, then LPA would be awarded the initial
20 contract.

21 MR. GEORGE: We would direct Staff to
22 continue negotiations, yeah.

23 CHAIRMAN GREEN: With the terms as
24 recommended by Counsel. Is that correct?

25 MR. WUELLNER: Yeah. Basically -- the way

1 the work ends up being billed is you have

2 essentially a not-to-exceed fee --

3 CHAIRMAN GREEN: Yeah.

4 MR. WUELLNER: -- is the way it works.

5 It's not, you know, writing them check for
6 \$240- and they show up some day with a product.

7 It's -- yeah, they have to justify that back to
8 FAA with each invoice. So, the issue is with the
9 word "estimate" with -- in here. And it
10 becomes -- we need to get the language just to
11 agree that it's a not-to-exceed fee of \$240,000,
12 which is a given.

13 CHAIRMAN GREEN: I think we've given Staff
14 direction to do exactly that, so that -- that's
15 helpful. All right. I think we've taken care of
16 item 7.C.

17 Just to divert from the agenda,
18 Mr. Maguire's -- I didn't know if there were any
19 comments from the commission. I was given a note
20 you would be late, and so if there were any
21 comments to make under the reports, Mr. Maguire?

22 6.A. - COUNTY COMMISSIONER

23 COMMISSIONER MAGUIRE: My apologies. Been
24 in Jacksonville. You know how it is.

25 The issue of noise abatement and development

1 processes, I talked with Mr. Cox over the weekend
2 about that issue, and I have asked Isabelle Lopez
3 to talk to Charlotte, North Carolina, to get
4 their joint resolution, and she will do so.

5 However, I would like -- I will bring this
6 up tomorrow in our board meeting under
7 commissioner comments, but it would be nice if I
8 had some type of resolution or something from you
9 requesting both the city and the county to look
10 into this issue about a joint resolution.

11 CHAIRMAN GREEN: We -- well, before you were
12 here, we filed -- we entertained a motion, which
13 was carried, that we directed Staff to do so --

14 COMMISSIONER MAGUIRE: Okay.

15 CHAIRMAN GREEN: -- that we did give Staff
16 the permission to work with the county and the
17 city with regards to passing whatever was
18 appropriate, whether it's deed restrictions,
19 zoning restrictions, whatever it would take.

20 COMMISSIONER MAGUIRE: Great. I know the
21 city has already addressed this when they were
22 talking with Chester Stokes on the development
23 issue --

24 CHAIRMAN GREEN: Right.

25 COMMISSIONER MAGUIRE: -- and they were

1 talking about deed restrictions, they were
2 talking about closing documents. You know, they
3 were talking about numerous different issues, and
4 I don't know what they finally came up with, if
5 anything at all.

6 CHAIRMAN GREEN: And if you need a copy of
7 our minutes that said that, I'm sure it could be
8 provided to you.

9 COMMISSIONER MAGUIRE: Okay. I would
10 appreciate it. Thank you.

11 CHAIRMAN GREEN: Thank you. All right.

12 Next agenda item is 7.D., appointment to
13 intergovernmental committee.

14 7.D. - APPOINTMENT TO INTERGOVERNMENTAL COMMITTEE

15 MR. WUELLNER: For about as long as I've
16 been here, if not longer, the -- there has been
17 an intergovernmental committee in existence
18 within the county that is largely, by their own
19 bylaws, and I think it don't think it's formally
20 chartered in and of itself, but is made up of
21 elected officials of the various governmental
22 entities within St. Johns County, of which the
23 Airport Authority is one.

24 Historically, we've generated very little
25 interest with board members in actually attending

1 those meetings and taking on that function as a
2 committee. On the committee, and as a result,
3 we've not had, quote, vote -- votes on that
4 committee.

5 Now, they have no standing in that they can
6 actually accomplish anything; it's more -- it's
7 much more informal than that. It's mostly
8 explanations of what each entity's doing in an
9 effort to keep each other informed of what's
10 going on. And it has been very, very helpful and
11 very, very informational over the years.

12 And it depends on which entity is occupying
13 the chair of that organization as to who kind of
14 gets the -- the legwork to hold the meetings on a
15 monthly basis. There's not a lot to it -- but to
16 do that.

17 And we -- we're looking to try and get
18 somebody interested, and then on top of that,
19 somebody who would be willing to attend those
20 meetings. They're monthly. I think they're down
21 to about an hour, hour and a half now in terms of
22 total time.

23 Right now, they're being held over at the
24 county governmental meeting. They're held
25 last -- for as long as I've been around, they've

1 been on the first Monday of the month, if that
2 con -- excuse me, the first Wednesday of the
3 month, and if that conflicts with a holiday, they
4 simply cancel it for the month. They don't try
5 to create other dates out of it.

6 But it is very, very interesting and helpful
7 and go a long way in keeping other governmental
8 entities informed of what the Authority is.
9 We've been doing that, Staff, for you for a
10 while.

11 CHAIRMAN GREEN: Public comment?

12 Mr. Maguire?

13 COMMISSIONER MAGUIRE: Looks like I came at
14 the right time.

15 MR. WUELLNER: Yes, sir.

16 COMMISSIONER MAGUIRE: The intergovernmental
17 committee, I am the current chairman of that
18 committee right now. The first two meetings I
19 attended lasted for about two hours, and they
20 were just absolutely miserable. And we didn't
21 really get anything accomplished because
22 everybody starts talking and rambling.

23 So, when I took over, and just to accentuate
24 what -- what Ed said, we changed the format.

25 We're going to meet for no more than one hour.

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1 The intent of the meeting is if you have
2 something to bring to the table that is important
3 for other agencies to know about that has not
4 been passed out or may not be passed out for a
5 while, please bring that information, and you
6 have three minutes to explain yourself. If you
7 do not have anything to bring, please come so you
8 can pick up information.

9 There are I think 23 different agencies that
10 are represented. We usually get participation
11 somewhere between 15 and 18 showing up. We do
12 have a lot better response from people not
13 jabbering and actually saying informative
14 information on this issue. But when the MPO
15 issue came up, we presented that. There were a
16 couple of issues where people started talking,
17 and we cut them off because it was not really
18 germane to the board.

19 The real issue is, though, that the
20 committee is designed to pass on firsthand, not
21 secondhand, information to other agencies that
22 might need that information. If we don't do a
23 better job over the next year of passing that

24 information on, my recommendation is going to be
25 to cancel the committee. So, we're really going

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1 to focus in on making sure that it's hard,
2 critical data.

3 In that light, we'd like to have some people
4 from -- from the board -- for example, we just
5 brought on the MSD this year for the first
6 time -- they had never been on the board -- out
7 of Ponte Vedra. So now they're coming to the
8 board.

9 We brought on the CDD from Julington Creek.
10 So -- and we have F.I.N.D. on the board. So we
11 have a lot of agencies there, and the Port
12 Authority. So, we'd like to have someone that --
13 that's really looking forward to a one-hour
14 exciting time every month. Thank you.

15 CHAIRMAN GREEN: Thank you. Any other
16 public comment?

17 (No public comment.)

18 CHAIRMAN GREEN: Close public comment.
19 Board comment?

20 MR. GORMAN: Because the board -- in other
21 words, we've just already elected to have two
22 meetings a month and -- which is fine. And if

23 it's necessary --

24 CHAIRMAN GREEN: I don't think we elected to
25 have two meetings a month. We are going to have

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1 an additional meeting --

2 MR. GORMAN: We're going to have an
3 additional meeting --

4 CHAIRMAN GREEN: -- between now and the next
5 one, right.

6 MR. GORMAN: Well, we -- we -- yeah. All
7 right. To clarify that. We need an additional
8 meeting next month, and these meetings seem to --
9 we seem to need more meetings than more than one
10 a month many times, so -- but my point would be,
11 the board -- it's key to the decision-making by
12 the board to go to something like that, it seems
13 like it.

14 But because the responsibility of this board
15 is getting larger and larger, is it possible that
16 we could -- just let's throw this out for
17 discussion -- rotate that through the board
18 members? Because then of course you don't always
19 have the same responsibility. And it'd also give
20 different points of view.

21 Mr. George's point of view towards something

22 is different than mine. And so -- but possibly
23 both -- possibly both are useful. See what I
24 mean?
25 CHAIRMAN GREEN: Ed, could we have two,

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1 maybe? I just --
2 MR. COX: They said -- it calls for two, one
3 alternate and one --
4 CHAIRMAN GREEN: One alternate, yeah.
5 MR. GORMAN: So, it's covered by the board.
6 Not appoint -- one person appointed, then they
7 just stay through the continuum. That would be
8 my suggestion.
9 CHAIRMAN GREEN: Any other discussion?
10 MR. COX: I think it's important for us to
11 take part in it, I really do.
12 CHAIRMAN GREEN: Oh, yeah.
13 MR. GEORGE: I'll volunteer to take part in
14 it.
15 CHAIRMAN GREEN: Do we have any other
16 volunteers before they get drafted?
17 MR. GORMAN: I'll volunteer.
18 CHAIRMAN GREEN: Mr. Gorman? Well, I'll
19 entertain a motion that we accept those two. And
20 whether the board has any other discussion,

21 whether one can go or not, depending on your
22 calendars, that's fine; we can cover --
23 MR. COX: I move that we nominate Jack and
24 Buzz --
25 CHAIRMAN GREEN: Buzz.

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1 MR. COX: -- as candidates for the
2 intergovernmental committee.
3 MR. WUELLNER: Yeah. Okay. Since it
4 provides for a member and an alternate, do you
5 wish to make that determination rather than --
6 MR. COX: Just let them decide who they
7 want.
8 MR. WUELLNER: I -- I don't care. I just --
9 CHAIRMAN GREEN: No, I think the motion was
10 that whatever -- whomever was available at that
11 time for their calendars, so we at least have
12 somebody there.
13 MR. WUELLNER: Okay. Well, let them work it
14 out --
15 CHAIRMAN GREEN: Yeah.
16 MR. WUELLNER: -- when they both can make
17 it?
18 CHAIRMAN GREEN: Sure.
19 MR. GEORGE: We can't talk in the sunshine.

20 MR. WUELLNER: Well, it's --
21 MR. COX: We'll have to work it out.
22 CHAIRMAN GREEN: I think you can -- you can
23 discuss dates and calendars.
24 MR. WUELLNER: Okay.
25 CHAIRMAN GREEN: Is there a second to the

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1 motion?
2 MR. CIRIELLO: Second.
3 CHAIRMAN GREEN: All in favor?
4 MR. CIRIELLO: Aye.
5 MR. GEORGE: Aye.
6 CHAIRMAN GREEN: Aye.
7 MR. COX: Aye.
8 MR. GORMAN: Aye.
9 CHAIRMAN GREEN: All opposed?
10 (No opposition.)
11 CHAIRMAN GREEN: Okay. The motion of
12 Mr. Gorman and Buzz will carry.
13 MR. CIRIELLO: Mr. Gorman and who?
14 CHAIRMAN GREEN: Mr. George.
15 MR. WUELLNER: George.
16 MR. CIRIELLO: George.
17 CHAIRMAN GREEN: Next is 7.E., purchasing
18 policy.

19 7.E. - PURCHASING POLICY

20 MR. WUELLNER: This is a revision to the
21 policy, I believe it was in 1997 -- I wrote it on
22 the cover of the memo here. Yeah, '97 purchasing
23 policy that was established by the Authority.

24 It basically has been revised to reflect
25 Florida Statutes throughout, and presenting it as

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1 of -- for consideration by the Authority and
2 updating their policy to Florida Statutes.

3 CHAIRMAN GREEN: Any public discussion?

4 (No public discussion.)

5 CHAIRMAN GREEN: Close public discussion.
6 Board discussion?

7 MR. CIRIELLO: I'd make a motion to accept
8 as is.

9 CHAIRMAN GREEN: I'll second it.

10 MR. COX: All right.

11 CHAIRMAN GREEN: Are there any discussions
12 on the motion?

13 (No discussion.)

14 CHAIRMAN GREEN: Hearing no discussion, all
15 in favor of accepting Staff recommendations to
16 adopt the revised purchasing policies? All in
17 favor?

18 MR. CIRIELLO: Aye.
19 MR. GEORGE: Aye.
20 CHAIRMAN GREEN: Aye.
21 MR. COX: Aye.
22 MR. GORMAN: Aye.
23 CHAIRMAN GREEN: All opposed?
24 (No opposition.)
25 CHAIRMAN GREEN: The motion carries to

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1 accept Staff's recommendation.
2 MR. WUELLNER: You-all are starting to scare
3 me, if these are going quickly.
4 CHAIRMAN GREEN: Just wait.
5 MR. WUELLNER: What I'm afraid of.
6 MR. COX: Well, we can come back to that, if
7 you want to.
8 CHAIRMAN GREEN: 7.F., staff budget
9 proposal.
10 7.F. - STAFF BUDGET PROPOSAL
11 MR. WUELLNER: Right. Today -- as a part of
12 your meeting today, you need to establish -- and
13 it's actually the next item that this directly
14 relates to.
15 You are required by Florida Statutes to
16 establish during this period of time the TRIM

17 notification to be forwarded to the tax collector
18 and the property appraiser's office of the
19 state -- it ultimately goes up to the state
20 office, also -- but the intended maximum millage
21 that this board would -- would intend to levy,
22 beginning November of next year.

23 It relates back to your -- ultimately to
24 your budget preparation or your -- preparations
25 to adopt a budget during the month of September.

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1 This is the beginning stages of that effort with
2 this board and back and forth with Staff on how
3 to get there.

4 This budget is proposed, just so you have an
5 idea, and this is -- this budget is currently
6 built on retaining the existing millage. So,
7 this reflects last year's adopted millage rate in
8 terms of ad valorem proceeds that go into this
9 budget.

10 We feel comfortable, as it's typically the
11 direction of this board -- it can be brought back
12 to take the rollback rate without a whole lot of
13 difficulty. But as it sits today, it reflects
14 the current millage rate.

15 The rollback rate, just for your

16 information, is .2144 as it applies to us. So,
17 you'd be seeing a tax rate reduction from .2356
18 to .2144, could be accomplished. It is not
19 reflected in these numbers, just so we're all
20 clear on that. But I'll walk through the pages.

21 Some of these pages, especially ones that
22 have nothing on them, this will be probably the
23 only time you see them. They're -- they're here
24 for informational. And unless they're amended or
25 in some way going to be tweaked during the

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1 process or direction from you-all, they'll
2 disappear out of here and you'll be down to
3 probably six or eight, maybe nine pages in total,
4 instead of the closer to twenty that's in there
5 right now.

6 Ignore the dates that refer to adopted and
7 the like. We basically reused the forms from
8 last year and they'll -- they'll be -- at the
9 time of adoption, will be -- reflect the -- the
10 date of adoption versus what's on here.

11 So, those -- those are meaningless for
12 purposes of moving forward.

13 MR. CIRIELLO: Ed, are we bypassing F. and
14 going to G.?

15 MR. WUELLNER: We are kind of doing both.

16 MR. CIRIELLO: Oh, okay.

17 MR. WUELLNER: I'm trying to just prime you

18 on what G's about --

19 MR. CIRIELLO: Okay.

20 MR. WUELLNER: -- so that you're thinking

21 that when we walk through F.

22 MR. CIRIELLO: Okay.

23 MR. WUELLNER: All right.

24 MR. GEORGE: Ed, one more point of

25 clarification.

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1 MR. WUELLNER: Okay.

2 MR. GEORGE: The rollback, just to make sure

3 I understand it right, we've got this in at the

4 same millage we did last year, and the rollback

5 would basically keep the money that we receive

6 the same.

7 MR. WUELLNER: By taking the rolled-back

8 rate, the total dollars coming to the Authority

9 would effectively be the same.

10 MR. GEORGE: Okay. So, they've in essence

11 taken the tax rolls that have gone up and up and

12 up, and they said, okay, if you drop --

13 MR. WUELLNER: The tax base.

14 MR. GEORGE: The tax base, I'm sorry --

15 MR. WUELLNER: Correct.

16 MR. GEORGE: -- and took it back to this

17 rollback, you would be getting the same --

18 MR. WUELLNER: Dollars.

19 MR. GEORGE: -- dollars that you did last

20 year. Okay.

21 MR. WUELLNER: But it requires less tax rate

22 to achieve the same dollars because the tax base

23 has gotten larger.

24 CHAIRMAN GREEN: Larger.

25 MR. WUELLNER: So, that in a nutshell is how

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1 it works.

2 It's still proposed at 12 positions within

3 the Airport Authority. Personnel services in

4 summary are \$5- -- this is the page after the

5 cover sheet, if you're trying to follow along --

6 \$586,111. Operating expenses proposed in this at

7 \$914,500. Capital outlay budget of \$8,606,667.

8 Debt service and reserves of \$1,316,826. Leaving

9 a total expenditure budget as shown here of

10 \$11,424,104 against a total revenues of --

11 revenues, non ad valorem, of \$8,469,647. Using

12 \$2.9 million -- \$2.954 million is the revenue

13 proposed based on the tax rate charged last year.

14 Next chart is kind of a pie chart, just a
15 big -- big summary of exactly, in terms of
16 percentages, where the total dollars in revenue
17 break out. Grants account for 45 percent of the
18 total budget, or a little over \$5.1 million.
19 Lease revenues account for 11 percent of the
20 budget, or \$1.2, almost \$1.3 million. Interest
21 income is a half percent, which is money that
22 returned to us off of like the reserve fund that
23 sits at SBA.

24 Cash forward is approximately \$2 million.
25 This is money that is allocated for various

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1 projects and is quite -- or not expended within
2 the general expenditure budget and moves forward
3 into the budget from this year into next year.
4 And that number gets a little sharper point on it
5 as we get closer to the end of the fiscal year in
6 the September time line as projects either near
7 their conclusion or certainly near their end --
8 end of life within the fiscal year.

9 Walking through airport revenue, we've, you
10 know, tried to identify the cash-forward
11 component, which is the same number. Ad valorem,

12 which is the rate that last year's rate reflects,
13 if you took the rollback rate, just so you have
14 an understanding of the difference, it would be
15 the \$2.561 million that's identified on the
16 2002-2003 ad valorem line. That would be the
17 number that would go in there. So, you have
18 approximately \$300,000 that would need to come
19 off the -- come out of here of Authority dollars.

20 So, depending on how those reductions are
21 made, they may reflect against matching projects
22 with FAA or FDOT, or could be entirely a hundred
23 percent Authority reductions.

24 I'm not going to attempt to walk down all
25 the line items, but you get a feel for what's

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1 there.

2 And toward the bottom is the -- are the line
3 items referring to state and federal grants. You
4 can see what those proposed numbers are. Those
5 come off near the back where the capital projects
6 list is there, and they -- they come off of there
7 directly, so those projects, as those are
8 amended, reflect in this revenue side.

9 MR. GEORGE: Are we going to get a chance to
10 go over all of these at the September meeting?

11 MR. WUELLNER: You can. My suggestion is

12 you do it today or in August versus --

13 MR. GEORGE: Okay. T-hangar rents, it shows

14 \$248,400 --

15 MR. WUELLNER: Uh-huh.

16 MR. GEORGE: -- but on the attachment to go

17 over the --

18 MR. COX: T-hangars?

19 MR. WUELLNER: Right.

20 MR. GEORGE: -- the other thing, it says

21 \$310-.

22 MR. WUELLNER: Right. Because some of the

23 I, H -- H, I, J and K -- H -- excuse me. H and I

24 rows are listed on the front as commercial.

25 They're corporate hangars generically.

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1 MR. GEORGE: Oh, okay. So, that makes a

2 difference then.

3 MR. WUELLNER: It's broken out a little bit

4 further.

5 MR. GEORGE: Okay. All right.

6 CHAIRMAN GREEN: Anything else,

7 Mr. Wuellner?

8 MR. WUELLNER: I think there's -- not on the

9 revenue side. I don't have any other --

10 MR. GEORGE: Ed, I've got another question,
11 just kind of dumb. I look at the balance sheet
12 that we have today, and I see that there's a lot
13 of cash there. And they're for projects, you
14 know, that we're going to need for projects we've
15 already got on the books.

16 MR. WUELLNER: Uh-huh.

17 MR. GEORGE: But I notice that you've got --
18 one of the projects that was on last year is also
19 put on to this year. So, if we're taking care of
20 the projects that didn't get started by putting
21 it into the new budget, how are we taking care of
22 the use of the cash that we still have?

23 MR. WUELLNER: It comes in -- comes forward
24 as cash forward. The money --

25 MR. GEORGE: Oh, the cash forward here.

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1 MR. WUELLNER: The cash forward would
2 reflect our share of any grant projects not
3 completed this year.

4 MR. GEORGE: Okay. Gotcha. All right.

5 MR. WUELLNER: If you'll notice, there's no
6 revenue line item associated with capital
7 expenditure projects.

8 MR. GEORGE: Okay. This shows \$2 million as

9 cash forward of all accounts --

10 MR. WUELLNER: Yeah.

11 MR. GEORGE: And I know we had some re -- we

12 got the reserve for \$1.3, and then we've got some

13 restricted accounts and some other stuff --

14 MR. WUELLNER: Approximately 600 --

15 \$600,000.

16 MR. GEORGE: And that's what goes into

17 the --

18 MR. WUELLNER: Matching capital.

19 MR. GEORGE: Okay. All right.

20 MR. WUELLNER: If you want to call it.

21 MR. GEORGE: Okay.

22 MR. WUELLNER: Above and beyond your

23 restricted. Because the cash forward does

24 include your restricted moving forward. That is

25 true.

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1 Expenditure summary, to get an idea, debt

2 service amounts to -- which really should be

3 described as reserves in this case. It is

4 entirely a reserve amount. That's where you pull

5 back out on the expenditure budget the cash

6 forward, the cash-forward portion that was

7 restricted. That's how it comes back into the

8 operating budget next year. That's \$1.316- as
9 it's proposed.

10 Personnel services of \$586,000. Operating
11 expenditures of \$914,000. And capital outlay
12 again at \$8.6 million as it's -- as it's proposed
13 currently.

14 Expenditure budget summary, which is the
15 next -- next page, gives you a little larger
16 breakdown of some of the -- the items going into
17 this. You see that the total impact on salaries
18 for the year is approximately \$30,000. That
19 represents 5 percent as a -- as a holdback, if
20 you will, or a 5 percent reserve for salary
21 adjustments during the year. That is not a
22 guarantee that folks get 5 percent, but it's a
23 way of creating the amount of money that --
24 that's available for that. And you can see how
25 those impact our matching taxes, retirement, life

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1 insurance, and workers' comp premiums.

2 The following sheets, there's two or three,
3 I think maybe four sheets, that are specific to
4 personnel expenditures, including lists of
5 personnel, salary-relate -- related items, our --
6 what we -- what we keep back or budget for

7 overtime and Class C travel, which is in state
8 during the day kind of travel and really doesn't
9 amount to but a few dollars in the course of a
10 year, reimbursed employee -- employee reimbursed
11 single-day travel kind of things. There are no
12 reclassifications requested and no new positions
13 requested within -- within the current budget.

14 And the sheet immediately following this, or
15 two sheets following it where it says "Salaries,
16 Wages & Benefits Calculation," gives a more
17 detailed breakdown of how we get to total --
18 total -- the total number of employees, total
19 amount of salary, how the taxes compute into the
20 equation, how retirement's calculated, which is
21 part of the Florida retirement system that you
22 see what your contribution is annually. Workers'
23 compensation classification based on the rates we
24 have today. And -- and, of course, by
25 classification of employee, based on what their

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1 job is. What our employee health and disability
2 insurance premiums are estimated to be for next
3 year. Giving you total benefits and total
4 salary, wages, and benefits, which plugs back
5 into the main sheet up here.

6 The -- and moving down to operating
7 expenditures, these are the day-to-day type
8 expenditures within the organization, the non --
9 typically noncapital-related expenditures in this
10 section. Whatever it takes to keep the facility
11 up and running and operate the business of the
12 Authority on a daily basis is -- is provided for
13 in here.

14 You'll see some line items have adjusted
15 upwards, based on what our cost history might be
16 or projected to be. Some cases, they'd come
17 down, in some cases, dramatically come down as --
18 as the real world set -- settles in in certain
19 cases.

20 They're not 100 percent factual in the sense
21 that they're -- you know, they balance to a
22 dollar. Those -- that can be done. That level
23 of detail is typically not really appropriate for
24 this. You have those details in your monthly
25 compilations.

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1 MR. GEORGE: Ed, on the -- now that we know
2 what the auditing and the accounting is, are you
3 going to adjust that \$35,000 back?

4 MR. WUELLNER: That's actually down to

5 \$30,000 now. We'll take it -- we'll look at it
6 again.

7 MR. GEORGE: I was just thinking if we
8 approve today the \$15,000 and it's \$450 a month
9 for Waler, that's --

10 MR. WUELLNER: It could be brought down,
11 certainly.

12 MR. GEORGE: Can you share with us why the
13 liability and property insurance doubled?

14 MR. WUELLNER: Yeah. After -- basically
15 after 9/11 --

16 MR. GEORGE: Ah, okay.

17 MR. WUELLNER: -- which happened to be right
18 after our -- or right before our property
19 insurance renewal, it -- it literally did that
20 jump. It used to be about \$65-, \$68,000 a year,
21 and it literally doubled in one -- you know, in
22 one fell swoop.

23 And during that time, we could not get
24 the -- you know, as most businesses couldn't, the
25 terrorism-related coverage for the facility.

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1 That's -- they just notified us they weren't
2 doing it, weren't getting it.

3 That's since been able to be reinstated.

4 It's not a significant premium. It's, I think,
5 \$3,000 annually or something. It's been added
6 back on, just so we're covered. But it's not --
7 not a significant insurance item.

8 The -- our insurance, the way we have been
9 able to do our insurance, we've been able to put
10 all of the Authority's property, including rental
11 homes, all buildings that we own, the airfield,
12 all of those things are under a single policy,
13 versus when I first got here, you literally
14 wrote -- were probably 50 or 60 individual
15 insurance policies for homes and things of that
16 nature, and all undeveloped properties covered --
17 all of it's on a single master policy with the
18 exception of automobile insurance, which all of
19 that is in its own single policy. It really --
20 it only represents a handful of policies. It's
21 just a whole lot of money.

22 MR. GORMAN: That was my question. Is -- is
23 there any way to reduce that cost? Only because
24 some of these insurance companies I know have
25 taken advantage of the situation and actually

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1 upped rates, you know, held people --

2 MR. WUELLNER: Yeah.

3 MR. GORMAN: -- you know, kind of a little
4 bit they had to pay. Have you done any research
5 on the fact you might split --

6 MR. WUELLNER: Well --

7 MR. GORMAN: -- the policies up, is my
8 question?

9 MR. WUELLNER: Well, we can certainly ask
10 that question, because now is the opportune time
11 to do that --

12 MR. GORMAN: Exactly.

13 MR. WUELLNER: -- because we come up on
14 renewal right at our -- the beginning of our
15 fiscal year. So, it's the perfect time. In
16 fact, I think we meet with the insurance folks on
17 Monday, this coming, to -- to have those
18 discussions.

19 The problem now is you've only got a couple
20 of insurers in the market, period, that are --
21 that are touching airports in any way, shape, or
22 fashion. So, I think the gun's still going to be
23 at most -- most people's heads for a while until
24 they figure out how not to.

25 What we experienced premium-wise was -- was

1 not atypical. I mean, it was exactly what was

2 going on across the board on all -- in airports
3 of Florida. It was -- we are having the same --
4 same exact kind of problem, and it really slapped
5 a bunch of us upside the head in terms of
6 dollars. It was a bunch of money to find all of
7 a sudden.

8 MR. GORMAN: My second question would be
9 what percentage of the whole thing would be
10 covered under the umbrella that you use for
11 rental properties?

12 MR. WUELLNER: Well, it --

13 MR. GORMAN: Because that would be the
14 saving possibility. I don't know if it would be
15 or not.

16 MR. WUELLNER: You have a more generalized
17 liability policy that covers just everything you
18 own. It's not broken out per se to rental homes.
19 And we frankly have a very good claims history
20 with very little activity in -- in seven or eight
21 years, too. So, there's a lot of positive things
22 working.

23 Property-wise, you know, you cover
24 structures essentially at what we acquired them
25 at a few years back, depending on what the

1 property is.

2 It didn't appear to be -- you know, back
3 before the 9/11 thing, it was not a
4 significant -- it was actually a significant
5 reduction in what we paid versus doing
6 individualized policies. We have not tried to
7 break that out because, as our insurance people
8 are telling us, it was actually a better
9 economics of scale, if you will, to keep --

10 MR. GORMAN: Umbrella.

11 MR. WUELLNER: -- keep it together. Now,
12 you are -- additionally, you -- you can adjust
13 things like limits and the like to -- to achieve
14 some savings and some deductibles.

15 We have a very high -- or I say "very high,"
16 but reasonably high for this, an entity of
17 resources like we have relative to deductibles
18 and coinsurance requirements and things of that
19 nature.

20 But you're also backed up to the extent in
21 Florida with your liability side of it, which, by
22 being a governmental entity, you -- you do have
23 sovereign immunity that sits out there, also.
24 Once you exceed your insurance limitations,
25 you're for the most part indemnified within

1 Florida Statutes, unless you've criminally done
2 something.

3 So, it's -- and you -- you could reduce
4 those numbers down to something much smaller, but
5 you've got that risk that something is either not
6 covered or, you know, someone finds -- some
7 skillful attorney finds holes in your -- in your
8 sovereign immunity ability within the state,
9 so...

10 MR. GEORGE: Ed, is there any way to put --
11 I notice you've got three columns there showing
12 the 01/02, and then the 02/03 and then -- these
13 are budget numbers. There's no actuals.

14 MR. WUELLNER: Well, because -- that's the
15 bad part. I mean, I can give you like '01 actual
16 numbers, but '02 and '-3 numbers of course don't
17 become actual until the end of the fiscal year.

18 MR. GEORGE: Right.

19 MR. WUELLNER: I mean -- so you're -- so
20 you're -- in that respect, I'm not sure they're
21 overly helpful. I mean, we could provide you the
22 financial details of previous years and see how
23 that squares up against it, but the reality is,
24 you get monthly a comparison to the budget line
25 item for each of these.

1 MR. GEORGE: And this is in the same format
2 as that.

3 MR. WUELLNER: Yeah. It's on the same line.
4 You have what was budgeted and -- and the
5 performance relative to the budget and the actual
6 expenditure information to the side.

7 MR. GEORGE: Yeah.

8 MR. WUELLNER: So, you have, by line,
9 everything, those -- those analysis. We try to
10 keep this relatively simple, because it's more
11 philosophical -- I mean, the budget part of it is
12 more philosophical than the reality of financial
13 statements.

14 MR. GEORGE: I guess from --

15 MR. WUELLNER: Not to paint it as --

16 MR. GEORGE: -- a business standpoint, I'm
17 trying to keep the reality to --

18 MR. WUELLNER: -- it's another meaning in a
19 sense.

20 MR. GEORGE: I'm trying to look at a budget
21 and say, this is what we actually expect to
22 happen next year. And without seeing what the
23 actual was for the past year, I'm missing a key
24 ingredient on that.

25 MR. WUELLNER: Well, probably the only

1 way --

2 MR. GEORGE: But I'll take -- I'll take the
3 June numbers --

4 MR. WUELLNER: I was going to say the only
5 way I could help you there is you can also look
6 at, it gives you a percentage based on the
7 year-to-date budget in your financials. So, it
8 tries to give you a gauge. If you take the
9 number of months out of 12 --

10 MR. GEORGE: Right.

11 MR. WUELLNER: -- you know, and you look
12 down those at a glance and go, all right, we're
13 approximately 52 percent, you know, on this
14 expenditure item and we're 10 months into the
15 year, you know, we'll probably have more on the
16 line; there's probably more budgeted than reality
17 or vice versa.

18 MR. GEORGE: And if it's on a spreadsheet,
19 you could also extrapolate it and just say do a
20 one -- even though you could have ups and down,
21 you could forecast.

22 MR. WUELLNER: Yeah. You get nice monthly
23 snapshots, but it's -- examples of difficulties
24 in doing that, there are line items that don't --

25 don't play well in that scenario.

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1 MR. GEORGE: You're right.

2 MR. WUELLNER: Insurance is one of them,
3 because you literally make that huge payment in
4 September/October time line, and you're all --
5 you're done with insurance for the most part for
6 the balance of the year.

7 It's not until you -- you know, there are
8 items that are pretty -- pretty routine, like
9 your phone bill and water bill and things like
10 that, that are routine all through the year. But
11 other elements of your budget are, you know,
12 seasonal or related to specific events.

13 MR. GEORGE: All I'm trying to say is that
14 in my opinion, for the board members to have a
15 better picture of whether this budget is
16 something we're actually going to need next year,
17 then I need to go back and -- they need to go
18 back and compare it to the last financial
19 statements and -- and wrestle with that in your
20 mind.

21 MR. WUELLNER: I mean, I am sure -- you
22 know, we've said for years there's a way to go in
23 here and, you know, and take it down to -- to the

24 gnat's rear, if you will --

25 MR. GEORGE: Right.

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1 MR. WUELLNER: -- all the way down and get

2 it bal -- you know, not balance, but to --

3 MR. GEORGE: I understand.

4 MR. WUELLNER: -- you know, find every

5 possible dollar to bleed out of it and from a

6 budget standpoint. When we do that, it doesn't

7 amount to significance when you get -- to plug it

8 into the ad valorem mix.

9 CHAIRMAN GREEN: Uh-huh.

10 MR. WUELLNER: You know, it's maybe we can

11 find \$35-, \$40-, even \$50,000, but when you plug

12 it back into ad valorem, you're talking, you

13 know, ten-thousandths place behind the decimal as

14 the adjustment, and when it comes on your tax

15 bill, it doesn't even equate to a penny. You

16 know, so there's a point there where it meets

17 absurdity.

18 MR. GEORGE: I understand what you're

19 saying. I'm -- I'm just saying it's good

20 business practice to have a budget equal actual.

21 MR. WUELLNER: Agreed. Agreed.

22 CHAIRMAN GREEN: Is there any public

23 comment? Mr. Martinelli?

24 MR. MARTINELLI: A couple of questions.

25 This is a budget proposal. This is not the

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1 approval of the budget.

2 MR. WUELLNER: No, no.

3 MR. MARTINELLI: Okay. And the TRIM, which

4 is your next item on the agenda, is a ceiling, so

5 that when you finalize your budget, you cannot

6 exceed whatever you publish as your TRIM millage.

7 And so, just to put everything in

8 perspective, what you're doing today is

9 establishing a TRIM millage that gives you some

10 room to wiggle when you finally finalize and

11 approve a budget.

12 And so, a suggestion, you spent a lot of

13 time on this, but truly, I think if you just look

14 at it from the standpoint of today, you have to

15 approve a TRIM millage, that TRIM millage is the

16 same as last year, if you take a rollback rate,

17 which ultimately you will look at when you do

18 your final budget, you might reduce your millage

19 assessment.

20 So, all you need to know today is the TRIM

21 millage gives you comfort and room. It's

22 customary to set the TRIM millage as you are
23 doing today and just let it go at that.
24 CHAIRMAN GREEN: I think normally we do a
25 not-to-exceed TRIM notice --

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1 MR. MARTINELLI: That's it.

2 CHAIRMAN GREEN: -- and then trim it up
3 later. Right.

4 MR. MARTINELLI: That's right.

5 MR. GEORGE: As a means of an explanation
6 for my questioning, Mr. Martinelli, was when I
7 asked, "Are we going to get a chance to go over
8 these numbers again?" he said, "Well, if you need
9 to go over them, you need to go over them now."
10 So, I thought that this was where we were looking
11 at the detail.

12 MR. MARTINELLI: No. Okay. But my
13 understanding is this is not -- you're not
14 approving the budget today.

15 CHAIRMAN GREEN: No.

16 MR. MARTINELLI: Okay.

17 MR. WUELLNER: Not in any way.

18 MR. MARTINELLI: Right.

19 CHAIRMAN GREEN: I think that's why
20 Mr. Wuellner lumped the two together, because

21 they do kind of go with what's proposed, where
22 are we with some vague numbers.

23 MR. WUELLNER: Yeah, obviously you need to
24 get some comfort level that setting any millage
25 rate addresses what the projected needs of the

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1 Authority are --

2 CHAIRMAN GREEN: Right.

3 MR. WUELLNER: -- at this point. Because
4 you're forced into setting the TRIM millage very
5 early in the process. And, you know, then beyond
6 that, you detail what exactly you think you can
7 live with when you get to September public
8 hearings. And hopefully you've done that work
9 before September.

10 CHAIRMAN GREEN: Any other public comment?

11 (No public comment.)

12 CHAIRMAN GREEN: We'll close public comment.

13 Mr. Ciriello?

14 MR. CIRIELLO: Yeah. Ed, go over to page
15 "DR-420 Form Worksheet & Calculations."

16 MR. WUELLNER: Yeah. About fourth from the
17 back, third from -- fourth from the back.

18 MR. CIRIELLO: Okay. Down at the bottom,
19 there's a current year rolled-back that's

20 \$2,688,606.

21 MR. WUELLNER: Right.

22 MR. CIRIELLO: That would be what we would

23 get if we went with the rollback rate,

24 supposedly.

25 MR. WUELLNER: The reality is it's not a

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1 fixed sum of money, but it's -- that's the range

2 of the number, yes.

3 MR. CIRIELLO: Now, what figure on here did

4 we actually get this year?

5 MR. WUELLNER: Currently, you've -- based on

6 the previous fiscal year is 2,570,391.

7 MR. CIRIELLO: Okay. Yeah. Okay. I got

8 that. Okay.

9 Now, my line of thinking is the first two

10 years on the board, I don't know if I should say

11 I, because it's never an I, but I lobbied the

12 board so to speak to get the rollback rate.

13 It's just my personal opinion. I think if

14 I'd have sat here and said nothing, I think the

15 board at that time would have continued on with

16 the .28 that they had been accepting for four

17 years. And I wanted to go with the rollback

18 rate. And I still do.

19 Now, I subtracted that \$2,000 -- or
20 \$2,688,606 that we would get on the rollback rate
21 and the \$2,570,391 -- what the heck was that?
22 That's what we got this year, right?
23 CHAIRMAN GREEN: Uh-huh.
24 MR. WUELLNER: Yes.
25 MR. CIRIELLO: Okay. If we go with the

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1 rollback rate, we're going to make \$118,215 more
2 than what we made last year with a higher rate.
3 So, I -- I know what the board said and I
4 agree what they said and I went with it before,
5 but I don't feel comfortable that if we do that
6 this year and set the rate at the current rate
7 with the idea that next month or a month after,
8 we'll go and accept the rollback rate, that
9 that -- that will happen.
10 And since the rollback rate will bring
11 \$111,000 more than last year, I want to propose
12 that, so there's going to be no doubt in my mind
13 that we will at least use the rollback rate. In
14 fact, we could, according to my chart here, drop
15 down to .20 and get \$2,508,000, which is just
16 about what we did this year. So, we could even
17 go lower than the rollback rate. But I won't

18 fight for that.

19 But I want the rollback rate, not one
20 fraction of an inch higher. And to make sure
21 that I'm in my own mind guaranteed, I'd like to
22 make a motion that we set our TRIM rate at the
23 rollback rate.

24 MR. WUELLNER: At the .2144.

25 MR. CIRIELLO: .2144. And then if anybody

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1 thinks that we want to go lower, we can do that.

2 But I'm -- I would be assured in my own mind
3 that somebody's not going to come in here and
4 say, oh, we have to go with last year's budget of
5 point -- oh, what is it -- 2356. Because
6 whenever people go and say that we're going to
7 get this airport off the tax rolls, and they keep
8 getting more tax money, if we go with the last
9 year's rate of .2356, it's going to get us
10 \$300,000 more than last year.

11 And if you give any government agency,
12 whether it's this board, federal government,
13 state, or the county commissioners \$300,000 more
14 than they got the previous year, even though they
15 don't raise the rate, they're going to spend it.

16 MR. WUELLNER: Well, I --

17 MR. CIRIELLO: And you're not going to get
18 off the tax roll by getting more money and
19 spending it. So, I want a guarantee that we're
20 going to go with at least the rollback rate and
21 nothing higher. So, I'm making that a motion.

22 CHAIRMAN GREEN: I think there's still
23 discussion going on, Mr. Wuellner.

24 MR. WUELLNER: Yeah. My concern with -- you
25 know, I don't disagree. We've done that for the

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1 last three or four years, you know, take the
2 entirety of the rollback when it comes down to
3 September time line. And I think, you know, the
4 board has always made the attempt to get -- to
5 take the rollback rate.

6 And literally, you know, if you hadn't done
7 that, you'd be generating a million dollars more
8 than you are now by having held that .28 mill.
9 That generate currently, if you just turn the
10 page one more, you see that that .28 mills that
11 was in effect three years ago would have been now
12 generating three million -- a million dollars
13 more than it is now.

14 And you have not had substantial --
15 substantive discussions relative to your capital

16 projects or any other element of the budget. And
17 by setting the TRIM millage at the lower rate,
18 while I understand your objective and I don't
19 disagree with getting there, you have at that
20 point literally tied your hands with any
21 flexibility if you collectively decide to avail
22 yourselves of something different during the --
23 this -- the balance of the budgeting process,
24 because you are setting the maximum limit,
25 period.

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1 And my suggestion is, set it at last year's
2 rate. That makes it no worse than it was last
3 year in terms of the impact to individual
4 taxpayers, and we find a way to get down to the
5 rolled-back rate during the next 60 days.

6 MR. CIRIELLO: Well, let me throw a
7 challenge out, then. I probably shouldn't say
8 this, but I'm one of these guys that opens my
9 mouth before I think.

10 Let me make a challenge, then, to the board
11 or anybody in the audience that's ever made the
12 statement, "We're going to get off the tax
13 rolls," and show me, by reducing the taxes, by
14 going with the rollback rate and quit thinking

15 about, well, we need a cushion; we need that
16 extra \$300,000. You're going to get \$118,000
17 more than last year. But I made a motion and
18 nobody's going to accept it, so...

19 CHAIRMAN GREEN: Well, no. We're not there
20 yet. Is there any further discussion?

21 MR. CIRIELLO: No. You -- I got a motion
22 and either -- well then, if you don't get a
23 second, you can discuss it.

24 CHAIRMAN GREEN: Right. And that's why I'm
25 going to call for a second at this point in time.

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1 Is there a second to Mr. Ciriello's motion?

2 (No second.)

3 CHAIRMAN GREEN: Hearing no second, the
4 motion would fail. Do we need to take any action
5 on the proposal? That's --

6 MR. WUELLNER: Not -- not the budget.

7 CHAIRMAN GREEN: That's what I thought.
8 Just our TRIM.

9 MR. WUELLNER: But you do need to set that
10 millage rate by motion.

11 CHAIRMAN GREEN: I understand. I just
12 didn't want to jump over our item 7.F. But
13 that's where I figured we were.

14 7.G. - TRIM MILLAGE

15 CHAIRMAN GREEN: Okay. So, at this point in
16 time, hearing no more discussion, the board would
17 entertain a motion with regards to the setting of
18 the TRIM millage at this point. Any motions?

19 MR. GEORGE: I make a motion we leave at it
20 the same rate as last year for present time.

21 CHAIRMAN GREEN: Not to exceed --

22 MR. GEORGE: Right. Not to exceed.

23 MR. WUELLNER: Which is --

24 MR. COX: I'll second that.

25 MR. WUELLNER: -- for the record, at .2356

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1 mills.

2 CHAIRMAN GREEN: There's a second. Any
3 further discussion?

4 (No further discussion.)

5 CHAIRMAN GREEN: All in favor of the motion
6 not to exceed last year's millage rate? All in
7 favor?

8 MR. GEORGE: Aye.

9 CHAIRMAN GREEN: Aye.

10 MR. COX: Aye.

11 MR. GORMAN: Aye.

12 CHAIRMAN GREEN: All opposed?

13 MR. CIRIELLO: No.

14 CHAIRMAN GREEN: The motion would carry on
15 the not-to-exceed from last year's millage rate.

16 MR. WUELLNER: Now, I need some direction as
17 to how you want to move through the balance of
18 the -- the budget process.

19 Statute-wise, you have two public hearings
20 you must hold. Those public hearings will be in
21 September, and we have to communicate here within
22 the next -- by the end of the month, the TRIM
23 notice or the TRIM millage that you just set, as
24 well as a proposed first meeting, public hearing
25 for -- for that in September.

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1 And the suggestions I think are the 8th --
2 on my note here -- is the first public hearing to
3 be on the 8th of September. That's somewhat
4 tentative, because this board is subject, in this
5 respect only, to two other boards within the
6 community, and that being the Board of County
7 Commissioners and the school board only.

8 So, if either of those two entities select
9 your meeting date, you are off; you have to find
10 another date. The Board of County Commissioners
11 won't decide their date till tomorrow. You won't

12 meet again before we have to turn this in.
13 So, we need a date and maybe an alternate
14 date that statutorily needs to be right around
15 the 8th of September. Just so you have an
16 overall picture, there is -- the statutes
17 specifically spell out the date, range, the
18 days -- the range of days from approval that you
19 have to hold these hearings. So, you -- you
20 don't have -- you can't just decide to do it
21 later in that month or, you know, next month, for
22 that matter.

23 CHAIRMAN GREEN: Is it fair to say that the
24 likelihood that the commissioner's meeting is
25 going to be on a Tuesday, the normal meeting

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1 date?

2 MR. WUELLNER: It has been all over in seven
3 years, I can tell you that.

4 CHAIRMAN GREEN: Has it? Okay.

5 MR. WUELLNER: It's not necessarily their
6 board meeting day.

7 COMMISSIONER MAGUIRE: I may be wrong, but I
8 thought the 16th and 23rd had already been
9 selected.

10 MR. WUELLNER: By you? We called today and

11 they said they wouldn't be doing it till

12 tomorrow, but...

13 COMMISSIONER MAGUIRE: Yeah, well, it will

14 probably be firmed up tomorrow, but I think the

15 recommendation is the 16th and 23rd.

16 MR. WUELLNER: 16th and 23rd? Okay. And we

17 would be looking at 8 and 15 as the two Mondays.

18 And then statutorily, this is the other piece of

19 the puzzle you've got to understand, is you --

20 this meeting cannot start until after 5 p.m.

21 So, what we typically do is schedule one of

22 the two public hearings, in this case, it would

23 likely be the second one, as the regular meeting,

24 and you would adjourn that meeting or -- and pick

25 it up, do your public -- your public hearing on

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1 the budget --

2 CHAIRMAN GREEN: Right.

3 MR. WUELLNER: -- for final adoption, then

4 resume any unresolved agenda items you have. But

5 you start that at 5:01. So, without objection,

6 we'll do the 8th and 15th.

7 CHAIRMAN GREEN: Okay.

8 MR. WUELLNER: And school board, first date

9 set and published on the 23rd. I don't know what

10 that means.

11 MS. OCHKIE: Publish -- they said they were
12 publishing it in the paper on the 23rd for the
13 first meeting to be on the 30th.

14 MR. WUELLNER: The 30th of August?

15 MS. OCHKIE: Of July.

16 MR. WUELLNER: That's got to be a different
17 meeting. We'll -- we'll wrap that up, because
18 we've got a -- and they'll send -- they send us a
19 form back in the event somebody does submit it
20 wrong -- I mean, submit the date and it's a
21 conflict.

22 So, we'll use those dates. Is the date
23 after open for any of you, or two days after, so
24 that if -- the only one that's a real issue right
25 now is the first one, because that has to go

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1 through the TRIM mail-out through the tax
2 collector's office. That occurs in July. That's
3 how it's advertised.

4 MR. COX: No pun intended here, but stay
5 away from the 11th.

6 MR. WUELLNER: Okay. All right. I hadn't
7 thought of that. Good idea.

8 CHAIRMAN GREEN: Yeah.

9 MR. GEORGE: Ed, are these the two -- do
10 these public hearings, is that when we, the board
11 members, are going to look at every individual
12 line item, or do we do that beforehand --

13 MR. WUELLNER: I would hope you'd do that
14 before then. That is -- that is probably a
15 little late in the game to try and go through all
16 that.

17 MR. GEORGE: So, we should get with you
18 individually if we have any questions.

19 MR. WUELLNER: The concept of these two
20 meetings is to solicit public input on what you
21 consider --

22 CHAIRMAN GREEN: Right.

23 MR. GEORGE: Okay.

24 MR. WUELLNER: -- to be a final budget.

25 MR. GEORGE: All right.

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1 MR. WUELLNER: It's not adopted final until
2 the end, but what you would consider to be the
3 end budget, or what you're seriously considering.

4 My suggestion is we take advantage of,
5 especially if you decide to meet in two August
6 meetings, is to go through what items you want
7 to -- want to see or add detail or reduced. But

8 the big area of focus should be probably the
9 capital area, because that results in the
10 significant changes in the budget. And then I
11 suspect your -- you know, that will be the part
12 we want to spend the most time with.

13 MR. CIRIELLO: The 8th would strictly be
14 budget at 5:01. There's no -- nothing before
15 that.

16 CHAIRMAN GREEN: Right.

17 MR. WUELLNER: Would just be the public
18 hearing at 5:01.

19 MR. CIRIELLO: Yeah.

20 CHAIRMAN GREEN: 15th would be that 4
21 o'clock and 5 --

22 MR. WUELLNER: Yeah. Both meetings.

23 MR. CIRIELLO: Okay. Combination. Okay.

24 CHAIRMAN GREEN: Okay? So we're set with
25 those dates?

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1 MR. WUELLNER: All right. We'll go with
2 that and --

3 CHAIRMAN GREEN: All right. Then our next
4 action item is 7.H. Director committee
5 appointment.

6 7.H. - EXECUTIVE DIRECTOR COMMITTEE APPOINTMENT

7 MR. WUELLNER: Yes. Try to get a hand
8 around this, but one of the things the Florida
9 Airports Council was successful in doing this
10 year in the legislature was getting a -- a piece
11 of legislation adopted that to many respects
12 mirrors the Florida Ports Council.

13 And it will at some point -- and there's no
14 current money allocated for this, but at some
15 point, will provide a pool of money to all of the
16 airports in the state -- in the state of Florida
17 to be backed by money that's bonded and backed by
18 the state of Florida revenue, not by individual
19 airport money, and would be facilitated to
20 individual airports project by project in the
21 form of grants, primarily related to safety
22 security items. And in some cases, with general
23 aviation airports, you can do some economic
24 development-related projects as being consistent
25 with some state-related goals.

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1 A part of that enabling legislation this
2 year was the creation of what's called the -- an
3 acronym for the SAFE -- SAFE Council, which is
4 basically the 19 commercial service airports and
5 a handful of state agency heads, including the

6 Florida Secretary of Transportation and -- find
7 it here -- the director of FSTED, the Florida
8 Office of Trade and Tourism -- Tour Trades and
9 Economic Development, the DOT secretary, the
10 Department of Community Affairs secretary, a
11 representative from the Airline Transport
12 Association on that board, and law enforcement --
13 the Department of Law Enforcement in the state.

14 And there are two positions for general
15 aviation airports on that, to which I'm being
16 asked to serve on one of those two positions on a
17 statewide basis. And a part of my contract with
18 you-all requires that I gain concurrence.

19 Now, the bill, as it's stated, should
20 provide reimbursement for travel related to this
21 council. But in the event it does not, my
22 specific request is to have that covered to
23 attend those meetings.

24 I don't -- you know, and I think it's a
25 position that bodes well for the community and

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1 certainly for this airport, and we're going to be
2 a very small voice in the sense that general
3 aviation airports only have that small number of
4 total votes, but I'm sure we won't get the lion's

5 share of money, either, by the way, but...

6 CHAIRMAN GREEN: Any --

7 MR. WUELLNER: I would like to do that.

8 CHAIRMAN GREEN: Any public comment?

9 (No public comment.)

10 CHAIRMAN GREEN: Hearing no public comment,

11 board comment?

12 MR. GEORGE: How much time do you think it's

13 going to take, Ed?

14 MR. WUELLNER: I think they're looking at

15 meeting two or three times a year, one of which

16 is going to be concurrent with the Florida

17 Airport Council's meeting here in August. So,

18 it'll -- there's virtually no expenditure.

19 MR. GEORGE: Okay.

20 MR. WUELLNER: And I think they're trying to

21 time it with those kind of meetings. There's

22 another one in Tallahassee in the early spring or

23 late winter, or the February, March time line. I

24 don't -- until they have money, I don't see them

25 meeting particularly frequent.

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1 CHAIRMAN GREEN: Yes, Mr. Cox?

2 MR. COX: Ed, who's the other general

3 aviation airport; do you know?

4 MR. WUELLNER: I don't know.

5 MR. COX: And what's the whole -- what's the
6 real focus of the -- I mean, what are they --

7 what's the mind-set? What are they trying to do?

8 What's the safe --

9 MR. WUELLNER: They will be basically
10 statutorily in charge of the oversight of that
11 bond pool fund.

12 MR. COX: Okay.

13 CHAIRMAN GREEN: Any other comment from the
14 board?

15 (No further comment.)

16 MR. CIRIELLO: I move to accept.

17 CHAIRMAN GREEN: Second?

18 MR. COX: Second.

19 CHAIRMAN GREEN: Any further discussion?

20 MR. COX: With the addition that we also
21 follow his suggestion that we would fund any

22 travel that was not included in the --

23 MR. GEORGE: That's in the Staff --

24 CHAIRMAN GREEN: I think that's in Staff
25 recommendation. Is that part of your motion,

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1 Mr. Ciriello, accept Staff recommendation?

2 MR. CIRIELLO: Yeah.

3 MR. COX: Okay. That's fine. I still

4 second.

5 CHAIRMAN GREEN: Any further discussion?

6 (No further discussion.)

7 CHAIRMAN GREEN: All in favor of accepting

8 Staff's recommendation as referenced in the

9 motion?

10 MR. CIRIELLO: Aye.

11 MR. GEORGE: Aye.

12 CHAIRMAN GREEN: Aye.

13 MR. COX: Aye.

14 MR. GORMAN: Aye.

15 CHAIRMAN GREEN: All opposed?

16 (No opposition.)

17 CHAIRMAN GREEN: Motion carries. Next, we

18 have the added item of the financial management

19 reports. Mr. George, you had asked for that.

20 7.I. - FINANCIAL MANAGEMENT REPORTS DISCUSSION

21 MR. GEORGE: Yes. Does anybody from the

22 public, especially you, Vic, want a copy of this?

23 We've got so many.

24 MR. MARTINELLI: At this point, I don't know

25 enough about it.

1 MR. WUELLNER: Yeah. I've got an extra

2 copy.

3 MR. GEORGE: Okay.

4 (Pause in the proceedings.)

5 MR. GEORGE: The purpose of me asking this
6 to be added to the agenda is the results of some
7 of my frustrations in trying to read financial
8 statements that have huge capital budget, you
9 know, interwoven in with, you know, the
10 day-to-day expenses of operating the airport, and
11 hearing people talk about, well, this is not
12 paying for this and we can't make any more
13 capital investments because you're not going to
14 make any money anyway.

15 What I would like to do -- since you guys do
16 not have the June financials in front of you, I
17 got a copy as it was submitted to our CPA. So,
18 these numbers might change somewhat.

19 I would like to just familiarize you with
20 the format, let you take it and think about it,
21 and at the next meeting, when we go over the
22 other projects, if you have any changes or, you
23 know, comments, because here I am asking the
24 staff to do this, and it is going to take, you
25 know, their time. It'll probably take Donna four

1 hours a month easily, once we get the format
2 down -- done, specified.

3 But let's take a look at the first one. I
4 call this the financial overview, and this is
5 through year-to-date June 2003. And I'm
6 basically going through the airport operations.
7 So, all of these numbers come off of the P&L.

8 And if you looked at the P&L, we could show
9 you where we've summarized, you know, numbers
10 that go in here, but here, I tried to give you a
11 quick picture, you know, of what is happening.

12 If there is an expense item that is directly
13 related to a revenue item, I've tried to put
14 that -- as in the case of the self-service fuel,
15 I've tried to show that there so that we could
16 come up with a very gross profit, you know, on
17 that particular item.

18 If it's not an item that is -- is associated
19 with one of the revenues, then it just goes in
20 under general administrative expenses. But the
21 ones that do have expense items, you know, the
22 self-fuel, it shows that year-to-date through
23 June, so that would be -- is it October 1st
24 through --

25 MR. WUELLNER: The fiscal year? The fiscal

1 year's October.

2 MR. GEORGE: Okay. So, October the 1st
3 through the end of June, it shows that we're
4 making \$14,500, you know, on the rent -- I mean,
5 on the fuel.

6 Now, these numbers don't include the
7 inventory that we have of the fuel we've already
8 purchased. So, this is just the fuel that we've
9 sold. So, trying to get the message across from
10 somebody that looks at this, they can say, I
11 guess fuel's doing okay; we don't have to talk
12 about it anymore.

13 The next one, we've had numerous discussions
14 of whether our rental homes are actually paying
15 their own way, so I've taken the rental home
16 income and taken all of the items that are rental
17 home expense and property taxes, which I was not
18 aware until I started diving into the financials,
19 that we actually do pay property tax on anything
20 that we are renting for nonaviation, you know,
21 purposes.

22 So, if -- if -- for the sake of discussion,
23 if we came back and asked Ed, "How many people do
24 you have working towards just rental homes?" And
25 he said, "Well, I've got one full person," well

1 you take the one full person and subtract it from
2 the \$37,8-; then you've got to ask yourself, are
3 the rental homes really worth it?

4 MR. GORMAN: Exactly.

5 MR. GEORGE: Okay? But take this with the
6 financials and go through and do your own
7 analysis. But here is a quick shot, you know, at
8 that -- that information. Yes?

9 MR. GORMAN: I -- I might as well say it now
10 because it's the perfect time to say it. This is
11 exactly what I've been advised by people that
12 certainly know more about it than me, is the
13 start of an operational audit, and it's a very
14 good idea what you're doing here.

15 MR. GEORGE: Okay. All I'm trying to do is
16 just present --

17 MR. GORMAN: Sure.

18 MR. GEORGE: -- the numbers, and what it
19 might say --

20 MR. GORMAN: Certainly.

21 MR. GEORGE: -- is we need to go look at
22 that.

23 MR. GORMAN: Exactly.

24 MR. GEORGE: But I found problems in looking
25 at the P&L and the balance sheet of trying to

1 distinguish between these items.

2 If I take the general administrative
3 expenses and add those in, you'll notice the
4 totals of airport operations shows a gross
5 profit, Joe, of \$295,000, which says that the
6 airport operations revenue is paying the
7 expenses. That two items you've got to consider.
8 Northrop Grumman income was paid -- 15 years ago?

9 MR. WUELLNER: Yeah.

10 MR. GEORGE: Something like that? So, every
11 month, we're doing an accrual item for that
12 revenue. So, that's really \$678,000 that's not
13 cash that's coming into our pocket.

14 So, if I took that out, Joe, you would be
15 absolutely correct; we would fall short by close
16 to \$400,000 in the rent that's coming in paying
17 the day-to-day operations. But knowing that the
18 Grumman rent -- lease is up in 2007, that at
19 least gives us something we can look for out
20 there.

21 The second piece, I've added depreciation at
22 the bottom. Depreciation is a general
23 accepted -- I'm no accountant, by the way, okay?
24 No accountant at all. But to me, depreciation is

25 a way of giving you credit tax-wise for a capital

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1 investment you've made in equipment, you know,
2 for your business or something that you made and
3 you're therefore taking a -- you paid the cash
4 out, you know, many years back, but you're taking
5 a hit on it.

6 What typically happens when you're talking
7 about real estate is you can depreciate over 40
8 years, but at the end of the 40 years, it's worth
9 more than what you've got it on the books for.
10 But generally accepted accounting practices says
11 you can't show it on the books that way; you've
12 got to show it at a depreciated value. That's
13 why I took the depreciation and backed that out
14 of -- excuse me -- or showed it below the line.

15 But anyway, take a look at these numbers,
16 and if you've got comments on them, things you
17 want to add to it, some specific backup that you
18 might like to have with it --

19 MR. GORMAN: I've got one right here. In
20 other words, this -- and this is just off the
21 wall, but I'll be hammering on this quite a bit
22 before it's all over with. You've got rental
23 homes. Okay. You've got the gross profit, \$38-

24 -- \$37,8-. And you've got plugged into there,
25 you know, your personnel costs --

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1 MR. GEORGE: No, I do not.

2 MR. GORMAN: -- your equipment costs, you
3 know, because each piece of equipment is a
4 capital cost that you have to use to maintain a
5 home. I mean, that happens -- especially
6 personnel costs can be much higher than that.
7 Personnel time, you know, accrued against each --

8 MR. GEORGE: It's my understanding that --
9 that Ed and his people do identify, you know,
10 through work-order processes, where they're
11 spending the time, but haven't found that to be a
12 need to go back and say --

13 MR. GORMAN: But you haven't --

14 MR. GEORGE: -- "I'm going to allocate that
15 to different projects." But that's --

16 MR. GORMAN: So, that personnel cost hasn't
17 been accrued against that gross yet.

18 MR. GEORGE: No, absolutely not.

19 CHAIRMAN GREEN: I think that's what he's
20 saying. When we have specific questions like
21 that, do you want us to write them down and give
22 them to you prior to when we're going to pick

23 this apart so we have an idea?

24 MR. GEORGE: Well, what I'm trying to do is

25 I'm trying to get this to come out every month so

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1 you can see it and just take a quick look and

2 say, "Okay, I know where we stand with it."

3 If you happen to have a question when you're

4 going through the financial -- approving of the

5 financial reports, that's when you would have

6 these summaries, and that's when I would expect

7 you to ask those questions.

8 CHAIRMAN GREEN: Okay.

9 MR. CIRIELLO: What was that statement you

10 made about Grumman, about the monies?

11 MR. GEORGE: It's my understanding that the

12 Grumman North 40, that there was a bond issue or

13 something involved --

14 MR. CIRIELLO: Yeah.

15 MR. GEORGE: -- and a lump-sum payment of

16 the entire lease dollars, cash, was paid ten

17 years ago. So, we had it on the books as an

18 asset of prepaid rent. So, every month, we take

19 a journal entry that takes some of that out and

20 put it into income. But it's no cash there. The

21 cash was spent ten years ago.

22 MR. CIRIELLO: Well, according to this, it's
23 \$20,520. It says Grumman North 40 on the airport
24 revenue page. Not yours, the regular budget
25 (indicating).

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1 MR. GEORGE: Okay. The budget, okay? Ed,
2 can you --

3 MR. CIRIELLO: Well, anyhow, there's --

4 MR. GEORGE: -- shed any light on that?

5 MR. CIRIELLO: But there's four items for
6 Grumman, and they add up to \$62,700 a year.

7 Now, when you made that statement that we're
8 self-sufficient, everyday expenses we're making,
9 what, a half million dollars, when I went through
10 this budget, I added up everything on here but
11 one, and that's the interest. I didn't use that.

12 And I come out with a \$1,340,000 revenue, what
13 we're taking in.

14 When I went over to the next page, on
15 expenditures, there was one thing in the
16 expenditures I didn't use; I think that was
17 property tax, figuring that's already in the
18 payments, you know, the rent and everything.

19 So, when I added up the expenditures, it was
20 \$1,428,611. The difference that we're --

21 according to just these figures, that we spent
22 \$88,331 more than we're making, which is peanuts.
23 I mean, we're so close to being even, like you
24 said, but we're not over it being even.
25 MR. GEORGE: No.

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1 MR. CIRIELLO: Otherwise, we'd be coming off
2 the tax rolls.

3 MR. GEORGE: Right.

4 MR. CIRIELLO: So -- but then when I did add
5 those figures, the --

6 CHAIRMAN GREEN: Interest.

7 MR. CIRIELLO: -- the interest and the
8 other, then my figures changed to where the
9 expenditures are \$106,000 more.

10 MR. GEORGE: Yeah.

11 MR. CIRIELLO: I mean, so it went up about
12 \$40,000. So, we're very, very close to, for
13 everyday business, breaking even.

14 MR. GEORGE: Right. The purpose of this is
15 to get us to thinking this way every month, as
16 opposed to getting financials and saying, "Okay,
17 I got it yesterday; yeah, I guess it looks okay,"
18 you know, and -- and look at it. So, I'm trying
19 to use this as a talking tool.

20 MR. CIRIELLO: Yeah.

21 MR. GEORGE: Anyway, if you go to the next
22 report, the other thing that I had a problem with
23 is we sit here and we approve \$354,000 to put a
24 TVOR in, and my little dumb mind says where is
25 that money going to come from? How much money

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1 have I committed to?

2 So, what I've got in the second one is, this
3 is a financial overview of the projects in
4 progress through June 2003. Now, understand some
5 of these projects might have started five years
6 ago.

7 So, you cannot say that this is equal to
8 our -- our financial statements, even though
9 every month, when we spend money and then we bill
10 the government for their 80 percent or their 50
11 percent, that money does go onto our balance
12 sheet as work in process on these projects. But
13 it's always zeroed on October the 1st.

14 So, you're looking at that and you're seeing
15 how much you're spending to date, but I honestly
16 had a rough time in figuring out, well, how much
17 do we still owe? What -- how much is that
18 project still going to take us?

19 So, what I've tried to do here -- and it
20 turned out that, you know, they have the
21 information; all we have to do is ask. And Donna
22 maintains this spreadsheet. Basically what we've
23 got -- and if you look at the second page, I had
24 Donna repeat the definition of it, just in case
25 you wanted to take notes, because the first page

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1 will change every time and you might want to take
2 the notes there.

3 But basically, one of the things that's
4 important to me is, where is the money going to
5 come from? And there's your funding percentages,
6 you know. Then I've taken those funding
7 percentages and I've taken it over to, what is
8 the total project cost and then how much is
9 coming from, I call it the government? That's
10 everybody, FAA, FDOT, anybody other than us.

11 And then the next column is most important
12 to us, how much has got to come out of the
13 Authority's pocket? Now, that could take four
14 years, three years, two years to do that. But
15 that's what, when we sit back and make a
16 commitment that we're going to do this project,
17 that's what we're committing ourselves to.

18 Moving over to funds used, here again, this
19 is project to date, so we can see how we're doing
20 against what our original estimate was. This
21 shows us how much the Authority has spent, not
22 just this year, but could have been last year or
23 whatever.

24 The most important thing on the -- on the
25 whole sheet is, what's the balance? Of the cash

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1 we've got and the budget we're trying to approve
2 for next year to get in tax funds, that's what
3 it's got to pay. We're already committed to
4 paying all of this stuff. And so, that's what I
5 have tried to present.

6 I also presented at the bottom what our
7 present balances are in the -- in the cash
8 accounts. And so, I need to put a total on those
9 so that we can see what we're committed to. But
10 see, some of these projects might not be finished
11 until 2005.

12 But to me, it's a start in getting our hands
13 around what we've committed to and what we've got
14 to spend in the future. And so, I'd like for you
15 to take a look at it and see if there's anything
16 else that -- that you might want to see on

17 something like this.

18 MR. GORMAN: One comment, and not -- it's
19 not a -- it's actually very team-oriented. Don't
20 you want any help with that? Because this is
21 really good. I mean, that's -- that is what I
22 keep -- I keep -- you know, and I don't mean to
23 be making a litany, would be -- and as I
24 understand it, now, there's --

25 MR. GEORGE: Yeah --

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1 MR. GORMAN: -- an operational audit,
2 because you've started one. And you're doing a
3 great job.

4 MR. GEORGE: Well, I just -- Donna's doing
5 the great job. She's got all the numbers.

6 MR. GORMAN: This is it.

7 MR. GEORGE: All we have to do is ask. For
8 instance, you have indicated an interest
9 before -- I have to sign checks this afternoon.
10 And after we get through, if you'd like to come
11 and just observe what the process is, just makes
12 you more knowledgeable, Jack.

13 MR. GORMAN: That's very true. That's --
14 that was my suggestion to all the board members,
15 was just that.

16 MR. GEORGE: But I think that the -- that
17 the support from it, you know, is going to be let
18 us know, you know, or let Donna know what you'd
19 like to see changes in it, you know, so that when
20 we come back to the next meeting, we can -- we
21 can see all that.

22 MR. COX: That's really good.

23 MR. GEORGE: Okay. The last piece. There's
24 something else that I've toyed with about an
25 airport project summary.

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1 We get these nice sheets (indicating), and
2 there's verbiage, you know, as far as what the
3 summary is and what the recommendations are. I'd
4 just kind of like to see a checklist, because if
5 it's something on a checklist, I know that
6 somebody's looked at it. Like, for instance,
7 county impact, traffic. Somebody would make a
8 comment there "Not applicable," you know, or that
9 they have looked at it and assessed that. And
10 this whole project summary would be used on every
11 project that the board is asked to -- you know,
12 to put funds on, to give us all of this
13 information, you know, up front.

14 The -- the shade hangar. You know, we

15 agreed to spend \$840,000 on the shade hangar, and
16 when I've asked the question about, "Well, what
17 kind of revenue is that going to be generated,"
18 we have a document of understanding about how
19 we're going to change the lease with Aero Sport.
20 I'd like to see that in black and white, what
21 that number's going to be before I go approving
22 \$840,000.

23 And so, this -- showing the income that's
24 going to come from that and the fuel and any --
25 any other just gives us an opportunity to discuss

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1 all that and bring it up.

2 And I would -- I am presenting this so that
3 you can look at that and see if you'd like to add
4 to it, and at the next meeting, let's vote on
5 whether we want to make this a requirement or
6 not.

7 CHAIRMAN GREEN: Do you want to put that on
8 our special meeting?

9 MR. GEORGE: Yes, do it on the next meeting.
10 That gives everybody a chance to look at it.

11 CHAIRMAN GREEN: The date we're going to
12 vote on, which we don't know yet.

13 MR. MARTINELLI: Madam Chair?

14 CHAIRMAN GREEN: Yes, sir.

15 MR. MARTINELLI: If I may answer his
16 question he asked a while ago. Having now seen
17 this, I think it's an excellent go at it. I do
18 think you'll tweak it as you go along.

19 And you have some principles here, not to
20 get technical, but of the direct costing
21 techniques, where you would try to evaluate the
22 project profitability or the profit center
23 profitability of the various things.

24 You're basic. Stay basic. If you have
25 questions, I'll be happy to help you

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1 individually, or with Ed, work, you know, into
2 this to answer your questions. But I do think
3 this is an excellent start.

4 CHAIRMAN GREEN: Thank you.

5 MR. GEORGE: Well, we probably -- if you
6 think it's an excellent start, we probably need a
7 little bit bigger disclaimer at the bottom.

8 MR. COX: Just adopt that one that's in the
9 other.

10 MR. GEORGE: That's right.

11 CHAIRMAN GREEN: All right. That concludes
12 the financial management reports. Next on the

13 agenda are comments from the Authority members.

14 Mr. Ciriello?

15 8.B. - MR. CIRIELLO

16 MR. CIRIELLO: Nothing.

17 CHAIRMAN GREEN: Mr. George?

18 8.C. - MR. GEORGE

19 MR. GEORGE: Mr. Gorman.

20 CHAIRMAN GREEN: Well, I'm going by --

21 MR. GEORGE: Oh, okay. We changed the -- or

22 we deferred the Araquay Park, you know, decisions

23 to -- or discussion to the next meeting --

24 CHAIRMAN GREEN: Correct.

25 MR. GEORGE: -- and I need to make my

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1 editorial comment.

2 I have always been one in running your own

3 company that you can divert your resources to get

4 something done, you know, and you don't have to

5 wait for things. And it galls me as much as it

6 does Bob that -- that we have to wait for this

7 and have to wait for that, and sometimes I just

8 can't understand that. But we are taking a long

9 time in getting things done.

10 I am very much concerned that the knowledge

11 I have, which is probably not all complete, says

12 that we are running out of room in which to make
13 investments into this airport, which will give us
14 return on investments, which will help us get off
15 the tax rolls. And that's why I thought that the
16 Araquay Park thing was so critical.

17 As a quick summary, we have the property,
18 roughly 70 acres around the Grumman North 40.
19 Grumman has a lease on that -- an option on it
20 till the year 2007, at which time then it comes
21 back to us and we can use that for some sort of
22 expansion.

23 We don't have any other place but to put
24 maybe one more corporate hangar, you know, over
25 on -- on the east side. Maybe two, if we -- to

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1 squeeze. Okay. Two, I'm told. If we wait until
2 we need the third one to then come back and say,
3 well, maybe we ought to consider doing so and so,
4 then we're not doing our job right.

5 And I think that by discussing the Araquay
6 project in light of what we see on the -- on the
7 horizon, what kind of money is out there that Ed
8 and his foresight has already got budgeted with
9 the Florida Department of Transportation for land
10 acquisition, for other hangars, you know, stuff

11 that's going to come to us in the year 2004 or
12 2005, I think that we're going to look at it and
13 we're going to say we need to seriously commit
14 funds to finishing up the Araquay project and
15 getting some design going immediately.

16 We have a friend at the federal level that
17 Ed suggested that maybe we get in touch with our
18 friends there and see if we can get them to come
19 up with some federal money, like 95 cents on the
20 dollar, that will pave the area from the tower to
21 wrap around to the Araquay project.

22 But it's -- it's my concern that we're going
23 to wait around and talk about it and do this,
24 that and the other, and it's going to be next
25 March or April before we as a board make a

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1 decision to go. And I think this is an ideal
2 time with the budget, because Ed is giving his
3 budget based on the direction that we have given
4 him and the projects that he has on the books.

5 But we have an opportunity, and I hate to
6 say this, but if that means not dropping the
7 millage rate so I can get another \$160,000 to get
8 50 percent money for \$300-, that's another lot
9 that I bought. And that's my editorial.

10 CHAIRMAN GREEN: Mr. Cox?

11 8.D. - MR. COX

12 MR. COX: That was great. I agree with
13 Buzz. I think we need to aggressively pursue the
14 Araquay Park situation.

15 On another note, I'd like to make sure and
16 reiterate that we move forward on -- in seeking
17 the -- or exploring the damage assessment for the
18 contractor on this situation over here with the
19 Phase 1 criminal stuff, you can -- you guys can
20 get back to us on that. That's all I have to
21 say.

22 MR. GEORGE: Now, do we need a motion to
23 give him direction to do that or --

24 MR. WUELLNER: I think we already did it.

25 MR. GEORGE: -- or as one board we --

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1 CHAIRMAN GREEN: I think we already did.

2 MR. GEORGE: -- ask for it or not?

3 CHAIRMAN GREEN: We already did in the
4 beginning. Mr. Gorman?

5 8.E. - MR. GORMAN

6 MR. GORMAN: That's why I asked the
7 engineering firms what could they do now to be
8 able to -- and again, I like Buzz's idea of the

9 fast track.

10 In other words, I don't want to have a
11 master plan, a 10-year master plan take 10 years,
12 because it -- it's been -- historically, it has,
13 and we need to get out of that rut. And to do
14 that, I'd like to be able to throw -- I'd like to
15 see these engineering firms -- and remember, I'm
16 saying "firms" here, too -- think out of the box.

17 In other words, say, "How about this plan?
18 How about this plan? How about this plan?" Not
19 to confuse things, but to be able to think this
20 thing out more rapidly than historically has
21 happened around here so we can get these things
22 done, so we can get the revenue generated.

23 Again, the Araquay Park issue's a money
24 loser. That's why I keep starting to drum up on
25 your nicely written financial plan that lots of

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1 these costs aren't plugged in.

2 CHAIRMAN GREEN: Okay.

3 MR. GEORGE: Excuse me. I have one other
4 item. We keep talking about getting this airport
5 to take care of the needs of St. Johns County for
6 the future, but it's left up to us individually
7 to find out what the other agencies in the county

8 are thinking is going to happen.

9 Bryan and I, about a month ago, flew some of
10 the people from the St. Johns County Economic
11 Development people around. They had entertained
12 10 or 12 different companies that were
13 considering relocating. And just from the bits
14 and pieces that I heard about their plans for the
15 county and what's going on here and there, I
16 think that that's needed information that each
17 one of these board members needs to know.

18 And so, I would like to see us have at each
19 one of the board meetings maybe a -- you know,
20 for the next two or three months, a
21 fifteen-minute presentation from some of these
22 people, even the county.

23 You know, I don't want to go through every
24 project you've got, but what projects are you
25 working on that you think impact the airport or

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1 the airport could help you impact yours? So, we
2 need to know that as we're planning.

3 CHAIRMAN GREEN: I think that's on that
4 committee that you're talking about, that you're
5 now --

6 MR. COX: Chairman of.

7 CHAIRMAN GREEN: Right.

8 MR. COX: For the board -- for the airport.

9 CHAIRMAN GREEN: That you volunteered to
10 be --

11 MR. GEORGE: So, another alligator mouth.

12 MR. WUELLNER: This is exactly the reason
13 that Mr. Maguire's been so instrumental in
14 pressing the MPO concept --

15 CHAIRMAN GREEN: Right.

16 MR. WUELLNER: -- because it puts a member
17 of this board directly in that communication.

18 MR. GEORGE: Yeah.

19 8.A. - MS. GREEN

20 CHAIRMAN GREEN: Okay? And last but not
21 least, I just want to make a comment, and I don't
22 think we've all forgotten it, but we have that
23 industrial park over there, too, that we need to
24 at least not forget to throw into some of these
25 discussions for revenue generating.

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1 MR. GORMAN: Fix it or sell it.

2 CHAIRMAN GREEN: Yeah. Something.

3 MR. GEORGE: I'm sorry.

4 CHAIRMAN GREEN: That's okay.

5 9. - PUBLIC COMMENT

6 CHAIRMAN GREEN: Any last-minute public

7 comment?

8 (No public comment.)

9 CHAIRMAN GREEN: Okay. No public comment.

10 10. - NEXT REGULAR BOARD MEETING

11 CHAIRMAN GREEN: We need to vote on that

12 special meeting for our calendars. Our next

13 meeting is going to be August 25th for the

14 regular board meeting. But for the special

15 meeting that we've listed some agenda items.

16 MR. CIRIELLO: Why is it the 25th?

17 CHAIRMAN GREEN: Because my paper said so.

18 MR. CIRIELLO: Okay.

19 MR. WUELLNER: Well, y'all moved it last

20 meeting.

21 CHAIRMAN GREEN: We moved it, yeah.

22 MR. CIRIELLO: Huh?

23 MR. WUELLNER: You moved it last meeting.

24 MR. COX: Because she's the Chairman, that's

25 why.

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1 MR. CIRIELLO: Well, I didn't remember that.

2 I have beginning of Alzheimer's.

3 MR. GEORGE: As far as schedule goes, I'm

4 going to be out of town starting this Thursday.

5 And you guys that don't know, I'm going to the
6 Florida airport meeting in Fort Lauderdale,
7 and -- Ed, when do we get back from that?

8 MR. WUELLNER: 8 -- 7th or 8th.

9 MR. GEORGE: Be back in town Thursday. I
10 don't know what that is. That's the 7th?

11 MR. WUELLNER: 7th.

12 CHAIRMAN GREEN: Thursday the 7th.

13 MR. GEORGE: So, I can't make it between
14 those times, unless it just absolutely doesn't
15 fit with everybody else's schedule, and I'll do
16 something.

17 MR. WUELLNER: How about the 11th? It keeps
18 them about two weeks apart.

19 CHAIRMAN GREEN: Monday, August 11th?

20 MR. COX: Yeah, that would be good.

21 MR. GEORGE: Sounds good to me.

22 CHAIRMAN GREEN: Mr. Gorman?

23 MR. GORMAN: That's fine with me.

24 CHAIRMAN GREEN: Mr. Ciriello? Do you want
25 to do it at the 4 o'clock regular time?

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1 MR. COX: Sounds good.

2 CHAIRMAN GREEN: Okay. I don't think we
3 need a motion; I think we just need to set the

4 date at Monday, August 11th, at 4 o'clock for a
5 special meeting with those agenda items.

6 And if there's anything pertinent
7 additional, I encourage the board members to get
8 together with Staff so we can get it on the
9 agenda so we know what our time frame is.

10 MR. COX: Great.

11 CHAIRMAN GREEN: All right? With that being
12 said, I'll adjourn the meeting. Thank you very
13 much, everybody.

14 (Whereupon, the meeting adjourned at 6:30 p.m.)

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1 REPORTER'S CERTIFICATE

2

3 STATE OF FLORIDA)

4 COUNTY OF ST. JOHNS)

5

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

7 was authorized to and did stenographically report the

8 foregoing proceedings and that the transcript is a true

9 record of my stenographic notes.

10

11 Dated this 28th day of July, 2002.

12

13

JANET M. BEASON, RPR-CP, RMR, CRR
Notary Public - State of Florida
My Commission No.: DD102224
Expires: April 30, 2006

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