

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, May 9, 2011

6 from 4:00 p.m. to 5:47 p.m.

7 * * * * *

8 BOARD MEMBERS PRESENT:

9 KELLY BARRERA, Chairman

CARL YOUMAN

10 JAMES WERTER

JOSEPH CIRIELLO

11

12 BOARD MEMBERS PRESENT:

13 ROBERT COX, Secretary-Treasurer

14 * * * * *

15 ALSO PRESENT:

16 JAMES HATFIELD, Esquire, St. Johns Law Group, 509

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

17 for Airport Authority.

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

19 * * * * *

20

21

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

St. Augustine Court Reporters

1510 N. Ponce de Leon Boulevard

23 St. Augustine, FL 32084

(904) 825-0570

24

1	I N D E X	
2	PAGE	
3	PLEDGE OF ALLEGIANCE	3
4	MEETING MINUTES & FINANCIAL REPORT	3
5	AGENDA APPROVAL	3
6	EXECUTIVE DIRECTOR'S REPORT	4
7	BUSINESS PARTNERS UPDATE	16
8	BUSINESS ITEMS	
9	A. Administrative Policy Adoption	19
	B. FY 2011-12 Pre-Budget Discussion	26
10	C. Sustainability Goals FY 2011-12	45
	D. Fuel Flowage Discussion	71
11	PUBLIC COMMENT - GENERAL 90	
12	AUTHORITY MEMBER COMMENTS AND REPORTS 90	
13	ADJOURNMENT	95
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		

1 PROCEEDINGS

2 CHAIRMAN BARRERA: I'd like to call the
3 meeting of the St. Augustine-St. Johns County
4 Airport Authority into session. If we can rise for
5 the Pledge of Allegiance.

6 (Pledge of Allegiance.)

7 MEETING MINUTES & FINANCIAL REPORT ACCEPTANCE

8 CHAIRMAN BARRERA: Thank you. Has everybody
9 had a chance to review the meeting minutes from our
10 last meeting?

11 MR. WERTER: Yes, ma'am.

12 MR. YOUMAN: Yes, ma'am.

13 CHAIRMAN BARRERA: Any additions, deletions of
14 the meeting -- meeting minutes?

15 (None.)

16 CHAIRMAN BARRERA: Hearing none, the meeting
17 minutes will stand as approved. Financial report
18 acceptance, we'll have to defer to the next
19 meeting, as our treasurer is not present.

20 AGENDA APPROVAL

21 CHAIRMAN BARRERA: And meeting agenda
22 approval. Do we have any additions, deletions, or
23 corrections to the meeting agenda?

24 (None.)

1 will stand as approved.

2 EXECUTIVE DIRECTOR'S REPORT

3 CHAIRMAN BARRERA: Executive Director's
4 report.

5 MR. WUELLNER: A couple of things to update
6 you on is PGA.

7 We are, as most of you are aware -- a thank
8 you to those that I've heard back from -- but
9 Thursday and Friday of this week, we're involved
10 with a couple of events up at the TPC, and if you
11 can at all make time to do that and haven't talked
12 to us, please let us know. I will send out the
13 e-mail tomorrow with the details of that. So you
14 should have everything you need to you know in
15 your -- in your e-mail tomorrow.

16 As you know, that's a partnership with IDA,
17 County Commission, Chamber, and then the whole
18 focus here is in creating the relationships related
19 to economic development in the county and
20 outreaching to sponsors and invited guests of
21 sponsors at the TPC.

22 And that will include -- what I send you
23 tomorrow will also include the talking points as
24 generally agreed upon between the four partners in

25 this. You won't find any surprises. There's

5

1 nothing that's difficult to remember. You probably
2 are already using 99 percent of it in your daily
3 conversations.

4 Remind you that Bahamas Day is June 4th. So
5 that is out here at the airport. It will be over
6 at the -- at the terminal. Features a bunch of
7 great guest speakers that if you're interested in
8 learning how to travel or how to fly between here
9 and the Bahamas and what's required, paperwork, all
10 of those kinds of details, that's the place to be.
11 It will provide you great information on that.

12 And in the evening, there's a charity event
13 that is for the Helping Hands Caring Hands (sic),
14 which is the -- basically is a -- the local welfare
15 league, for lack of better words, fundraiser that
16 will be held. Same theme. It's a -- sort of a
17 junkanoo or calypso night event. That is a
18 fundraiser. I think it's also got a -- what do
19 they call it?

20 CHAIRMAN BARRERA: Band?

21 MR. WUELLNER: It's got dancing, band, the
22 casino gambling kind of charity thing. That will
23 be -- and that will be that evening in the hangar.
24 If you need to purchase tickets, let me know, or I

25 can provide you -- the link is also on our web site

6

1 to be able to -- to reserve tickets for that

2 evening.

3 Taxiway B South and the approach lighting,

4 those pro -- that project is combined in terms of

5 one project being bid. It is out on the street

6 right now. We've opened bids on that. I think

7 it's the 19th, is -- and that will come to you

8 hopefully in June with not only a recommendation or

9 award, but we'll also have the FAA grant all tied

10 up at that point if all goes well. And we want

11 to -- we want to -- regardless of when the funding

12 occurs, we want to be in a position to award that

13 as soon as the money becomes released for

14 commitments by FAA.

15 I sent you out the project update. I didn't

16 know if anybody had any questions on those specific

17 projects that went out, updated y'all on Taxiway B,

18 the mitigation and the ARFF station, all of which

19 are in construction right now. Also put some --

20 what I -- what I had available of fuel-related

21 information as well as operations data.

22 Operations data continues to be extremely

23 strong, and the -- the fuel sales aren't quite

24 tracking that. So it's -- it looks like avgas has

25 probably been the strongest for the -- for the

7

1 longest period of time, and I would credit a lot of
2 that to the flight school activity on the airport
3 as being a -- a continuous purchaser of the fuel.

4 We are hearing that perhaps prices will relax
5 here over the next 30 days, and maybe that will
6 bode well for a decent flying season over the
7 summer. With that, any questions or anything you
8 might have, we'll be happy to try to address for
9 you.

10 CHAIRMAN BARRERA: Carl?

11 MR. YOUMAN: Go ahead. Go ahead, Joe.

12 CHAIRMAN BARRERA: Joe?

13 MR. CIRIELLO: I just wanted to know when the
14 bid opening was going to be. What date and where?

15 MR. WUELLNER: It's May 19th. It -- is it
16 downstairs? It's downstairs in room --

17 MS. HOLLINGSWORTH: It's in this room.

18 MR. WUELLNER: It's in this room. I'm sorry.
19 At 2 o'clock. 3 o'clock. Sorry.

20 MR. CIRIELLO: 3:00? Okay.

21 MR. WUELLNER: But it will be right here.

22 CHAIRMAN BARRERA: Carl?

23 MR. YOUMAN: Nothing earth shaking, but when
24 they decide to let the water in on the island --

25 MR. WUELLNER: Oh, okay.

8

1 MR. YOUMAN: -- let me know so I -- I want to
2 be here to see it --

3 MR. WUELLNER: To see that? Okay.

4 MR. YOUMAN: -- occur.

5 MR. WERTER: Yes. Yeah. That'd be
6 interesting.

7 MR. WUELLNER: We're probably about -- yeah.
8 We're probably about three weeks away from --
9 easily three weeks away from that. I -- I know
10 they're removing the spoil material now. That's
11 beginning to be -- be stockpiled and used along the
12 edge of the runway as that restoration begins.

13 They've got several more weeks of hauling of
14 the -- of the fill -- you know, what was dredged
15 material, originally spoil material, off of the
16 island. And then once that gets to an elevation
17 they're happy with and they've got it contoured the
18 way they want, I believe they flood it at that
19 point. And then they are -- they will begin at
20 some point after that putting the plants or
21 replanting out there the way they have to.

22 Just so you know, just because this kind of
23 ties into sustainability, it appears they're
24 exploring the use of actually relocating vegetation

25 that's along proposed Taxiway B. That's in the

9

1 marsh along there, is proposed -- they're proposing
2 using that vegetation and relocating it out to the
3 island. So you not only have native vegetation,
4 but you have what you call ultra indigenous kind
5 of -- that's used to that everything that's going
6 on in this part of Florida.

7 MR. WERTER: Maritime hair plugs.

8 MR. WUELLNER: Yeah. I -- I don't think it
9 meets all of the project needs in terms of the type
10 of grass that's there. It's stuff that would
11 otherwise -- we'd pay for, purchase and put out on
12 the island and then later on we'd pull up on
13 Taxiway B and it would probably be disposed of, I'm
14 guessing. So it is a way of reusing what we have,
15 too.

16 MR. YOUMAN: I have one more question.

17 CHAIRMAN BARRERA: Go ahead, Carl.

18 MR. YOUMAN: Rel -- relating to the budget,
19 we're still in a positive mode operating
20 expense-wise?

21 MR. WUELLNER: We are probably not as strong
22 as I want, but we've also been able -- we've been
23 able to cut back on our capital commitments we
24 have. So we'll be fine in terms of making it work.

25 MR. YOUMAN: So we're not negative operating

10

1 costs?

2 MR. WUELLNER: No, we are not.

3 MR. YOUMAN: Thank you.

4 MR. WUELLNER: No, we'll be fine.

5 CHAIRMAN BARRERA: Ed, on the Bahamas --

6 MR. WUELLNER: Uh-huh.

7 CHAIRMAN BARRERA: -- Day on June 4th, can we

8 send out -- can you get something we can send out

9 to other people?

10 MR. WUELLNER: Yeah. There's a -- the flier

11 and of course a link you can pull right off the web

12 site if you want to. My understanding was today, I

13 have not seen that release, but there was a

14 wholesale e-mail blast going out that Elliot

15 Mintzer is doing. Keep in mind that's not directly

16 our event, but --

17 CHAIRMAN BARRERA: Right. But we are one of

18 the sponsors.

19 MR. WUELLNER: -- but we are affiliated. But

20 he -- they're doing an e-mail blast to all kinds of

21 places in the southeast. So it's something like

22 400 locations and businesses and all were getting

23 it, today I thought he said. But, yeah, we can get

24 you a --

25 CHAIRMAN BARRERA: That would be great. And

11

1 then the other question I have for you is, how are
2 we doing on our occupancy rates?

3 MR. WUELLNER: Everything's good except we --
4 obviously 10 -- is it 10 or 8, whichever's one the
5 injured one's still empty and we have three
6 50 x 50, 50 x 60 size that have yet to be rented.
7 We've done what we can on that. We're just waiting
8 on the economy to improve a little bit there.
9 Otherwise everything's at 100 percent.

10 CHAIRMAN BARRERA: Also, I know that with the
11 report, you touched on the avgas and the jet fuel
12 and not having those numbers, but I -- you've got a
13 pretty good handle on the self-fuel. How is the
14 self-fuel going?

15 MR. WUELLNER: Self-fuel is great. We're way
16 above budget. We're in fact probably 200 percent
17 above what we budgeted for this time of year. So
18 it's --

19 CHAIRMAN BARRERA: Strong.

20 MR. WUELLNER: -- really strong. I think we
21 already sold -- or already had net profit in the
22 \$45,000 range and we had budgeted for the whole
23 year around \$15-. So you've still got five months
24 of the year, so...

25 CHAIRMAN BARRERA: So that helps offset --

12

1 MR. WUELLNER: It does drop off from about
2 this point until -- well, within the next couple of
3 weeks, it will drop dramatically until late fall.
4 It's just normal season. But the flight school is
5 open, will stay open --

6 CHAIRMAN BARRERA: On your Executive
7 Director's report, can you touch base on each of
8 those on the one that you send out so that we can
9 kind of keep those financial benchmarks in our
10 mind?

11 MR. WUELLNER: I will do that independent of
12 the project updates, yes.

13 CHAIRMAN BARRERA: Okay. That's fine.

14 MR. WUELLNER: I'd rather not have it in the
15 publication that's --

16 CHAIRMAN BARRERA: Okay.

17 MR. WUELLNER: -- that's made available.

18 MR. YOUMAN: One other question that just came
19 to mind. Customs, are we still negative?

20 MR. WUELLNER: Yeah. It -- it's not
21 performing as -- as high as we are. That's part of
22 why we're doing the Bahamas Day thing, is to --
23 it's an education issue.

24 We also found there was an issue with it

25 getting published properly in the FAA facilities

13

1 directory document, which you're probably not
2 familiar with. But it's kind of the, you know,
3 main publication that all aviation data comes from.
4 And it was not being listed as a Customs facility.

5 That publication comes out again I want to say
6 it's the 15th of this month. It will be updated in
7 that. And unfortunately it takes almost six months
8 to get through the cycle of FAA to get it
9 published. There'll be one more update in July of
10 some other extraneous information. We started on
11 this in January, so it's just now popping out.

12 MR. WERTER: Oh, okay. I was wondering why it
13 was so late, because how long is the --

14 MR. WUELLNER: It's getting -- it's one of
15 those -- I don't know how to describe it. It's --
16 one of those strange areas of FAA is getting --
17 getting the right people engaged to make the
18 changes.

19 You cannot just phone it in. You cannot just
20 enter it on a web site or something like that.
21 It's got to come through specific other branches of
22 FAA to make it in the publication. I guess that is
23 a -- as a safeguard from somebody just throwing,
24 you know, a new load-bearing number out there or

25 something like that and something happening.

14

1 MR. WERTER: Yeah.

2 MR. WUELLNER: So we -- we have been a long
3 time in that process and spent a long time
4 identifying the people we needed to talk to and
5 now -- now we know how. It will be very easy
6 updates other than the time factor, which does take
7 awhile.

8 First -- I think January 15th closed the
9 publication for May. So if you weren't in -- in
10 the queue and had it all approved and in place by
11 January 15th, it wouldn't make -- the May 15th
12 publication. So, I'm at a loss to explain the need
13 for that much time, but guessing that's just the
14 way FAA works.

15 MR. WERTER: What's the cycle on that? I
16 don't remember the cycle on that publication. Is
17 it every six months or --

18 MR. WUELLNER: It's every -- approximately
19 every 90 days it's quarterly updated.

20 MR. WERTER: Well, that's like the charts.

21 MR. WUELLNER: Yeah.

22 MR. WERTER: Okay.

23 MR. WUELLNER: They do a supplement between
24 publications.

1 vessels? Are we advertising the Customs facility?

2 MR. WUELLNER: We're not. We ran into --
3 shortly after we discussed the rates last --
4 whenever that was, we ran into the snag with
5 Customs saying they don't have the authorization
6 that they do for aviation to implement a user fee
7 program on water. But they were going to
8 investigate how that needed to be done and I -- we
9 have yet to hear anything on what the process is.

10 But they say there is no precedent for -- for
11 marine user fee, that it's exclusive to aviation in
12 terms of provisions within their guidelines. So
13 you can imagine how complicated that process will
14 be.

15 CHAIRMAN BARRERA: Let's follow up and see if
16 we can --

17 MR. WUELLNER: We've got another at least one
18 more airport that's interested in pursuing --
19 pursuing it with us and that's Stuart, where
20 they're along the water also and have similar --
21 kind of similar circumstance to us. They're along
22 the inlet and have -- have been weighing the
23 possibility of putting Customs into that location.

24 But I think they're -- they're having the same

25 concerns that we do, is making sure you can find a

16

1 revenue source that's tied to it. They do -- they
2 still are processing boats. We're just not getting
3 a cut.

4 CHAIRMAN BARRERA: Follow up on that for us.

5 MR. WUELLNER: Uh-huh. I'll stay on it.

6 CHAIRMAN BARRERA: Okay. Great.

7 BUSINESS PARTNERS UPDATE

8 CHAIRMAN BARRERA: Moving on to the business
9 partner updates. Harry Ruhsam with SAAPA?

10 MR. RUHSAM: Thank you. SAAPA hasn't had a
11 meeting since the last Airport Authority meeting.
12 We'll have one this Saturday. And on the agenda
13 is -- we have five Aerospace Academy applications.
14 So we're going to choose them and then award them
15 in June at our June meeting.

16 And I just spoke with Reba a few minutes ago.
17 We do have -- our speaker Saturday is a fellow
18 named Don Jones, who was a passenger on the flight
19 that landed in the Hudson. If anyone's around and
20 want to attend that, that might be interesting.
21 And that's all I've got.

22 CHAIRMAN BARRERA: Thank you, Harry. On to
23 our airport attorney.

24 MR. HATFIELD: And I have no business partner

25 update at this time. Thank you.

17

1 CHAIRMAN BARRERA: Mr. Zimmerman with the IDA,
2 do you have any updates for us?

3 MR. ZIMMERMAN: Yes. I would like to say a
4 couple of things. Jim Zimmerman, Industrial
5 Development Authority.

6 We want to say first how pleased we are about
7 the partnership on the -- on The Players. Jim
8 Browning's doing it for us, and he talks all the
9 time about how Ed Wuellner has two jobs. One is
10 doing that and how do you find the time to do all
11 of this stuff? Because there's a -- I don't know
12 if anybody knows the minutia details that are
13 involved in that thing to make it work. And we're
14 very happy about it. We're very happy about the
15 partnership, as you said.

16 The other thing is Ron Sanchez is not here,
17 but I was at the last BCC meeting and the subject
18 of the new noise ordinance came up. They have a
19 draft of the noise ordinance. And the airport was
20 commonly discussed as part of the ordinance. And
21 they had in their provisions that called for
22 restricting landings and takeoffs between 10 p.m.
23 and some time in the morning, restricting hours
24 that you could run up engines and things like that.

25 And Ron -- I'm not speaking for Ron, I'm just

18

1 saying what happened -- that Ron was just quite
2 outspoken about you better slow down on things like
3 that, because they -- given the things the airport
4 is trying to do, that's not helpful. It's --
5 nobody's trying to curb -- not curb the noise, but
6 let's think about there's more sides to the story
7 than -- so you must know about the noise ordinance.

8 MR. WUELLNER: We do.

9 MR. ZIMMERMAN: Yeah, okay.

10 MR. WUELLNER: We're -- we're engaged in that
11 process.

12 MR. ZIMMERMAN: Okay. That's all.

13 CHAIRMAN BARRERA: Thank you, Jim.

14 Mr. Nehring with Northrop Grumman, did you have any
15 business partner updates?

16 MR. NEHRING: No. I just brought in some
17 foreign military customers to look at barging --
18 possible barging of airplanes into the seaplane
19 ramp. Kevin was out there with us. I don't know
20 if you passed, Ed, but they told us last week it's
21 looking strongly like they might go that way.

22 CHAIRMAN BARRERA: Great.

23 MR. WUELLNER: Awesome.

24 CHAIRMAN BARRERA: Very good news. Thank you.

25 Okay. Moving on to the administrative --

19

1 MR. YOUMAN: Can I just ask?

2 CHAIRMAN BARRERA: I'm sorry. Carl, you need
3 to speak in --

4 MR. YOUMAN: Can I just ask a quick question?

5 CHAIRMAN BARRERA: Yes. But Daniel might want
6 to go to the mic.

7 MR. YOUMAN: Is it --

8 MR. NEHRING: The red light's on.

9 MR. YOUMAN: I don't know if this is
10 confidential or what, but may I ask where they'd be
11 barged from just out of curiosity sake or --

12 MR. NEHRING: They'll be coming from JAXPORT
13 from an overseas location. So they'll come into
14 Jacksonville up there at JAXPORT and then come down
15 the intracoastal.

16 MR. YOUMAN: Neat. Thank you.

17 CHAIRMAN BARRERA: Okay. Let's move on to our
18 first agenda item, the administrative policy.

19 ADMINISTRATIVE POLICY ADOPTION

20 MR. WUELLNER: Okay. The first nine -- eight
21 sections really haven't -- haven't materially
22 changed. We sent you out a revised draft or a
23 redline version of it the other -- last week with
24 the last changes we made.

1 personnel as it applied to the health -- health
2 records section of it and has added his input on
3 that. We -- you can see we made the changes or
4 made versions of the changes related to the -- the
5 input provided from other personnel, your contact,
6 Mr. Youman. And of course there was some
7 reordering.

8 We did find a section or two that kind of
9 wholesale needed to just come out of there and we
10 pulled that out. It was the one on the AIDS
11 benefit -- or not benefit, but the AIDS matter, and
12 that pulled out completely.

13 We tried to clarify really pretty much
14 everything in there. Made some adjustments related
15 to the paid time off provision there so that the --
16 in particular, the earliest years more closely
17 align with the -- the amount of hours that could
18 actually be earned. So it doesn't not -- I guess
19 in -- I guess better to say it kind of aligns
20 itself -- the amount you can carry forward more
21 closely aligns with the amount you could actually
22 earn, whereas previously the numbers probably
23 represented more than you could actually earn in
24 the first year or two even.

25 I made some -- there are four classifications

21

1 instead of three now. I'm trying to find the
2 section here.

3 Okay. It's actually on Page 81. And we dealt
4 with continuous employment and carry forward
5 accrual maximums and created an additional
6 classification. We now have a less than 3-year
7 classification of carry forward of 120, a 4- to
8 6-year at 180 carry forward, a 7 to 10 at 220, and
9 11 to 14 at 260. And then at 15 or more, it
10 escalates to 300 and doesn't -- doesn't adjust
11 beyond that point.

12 The other I think issue that was discussed at
13 length at the workshop was related to the education
14 benefit, which is back a little bit further here.
15 I recall that on my way back there that that
16 section I'm referring to is under medical
17 procedures. It's the new Section 9.46 on Page 101.
18 The part that appeared in red is the part that Doug
19 felt like ought to be included in there or revised
20 to reflect those records are not kept by the
21 Authority or on airport premises.

22 And that brought us to Page, what would be
23 106. We made the adjustments from six months of
24 continuous employment to be eligible for tuition

25 reimbursement to one full year. We added the

22

1 section where you have to maintain a satisfactory
2 performance evaluation throughout that. And the --
3 added a statement in there about the Authority may
4 elect to budget, despite how it's misspelled.

5 Apologies.

6 We adjusted under the eligible or percentage
7 of reimbursement, which is on Page 107, for earned
8 grades of B or better, that is 65 percent. And a C
9 will be equivalent to 5 -- excuse me, A or B is at
10 75 and then a C is at 65 percent.

11 And of course that whole thing being tied to
12 that percentage cannot exceed 100 percent of the
13 equivalent value per hour at a state school,
14 regardless of -- regardless of what that plays out
15 to as a percentage. Still requires the party to
16 apply for that benefit, which we believe provides
17 adequate assurance that we have time to respond
18 from a budget standpoint should we want to. We
19 could also take the ulterior -- alternative
20 direction of budgeting some amount, whether it's
21 used or not annually.

22 Given that this benefit is limited to
23 full-time employees, we felt like it had -- in
24 itself is already self-regulating relative the

25 amount of benefit that can be accrued in any one

23

1 quarter a year by the -- by just physical time
2 restraints, and most likely one or two classes a
3 semester would be the max anyway that someone could
4 make work in a schedule and still maintain
5 full-time employment.

6 And I think that was -- oh. We did clarify or
7 clean up the section on layoffs to eliminate all
8 the more or less superfluous kinds of discussions
9 there and left it to where essentially you can
10 determine the skill sets that we would -- we would
11 release first and those -- those skill sets we
12 would want to retain at the end -- retain until we
13 can either reemploy or terminate.

14 And I think that was pretty much it. Most of
15 the other changes made earlier in the personnel
16 section were to provide consistency in the 180 days
17 under the adjustment period. Further clarify --
18 under definition of immediate family, there were
19 some I would call it kind of scrivener's types of
20 things where we, based on some of the input we got,
21 just kind of cleaned up and I use the word exempt
22 instead of trying to further -- further detail the
23 positions. I think that's in terms of a summary
24 probably pretty close to everything.

25 We did clarify the adjustment period that did

24

1 not apply, in that the adjustment period is not
2 applicable to new hires. That's the probationary
3 period. So we tried to make sure that line was
4 consistent with how we dealt with it within the
5 policy.

6 I don't think there were any other big -- big
7 changes really. As I said, you've had -- I think
8 hopefully you've had a chance to look at this. And
9 I don't think we made any changes prior to that
10 within the policy itself. So this is ready for you
11 guys to discuss or add input or whatever you want
12 to do.

13 CHAIRMAN BARRERA: Has everybody had a chance
14 to review the changes? Do we have any board
15 discussion on this? Carl?

16 MR. YOUMAN: (Shakes head.)

17 CHAIRMAN BARRERA: The only -- the only thing
18 that I would like to bring up is that in discussing
19 this with Ed, we -- instead of putting an annual
20 limit amount, instead Ed went with the concept of
21 being able to put it as an individual year item
22 each year that would limit the amount.

23 So that -- what that calls for is that it
24 calls for the board to be very cognizant when we're

25 going through the budget process of how much we can

25

1 budget. The advantage to that is if we don't have
2 the money, then we're not locked into a policy to
3 pay out the money because it's as the budget calls
4 for.

5 The disadvantage of that is it puts the onus
6 on staff and on the board members to watch that
7 amount and not just take that line item for
8 granted. Ed's assured me that in that line item,
9 he'll -- he'll pull it out as a separate line item
10 so that the board members will all be aware of
11 what's being proposed for the budget for that each
12 year.

13 MR. WUELLNER: And I would add it's a fairly
14 low risk approach to it because -- and I say that
15 because up to this point anyway, no one has availed
16 themselves of that over the last 15 years anyway.

17 So -- and I'm not aware of anyone actively at
18 this point going after that as a benefit. And I
19 think the application process itself requires
20 advance communication of your intent to use that
21 and allows us an opportunity to address it within
22 the context of budget actually every year.

23 CHAIRMAN BARRERA: Carl?

24 MR. YOUMAN: Can I make a motion?

25 CHAIRMAN BARRERA: We have to open it up for

26

1 the public comment. Do we have any public comment
2 on this item?

3 (None.)

4 CHAIRMAN BARRERA: Seeing no public comment,
5 we can bring it back to the board. Carl?

6 MR. YOUMAN: I'd like to make a motion that we
7 accept the revised administrative manual as
8 presented.

9 CHAIRMAN BARRERA: Do we have a second?

10 MR. CIRIELLO: Second. I second it.

11 CHAIRMAN BARRERA: Okay. Any further board
12 discussion?

13 (None.)

14 CHAIRMAN BARRERA: All in favor, aye?

15 MR. CIRIELLO: Aye.

16 MR. YOUMAN: Aye.

17 MR. WERTER: Aye.

18 CHAIRMAN BARRERA: Aye. Motion passes
19 unanimously.

20 FY 2011-12 PRE-BUDGET DISCUSSION

21 MR. WUELLNER: Thank you. Next item I've got
22 is the -- what I -- what I'm terming the pre-budget

23 discussion.

24 You may or may not have had a chance to look

25 at the revised agenda item, as I sent it out

27

1 this -- this morning, I think, or late this
2 morning. Anyway, it just added a slide in here
3 that tried to explain what projects were currently
4 out there in the work program for next fiscal year.

5 I want to make you aware of those projects
6 first and foremost, and then also seek any input
7 you might have for other projects or other items
8 that we can either include in next year, if you're
9 not looking for grant funds to match it. Or if
10 there are future year projects you would like us to
11 begin to work into the -- what we call the JACIP,
12 the capital improvement programs of the state or
13 feds, and we can -- with those projects in mind, we
14 can begin the groundwork necessary to get it in the
15 queue for consideration.

16 The projects that are out there for next year,
17 we would be bringing Taxiway B, assuming it funds
18 over the summer, forward. It probably would not
19 get very far into construction before the end of
20 the fiscal year. This would be the high end of
21 what would carry forward.

22 And as -- if by chance significant work can be
23 accomplished before the end of September, we could
24 adjust that carry forward and the total project

25 value forward downward to reflect what's really

28

1 coming forward at this point. But not knowing,
2 we've had several FAA years where they don't really
3 fund it till September. So it -- it becomes really
4 a whole new next year project instead of current
5 year.

6 But worst-case scenario, in that 5 and -- \$5.5
7 million project, the Authority's obligation is
8 about \$68,750, which isn't -- isn't too bad.

9 MR. YOUMAN: Huh-uh.

10 MR. WUELLNER: ARFF station. Well, it's under
11 construction now. The number I'm using to carry
12 forward represents our entire allocation, if you
13 will, or our contribution to the grant. That could
14 be significantly reduced depending upon how far the
15 project is by the time we get to September.

16 It should be about three to four months into
17 the job at that point, which means it should be 60
18 percent kind of level complete. So that number may
19 be able to be reduced to maybe \$10- or \$15,000 out
20 of that \$25-.

21 Land acquisition. This will be a new grant
22 that will come out to us in July. That's \$900,000
23 of state dollars to be matched 50/50 with \$900,000
24 of Authority money. It has several years in which

25 to expend it. We can expend it in a project by --

29

1 or an acquisition-by-acquisition kind of mode. It
2 doesn't require us to spend it all in a single
3 fiscal year.

4 We do have a couple of things that we're
5 exploring that may affect what is expended. But
6 you could have -- would have some time to identify
7 land acquisition or whatever you -- for purchase
8 over the next couple of years. It does have a -- I
9 think at least a 24-month opportunity or window
10 there to -- to expend it.

11 FIND grant, kind of similar. We requested
12 multiyear funding for the -- for dredging, the
13 actual construction piece associated with the barge
14 terminal. Current year, we are applying for
15 \$135,000 of FIND district money that would be
16 matched 50/50 with Authority money.

17 Next year would represent the balance of that
18 project. Depending on what's out there for us to,
19 I'm going to call it piggybacking, but essentially
20 if there's an ongoing barge -- barge -- dredging
21 contract in the area that we can benefit from just
22 adding our work component to it, not having to bid
23 it, we -- we may be able to piecemeal the work and
24 get some of it done in the next fiscal year, some

25 of it done in the next fiscal year.

30

1 We will not officially know about that -- our
2 match or the match until September. But assuming
3 it goes according to the plan and what we've been
4 discussing with our local FIND district
5 representative and the strength of the overall
6 project.

7 This -- keep in mind this whole project ranked
8 third or fifth in the state last year in terms of
9 eligibility. So it has an extremely high priority
10 kind of number. So it's highly likely it will fund
11 this year. So we can -- either way, we can combine
12 it or maybe do it in two pieces in construction
13 later. We'll make those decisions as we get
14 further into the budget process.

15 The worst-case scenario here is if you decided
16 that there was a reason to match all of these
17 projects, particularly the last two, at a hundred
18 percent, meaning you -- you're going to fully
19 contribute your amount next year, you'd be looking
20 at about \$1.128 million of local match funds to
21 make all of that happen. That represents the
22 maximum expenditure. Again, we don't have to do
23 that much.

24 The likely expenditure level is closer to

25 about \$625- to \$630,000. That's much closer to

31

1 what I would say is a -- a viable number that we
2 would do next year. It's a very similar number to
3 what we did last year. I think last year was \$612-
4 or \$617-. The number's extremely close to what it
5 was last year. So it's in the realm of feasible,
6 let's put it that way. And of course some of
7 the -- some of those numbers are completely
8 dependent on -- on, you know, open bidding. So we
9 don't -- we don't really even know what the final
10 numbers are. All we know is what's programmed in
11 terms of dollars.

12 So, that kind of represents where that is. So
13 if you've got input on those items, I'd love to
14 hear from you ahead of the budget process, ideally
15 today, and you could also continue the discussion
16 if you wish to June and still easily get it
17 included into the budget or adjusted in the budget.

18 Last piece is of course looking at new
19 projects. I don't have any that we're -- we're
20 proposing that would be stand-alone a hundred
21 percent Authority kind of funded projects next
22 year.

23 We're probably -- next year is sort of de
24 facto. The last, I hope the last of the two lean

25 years prior to additional revenue stream kicking in

32

1 with Grumman. We have some agreed-upon things that
2 that begins a significant boost in gen -- in just
3 overall revenues beginning in the 2012 fiscal year.

4 So it's one full fiscal year from this fall.

5 So about 18 months away before that -- that
6 represents additional income to the Authority out
7 of that. And that's -- that could be significant.

8 And there's a lot of turf to be covered between now
9 and that being implemented, including some ongoing
10 discussions relative to -- to Grumman here. So
11 we'll see how those things play out.

12 So, with that, I guess if you have any capital
13 items you're interested in. Operating adjustments,
14 probably the only operating budget comment I would
15 make going into next year is that based on what
16 we're seeing, we probably want to -- there are
17 several budget line items that we'll probably want
18 to look at very seriously and significantly
19 relative to perhaps putting more money in.

20 So -- and one of which is -- we'll generically
21 call -- we call it promotional, but it does things
22 such as partnering for the TPC and some other
23 things that we probably -- airline marketing,
24 consultants related to airline marketing, some

25 things like that.

33

1 So I'm going to look at requesting
2 significantly more funds in that line item. That
3 doesn't mean the overall budget's trying to go up,
4 it just means that we won't have -- I just -- I'm
5 not comfortable at the level it is.

6 It's -- you know, we've blown through the
7 number very easily this year trying to get things
8 accomplished. So we need to look seriously at
9 making sure it's budgeted more properly next year.
10 Hopefully we'll have 8 through 10 worked out so
11 that revenue's absolutely shored up in the next
12 year.

13 I'll give you a heads-up based on what the
14 legislature's done this year with personnel. You
15 know, I'll probably be advocating that you guys
16 look seriously at trying to restore some or all of
17 what in terms of salary that -- that the individual
18 is going to be forced to pay into Florida
19 retirement starting this next year. So that's
20 approximately 3 percent. That's just keeping
21 people whole. That's not...

22 So anyway, those are things that we'll -- you
23 know, we'll vet through the budget process. And
24 I'm sure everybody will have something to say about

25 all of those topics as we get there. But if you've

34

1 got things again you want to get in there, things
2 you see that are not getting done that we need to
3 address in a -- just in a holistic way, you need to
4 make sure it gets budgeted and dealt with. So it's
5 time to start having those kind of discussions.
6 They can be informal up to the point we begin
7 budget process.

8 I'm also operating under the assumption as we
9 go into budget, I doubt there's any real change in
10 philosophy here, but just to confirm the
11 expectation that we will not be assessing ad
12 valorem tax. So we will -- you know, we will
13 obviously build the budget under that assumption
14 unless you tell us otherwise or want to reconsider
15 that at some point during the process. I'm not
16 saying we should; it's just you need to make formal
17 every year the fact that you would not be assessing
18 ad valorem.

19 CHAIRMAN BARRERA: Do we have any board
20 discussion?

21 MR. YOUMAN: What is the time limit for giving
22 proposed projects?

23 MR. WUELLNER: Well, technically there's no
24 time limit up till the first public hearing in

25 September. We will -- we will at this point in

35

1 July be -- be sort of walking through the budget at
2 that point because that's when -- during that
3 period of time we've got to formalize our intent
4 relative to ad valorem.

5 So we'll need to, you know, by vote of the
6 board determine that you're not going to do ad
7 valorem so that that can be forwarded to the tax
8 collector, the state, and the property appraiser's
9 office for -- for notification purposes for budget
10 hearings.

11 MR. YOUMAN: Is our reserve still intact?

12 MR. WUELLNER: It is. We -- the only
13 intrusion into that was matching that -- which
14 y'all approved way back, but that was the purchase
15 of the commerce center match additional funds that
16 were in there for that.

17 MR. YOUMAN: Thank you.

18 MR. WUELLNER: Other than that, it's fine.

19 CHAIRMAN BARRERA: These proposed capital
20 projects are not including any -- any intermodal
21 type of priorities.

22 MR. WUELLNER: That's correct. And the reason
23 is the identify -- the funds that we are --
24 believed will be identified through the TPO would

25 not be until October the following year. So you're

36

1 still 18 months. And it would be an item we'd
2 include in next year's budget as a match for
3 that --

4 CHAIRMAN BARRERA: Okay.

5 MR. WUELLNER: -- assuming there's a match.
6 Last time, and I expect this time, will probably be
7 100 percent funding by not us.

8 CHAIRMAN BARRERA: Carl?

9 MR. WUELLNER: Pardon the grammar there.

10 MR. YOUMAN: The TPO meeting is next Thursday,
11 and that's the meeting for all the projects to be
12 approved in a big booklet. And when I went through
13 it, there is a line item for the intermodal study.

14 MR. WUELLNER: For current year?

15 MR. YOUMAN: Uh-huh. I believe so. I have to
16 double-check that part.

17 MR. WUELLNER: That's a huge change from what
18 they were telling me, but --

19 MR. YOUMAN: I'll have to double-check that.

20 MR. WUELLNER: It may be that somebody
21 declined money or they've got another source of
22 money or something. So if that's the case, it
23 would be -- unless you know something I don't,
24 it's -- last time it was a hundred percent funded

25 by the TPO, so it didn't even come to our budget

37

1 for purposes of tracking. It doesn't touch our

2 financial --

3 MR. YOUMAN: I'll find out for sure Thursday.

4 CHAIRMAN BARRERA: You'll follow up on that?

5 MR. WUELLNER: I mean, we're willing to start

6 at any time they're ready to fund it, let's put it

7 that way.

8 CHAIRMAN BARRERA: Do we have any public

9 comment on this agenda item?

10 MR. RUHSAM: Just a quick question.

11 CHAIRMAN BARRERA: Harry?

12 MR. RUHSAM: Harry Ruhsam. My question was

13 just simply that the land acquisition that's in the

14 capital planning, what land acquisition is that?

15 CHAIRMAN BARRERA: It would be set aside for

16 future land acquisition should the -- should the

17 need become or the opportunity become available.

18 MR. WUELLNER: They're nonspecific parcels at

19 this point.

20 MR. RUHSAM: Oh.

21 CHAIRMAN BARRERA: It's nothing that we're

22 pursuing at this point, but it would be for the --

23 the opportunity.

24 MR. RUHSAM: Thank you.

25 CHAIRMAN BARRERA: Any further public comment?

38

1 (None.)

2 CHAIRMAN BARRERA: Bring it back to the board
3 for discussion and motion.

4 MR. WUELLNER: I --

5 CHAIRMAN BARRERA: Is this the direction that
6 we'd like for Ed to focus on and are we comfortable
7 on these program -- projects for him to pursue?

8 MR. WERTER: They seem in line with what we're
9 going for ultimately. Am I reading there? I'm not
10 talking loud enough. I'm standing on top of the
11 mic, but I'm still not talk -- no, it seems that
12 the -- in pursuance of the objectives of the -- the
13 airport, so I've got no comment.

14 MR. YOUMAN: Did --

15 CHAIRMAN BARRERA: Carl?

16 MR. YOUMAN: All of these -- all of these have
17 been approved already, right?

18 CHAIRMAN BARRERA: These are all of the
19 directions that we've been working on, but the --
20 Ed needs to know before he starts working on the
21 budget that -- that these are -- like that we'd
22 want to keep the land acquisition even though we
23 don't have something pinpointed for that as a
24 budget item, and looking at in worst-case scenario

25 that would be the amount.

39

1 MR. WUELLNER: Yeah.

2 MR. YOUMAN: In -- in line with what we're
3 trying to do with the TPC and put packages
4 together, I think this is very viable to have at
5 the back pocket for -- you know, to be planning
6 ahead.

7 MR. WUELLNER: I wouldn't focus on the dollars
8 as much right now. More just are these the
9 projects. The dollars will, you know, correct -- I
10 say correct themselves, but we'll get more
11 definitive kinds of numbers as we get into the
12 summer months and the project --

13 MR. YOUMAN: Does this take a motion?

14 CHAIRMAN BARRERA: He needs -- he needs --

15 MR. YOUMAN: This doesn't take a motion, does
16 it?

17 CHAIRMAN BARRERA: He needs for the board
18 to -- to tell him what the priorities are for the
19 projects. For instance, if right now we decided
20 that the priority is to build a \$2 million park
21 outside, he would need to know that now.

22 And that's why he's -- he's proposed these as
23 his top priority items that he wants to pursue for
24 this next -- as he builds out the budget, for the

25 budget process. And he needs the direction, a

40

1 motion that we're all comfortable with that or are
2 there any changes to it before he goes forward.

3 MR. WERTER: Well, so does he want us to rank
4 the program capital projects?

5 CHAIRMAN BARRERA: I don't think that's
6 necessary. I just -- he needs to know that this is
7 what we're comfortable with, that there's not
8 anything else that we're expecting him to be
9 pursuing in his -- our capital projects.

10 MR. YOUMAN: Well, there could --

11 MR. WUELLNER: In the next year.

12 CHAIRMAN BARRERA: In next year.

13 MR. YOUMAN: Well, there could be -- could be
14 other items. That's why I asked you the question
15 how much time do we have to propose project items.

16 MR. WUELLNER: You could try to interject
17 projects. We have not built the budget yet.

18 MR. YOUMAN: Okay.

19 MR. WUELLNER: These -- these are the items we
20 intend to put in the budget. Unless you tell us
21 otherwise today, we'll work these projects in
22 there. We'll adjust the dollars as we go through
23 the summer months to be realistic based on what we
24 actually expect to expend in the year.

25 At some point during the budget process, we're

41

1 going to have to kind of set that in stone because
2 we're not going to be able to make or quickly make
3 wholesale budget adjustments, you know, at the last
4 minute.

5 So if you come in here in September at the
6 second public hearing and want a \$50,000 capital
7 project inserted, it will have to be at the expense
8 of something else or will have to come out of
9 reserves at that point in the budget process.

10 Projects for future years, you know, anything
11 you're thinking of next year, year after, I -- I
12 need to know because we need to work them into the
13 capital program process with the state and federal
14 grant. These are what's programmed -- these are
15 what we expect to be funded by the state and by the
16 federal government and by FIND district in the
17 upcoming fiscal year --

18 MR. YOUMAN: I make a motion --

19 MR. WUELLNER: -- if that makes sense.

20 MR. YOUMAN: -- that we accept the four items
21 that's been presented because we've already
22 discussed them in the past and it's part -- been
23 part of the package all along.

24 CHAIRMAN BARRERA: It has, but we have to make

25 sure that we have -- we need to discuss it because

42

1 we have to make sure there's not anything else that
2 the board is wanting to direct Ed in a direction
3 to.

4 MR. YOUMAN: That's what I'm saying. I'm not
5 ready to discuss that today.

6 MR. WUELLNER: We -- we don't require that.

7 CHAIRMAN BARRERA: The details of it.

8 MR. WUELLNER: Yeah. If you've got another
9 project you want to bring forward, we can do that
10 next month.

11 MR. YOUMAN: Right. That's what I'm getting
12 at.

13 MR. WUELLNER: We're still building the budget
14 next month.

15 MR. YOUMAN: Okay. But on these four items,
16 we've discussed this stuff before.

17 CHAIRMAN BARRERA: We have.

18 MR. YOUMAN: And the only thing is are we
19 going to proceed on them or not at this point in
20 light of --

21 MR. WUELLNER: Well, I -- perhaps the most
22 latitude is in the last two items. Because they're
23 going to just be coming under grant next year, you
24 have wholesale latitude right now to say, look,

25 we're not going to do any land acquisition next

43

1 year, we'll defer all of that till the following
2 year, which is -- you won't have any further
3 latitude there other than not spending it.

4 And the same way with FIND district. You can
5 see, look, we're not going to budget a partial
6 project next year, we're not interested in that,
7 we'll put it off till the balance of money is
8 available in the next fist fiscal year. Or you can
9 defer, say, look, we'll keep them on the table
10 right now and we'll make a decision at the time of
11 budget whether it's in there.

12 But if you -- you could today say, look, Ed,
13 don't include these, I don't want them in there.
14 We're not going to -- we're just not going to
15 discuss moving forward with the dredging out there
16 until the following year when we have all of the
17 money.

18 MR. YOUMAN: My motion still stands, doesn't
19 it?

20 CHAIRMAN BARRERA: It does and I'll second it.

21 MR. YOUMAN: Thank you.

22 CHAIRMAN BARRERA: But we need -- we need the
23 discussion from the board and the direction from
24 the board to Ed on these items.

25 MR. YOUMAN: What else do you need more than a

44

1 motion?

2 CHAIRMAN BARRERA: We have to vote on it and
3 make sure there's no more discussion.

4 MR. WERTER: But before the vote, there's
5 going to be the discussion. New procedures,
6 remember?

7 MR. YOUMAN: I thought we've been discussing
8 it already. Never mind.

9 CHAIRMAN BARRERA: Jim?

10 MR. WERTER: I'm a little bit slighted -- no,
11 I'm not going to say it now. I'll save it for
12 after. About remember the park and my memorial
13 James S. Werter, LLC, Attorney at Law latrine? I
14 don't see any budget in here for this.

15 CHAIRMAN BARRERA: That's because we were
16 expecting you to budget it out of your -- out of
17 your own business.

18 MR. WERTER: Okay. All right.

19 MR. WUELLNER: I haven't gotten a check.

20 CHAIRMAN BARRERA: We were all on board with
21 that, we just needed you to finance it.

22 MR. YOUMAN: I won't say it.

23 CHAIRMAN BARRERA: Do we have any further
24 board discussion on this item?

1 CHAIRMAN BARRERA: All in favor, aye?

2 MR. CIRIELLO: Aye.

3 MR. YOUMAN: Aye.

4 MR. WERTER: Aye.

5 CHAIRMAN BARRERA: Aye. Motion passes
6 unaniously. On to the next item.

7 SUSTAINABILITY GOALS FY 2011-12

8 MR. WUELLNER: Okay. Next item, I was asked
9 to bring back some goals related to sustainability
10 in completion of that report. I have three that
11 I'm proposing.

12 Of course the first goal is fairly obviously
13 maintaining the current initiatives that have been
14 in place for quite a while. We're not -- obviously
15 don't want to lose ground in -- in the area of
16 sustainability.

17 The two ahead are probably the -- one is to --
18 was recommended was to highlight our airport
19 businesses. And the idea there was to strengthen
20 long-term the financial objectives of the Authority
21 by creating those partnerships. It references Page
22 38 of that document, which I didn't carry the
23 document over, so I'm not able to read it to you.
24 But anyway, it was a goal there.

25 This is something that we have already been

46

1 kind of moving toward doing or beginning a

2 wholesale effort with over the summer.

3 We have been working with the business

4 development committee. I also intend to use the JU

5 intern that will be available over the summer and

6 another one that's identified for fall to begin

7 that much higher level of web presence that we have

8 on our airport businesses. And we've run some

9 preliminary web site layouts to that committee to

10 get them to look at it and start talking about it.

11 So -- so anyway that's one I think we can easily or

12 continue to implement into the -- into next year.

13 The last has to do with nonaeronautical

14 development which is, you know, consultant speak

15 for industrial park development. We -- we believe

16 there are some opportunities especially in the

17 short term to continue to forge the partnerships

18 necessary to get some industrial property under

19 development over the next couple of years.

20 Into June or July, I will host -- be hosting a

21 meeting with our county -- the county

22 administrator, Flagler Development, as well as the

23 Industrial Development Authority folks and our

24 Economic Development Council folks. And we are

25 going to sit down over a couple of weeks and try to

47

1 figure out how to get particularly property west of
2 the airport, west of U.S. 1 that's owned, a lot of
3 which is owned by the airport, a lot of which is
4 owned by Flagler Development into a plan and
5 process where we can perhaps get an industrial park
6 off dead center and moving.

7 That's one of the -- as you recall when I said
8 the forging the partnerships through the PGA event
9 was an opportunity to begin working together with
10 some of these entities in developing relationships
11 to move something as important to the county as
12 this kind of a project forward. So, I -- I'm very
13 optimistic that we're going to come to some -- I
14 suspect a study or something will come out of it to
15 formalize how to do this.

16 We don't intend to try to -- we're not trying
17 to create another entity or anything to -- to do
18 this. It can all be done in a very informal way,
19 but in a way that by working together benefits
20 everybody in St. Johns County in terms of expansion
21 of nonresidential tax base in our community, and
22 jobs obviously.

23 So those are the three that we've identified.

24 A lot of the other ones are really, really, really

25 tied to new construction types of things. And as

48

1 we are not really proposing any new project
2 development, new building development, that kind of
3 stuff into the next fiscal year in particular, we
4 didn't give them serious consideration for the
5 short-term here.

6 CHAIRMAN BARRERA: Ed, there wasn't anything
7 else you could come up with in the --

8 MR. WUELLNER: I have read the thing cover to
9 cover, and other than coming up with a 1000-year to
10 deal with increased tide elevations on the
11 airport --

12 CHAIRMAN BARRERA: Well, considering that the
13 first one is something that's been going on and the
14 second one is pretty much something that's been
15 going on and very much see the third one as a
16 priority --

17 MR. WUELLNER: I'd love some input, but I've
18 been through -- I went through the thing in detail
19 several times.

20 CHAIRMAN BARRERA: What --

21 MR. WERTER: I think --

22 MR. WUELLNER: I'm just not finding --

23 CHAIRMAN BARRERA: What about the public
24 relation aspect of it and the partnerships on that?

25 That was something that we've dabbled with.

49

1 MR. WUELLNER: You tell me. I --

2 MR. WERTER: I -- I think quite honestly, I
3 hadn't heard much talk in recent months about the
4 air park situation.

5 And after going to that last EDC breakfast
6 where Governor Scott is really pushing diversity,
7 you know, as opposed to pure tourism, that would be
8 a renewed focus, is what to do with the west side
9 of our airport and start pushing the industrial
10 park scenario again and -- in trying to bring from
11 wherever we can get it, you know, business over
12 there. Now a piece of that property has been
13 leased out to Grumman for their testing; is that
14 correct?

15 MR. WUELLNER: No, it has not.

16 MR. WERTER: Oh, that never went through?

17 MR. WUELLNER: No. They elected to purchase a
18 piece of property they were occupying. So --

19 MR. WERTER: Did they?

20 MR. WUELLNER: It wasn't our property.

21 MR. WERTER: Oh.

22 MR. WUELLNER: I'm sorry. I wasn't clear on
23 that. They had been leasing a piece of property up
24 closer to World Golf Village for years.

25 MR. WERTER: So they're staying out there.

50

1 MR. WUELLNER: And they're staying -- they had
2 an option to buy it and they have taken advantage
3 of that.

4 MR. WERTER: Okay.

5 MR. WUELLNER: So we have that property
6 back -- that section of property back in play.
7 That was about a 30-, 40-acre piece, if I remember
8 correct.

9 MR. WERTER: Yeah. Well, it says
10 nonaeronautical development, and we talked
11 primarily about anything over there has to be
12 transportation related. Do we still hold on that?

13 MR. WUELLNER: Well, I think that's part of
14 what gets vetted during discussions with the
15 others.

16 I think it's highly unlikely it's going to
17 develop as -- yet keeping in mind that you're --
18 one of the market development areas that you guys
19 looked at a few months ago as a part of the
20 marketing plan and ultimately into the business
21 plan is industrial park development. So this --
22 you know, this is a strong core item that you guys
23 have collectively identified that --

24 MR. WERTER: We did, but we -- we said

25 transportation related or aeronautically related,

51

1 like a --

2 MR. WUELLNER: I don't --

3 MR. WERTER: -- refurbishing. I thought it
4 was --

5 MR. WUELLNER: Well, we can kick that around
6 further. There's no logical way, an inexpensive
7 way to connect the east side to the west side --

8 MR. WERTER: Yeah.

9 MR. WUELLNER: -- of U.S. 1.

10 MR. WERTER: No. When I say aeronautical,
11 like an air reworks facility over there for
12 engines, stuff like that.

13 MR. WUELLNER: Well --

14 MR. WERTER: Does that necessarily have to
15 hold? I would think not.

16 MR. WUELLNER: I would think not.

17 MR. WERTER: Yeah.

18 MR. WUELLNER: You're very -- there's a very
19 very small piece of economic development efforts
20 that go into aviation or aeronautical and, you
21 know, in limiting yourself to only those kinds of
22 uses is going to make it virtually unuse -- you
23 know, you're not going to be able to develop a
24 project that is strictly located there.

25 Now, I've seen in -- for instance, in an

52

1 airport I managed on the other coast of Florida had
2 industrial park lots, some of which fronted
3 airside. And they -- and you were able to find
4 some tenants that, you know, needed or wanted or it
5 was complimentary to what they -- what they did as
6 a core business, and that worked out very well.

7 But you would have never been able to balance
8 the number of -- you know, the number of -- the
9 amount of property out there in strictly aviation
10 or transportation related. I think you're really
11 cutting short the potential revenue and potential
12 development if you -- if you strictly limit it.

13 CHAIRMAN BARRERA: Jim, anything else? Carl?

14 MR. YOUMAN: As I remember, Chairman Barrera
15 brought up public relations. That's part of the
16 sustainability process, I believe, is it not?

17 MR. WUELLNER: It is an item in there. I was
18 trying to find it in front of me. I don't have it.

19 MR. YOUMAN: Yeah, I'd -- I'd have to bring
20 the book and look it up myself, but --

21 MR. WUELLNER: We can add it. You know, we
22 can bring it for next -- we can bring the text and
23 we can talk about it.

24 MR. YOUMAN: Isn't public relations a -- I

25 would think still like -- ever since I came on this

53

1 board, public relations to me has been one of the
2 prior -- should have been -- should be one of the
3 priorities of this airport, to publicize ourselves
4 all over the county and all over the northeast and
5 all over the United States and all over the world.

6 MR. WUELLNER: Well --

7 MR. YOUMAN: That's my opinion.

8 MR. WUELLNER: -- we need to make the
9 distinction between public relations and marketing.

10 And marketing --

11 MR. YOUMAN: It is.

12 MR. WUELLNER: -- is being moved forward.

13 Public relations --

14 MR. YOUMAN: It's a separate issue.

15 MR. WUELLNER: -- is a very --

16 MR. YOUMAN: Distinct issue.

17 MR. WUELLNER: -- distinct issue.

18 MR. YOUMAN: Right. I agree.

19 MR. WUELLNER: Okay. I just want to make sure

20 we're --

21 MR. YOUMAN: Oh, no, no, because everything
22 shifted to marketing and public relations seems to
23 have disappeared.

24 MR. WUELLNER: Okay. Maybe we need to

25 workshop public relations, because I'm just not --

54

1 I personally am not seeing what is not out there in
2 public relations. And that's the kind of input we
3 need.

4 I -- I'm -- we're just not seeing it. You
5 know, we're not hearing deficiencies of
6 information. I mean, everything we do is out
7 available for the public to look at, and I --
8 you've got to keep in mind, especially as a public
9 entity, that public relations is also a
10 double-edged sword in how -- when you put
11 information out there, you've got to be prepared
12 that there's a certain -- there's certainly a
13 segment of the population that isn't going to agree
14 with anything you do, you know. So we want to make
15 sure we're putting the best possible foot forward
16 on whatever we're trying to put out there as a --
17 as a message. And I know you agree with that.

18 MR. YOUMAN: Right. No. But to me the key is
19 that the segments of the pop -- population that
20 agree with the concept of the airport and the
21 economic development, the jobs, and all of the good
22 that it does for St. Johns County, they are
23 understanding and they know that the airport's here
24 and what we're doing so that we have their backing

25 when the negative issues come up.

55

1 MR. WUELLNER: Sure.

2 MR. YOUMAN: That's -- that's my only
3 objective. That's my personal opinion.

4 MR. WUELLNER: Well, one -- one of the
5 challenges has been finding an effective vehicle
6 for that. And I don't -- I don't know how that --
7 how we, you know, really address that in a
8 meaningful way.

9 So we -- we -- that's part of what I'd like --
10 at some point, we probably need to just kind of
11 come up with how you want that message out there
12 and specifically what is the message.

13 MR. YOUMAN: Have we ever considered a
14 professional taking a look at it? Because I'm an
15 amateur.

16 MR. WUELLNER: We can. I -- it's not my, you
17 know, media skill set, I readily admit that.
18 That's not -- I'm not a -- that's not my thing.
19 But it needs to be a part of the entity completely.

20 MR. YOUMAN: Anybody else have any thoughts on
21 this?

22 CHAIRMAN BARRERA: I think that with some of
23 the social marketing we've been doing, there's also
24 a PR aspect to that. And, you know, keeping the

25 Facebook up -- page updated and, you know, keeping

56

1 the Twitter page going and that type of thing, and

2 I think that helps with public relations.

3 But I think that we don't want -- we don't
4 want -- even though we've taken the focus away from
5 the PR committee and changed that focus to business
6 development, we don't want the work that the PR
7 committee was trying to do to completely go away.

8 And I think some element of that still needs to be
9 maintained.

10 And I -- I do agree it is a staff function,
11 but there are opportunities that maybe we need to
12 have a PR professional come in and help us, not
13 just with the marketing aspect of it, but also the
14 community relations aspect. Because we do have --
15 with the FIND grant, we've got a couple of things
16 coming up that we want to make sure the information
17 gets out there and it gets out there appropriately.

18 MR. WUELLNER: Well again, that's marketing,
19 not public relations. So that's why I mean, I
20 think we -- I think we blur that line a lot. You
21 know, the public relations is largely an external
22 education, you know, we're trying to educate
23 St. Johns County residents relative to what we do.

24 MR. YOUMAN: Right.

25 MR. WUELLNER: The -- the next logical step is

57

1 of course in the area of marketing where we're
2 trying to drive potential business to the
3 airport --

4 MR. YOUMAN: Right. That's two different
5 subjects.

6 MR. WUELLNER: Yeah. And it's easy to blur
7 them because we can put infor -- we want to -- we
8 just want to be careful. They're just two entirely
9 different messages.

10 You know, one's a -- in the context is a press
11 release mentality where you're -- where you're
12 putting out information of something that's been
13 accomplished, something that's coming or
14 whatever -- whatever that might be fits the public
15 relations aspect of it, as well as things like
16 we've done, addressing noise and -- and things of
17 that nature, where they're basically localized
18 items.

19 But when we're talking about, you know, trying
20 to drive or find new businesses to locate here and
21 things of that nature, public -- the public
22 relations side is immaterial or it's not --

23 MR. YOUMAN: Yeah.

24 MR. WUELLNER: -- a part of the piece.

25 MR. YOUMAN: I understand that.

58

1 MR. WUELLNER: Yeah.

2 MR. YOUMAN: SAAPA had a presentation about
3 airports in California --

4 MR. WUELLNER: Uh-huh.

5 MR. YOUMAN: -- a few weeks ago. Remember
6 that, Harry? And there are I think three airports
7 left in that valley now where there were 50 about
8 25 years ago. And one of the highlights, one of
9 the emphasis they made was that why they
10 disappeared was a lack of public knowledge about
11 the importance of the airport and what it does.

12 And the negativists won the day because
13 everybody just sat back and didn't pursue it or
14 didn't understand it and they -- I mean, they
15 pushed that issue of public relations and knowledge
16 to the community at large of the value at the
17 airport, the economic engine that it is. That's
18 the end of my discussion. Thank you.

19 CHAIRMAN BARRERA: I was trying to pull up the
20 sustainability report.

21 It sounds like from the discussion, the board
22 discussion, that we want to see the nonaeronautical
23 development moved up as a priority on the goals; is
24 that correct?

25 From -- from a board standpoint, that the

59

1 first goal and second goal and third goal, the
2 nonaeronautical development side is something that
3 while we've been working at the first two already,
4 am I hearing from the board that's a higher
5 priority you'd like for Ed to devote time to?

6 MR. YOUMAN: From what I gather, Ed's been
7 involved with all of these and has a pretty good
8 balance as it is now.

9 CHAIRMAN BARRERA: Okay. And did we want Ed
10 to add on as a goal some PR as opposed to marketing
11 work, more community related? Do we want that kind
12 of --

13 MR. WERTER: That -- that may not be a bad
14 idea because that's always been something I've -- I
15 thought about from my entry onto the board was, you
16 know, a step up on PR so St. Johns County knows
17 more about us.

18 We've come a long way since I've been here in
19 the past two and a half years. More and more
20 people know about it. But it never -- it never
21 ends, never ceases.

22 MR. WUELLNER: Well, why don't -- if it's all
23 right with you, why don't we take that item and
24 bring it back next month and let's just talk about

1 CHAIRMAN BARRERA: That's a great idea.

2 MR. WUELLNER: -- of what -- what your
3 expectation is of what public relations is under
4 that --

5 MR. WERTER: Well, on the short --

6 MR. WUELLNER: -- because I want to be on the
7 same page with y'all. I want to be --

8 MR. WERTER: As a patch right now or just as
9 an immediate situation. Now I understand that
10 SAAPA's doing their thing with the air show. Have
11 we been doing anything to get the word out about
12 the air show? I hear very little about it in the
13 community.

14 MR. WUELLNER: You know, it's not our event.

15 MR. WERTER: It's not our event --

16 MR. WUELLNER: I mean, we certainly had it
17 linked, and it's on our calendar on the web site.

18 MR. WERTER: But maybe a press release or
19 something. You know, what the heck, it is
20 happening on our field and it is to our benefit
21 that we help promote this.

22 MR. WUELLNER: I would caution against it.

23 MR. WERTER: How come? Tell me why.

24 MR. WUELLNER: I have serious doubts that it

25 will be financially successful and there may be

61

1 problems related to that long term.

2 MR. WERTER: Financially successful for the
3 airport or for SAAPA?

4 MR. WUELLNER: So having it tied to the
5 airport -- it's not a SAAPA event. We need to make
6 that really clear, either. It's not ours. There's
7 a private corporation formed to do the air show.

8 MR. WERTER: Okay. Then --

9 MR. WUELLNER: And it's not -- they're
10 contractually related to us, not --

11 MR. WERTER: Okay.

12 MR. WUELLNER: I mean, we do whatever we can
13 to support --

14 MR. WERTER: But it's no loss to us. If they
15 take a loss, it's not our loss.

16 MR. WUELLNER: That's what I mean by public
17 relations. You don't want to be tied to a failure.

18 MR. YOUMAN: I understand --

19 MR. WERTER: Yeah, I know what you're saying.

20 MR. WUELLNER: You want to be careful how you
21 are out there promoting it. That's all I'm saying.
22 I'm not saying we don't get involved, because we
23 clearly are. We're going to be.

24 CHAIRMAN BARRERA: With our sponsorship on

25 June 4th, how are we going to -- is there an

62

1 opportunity for a public relations aspect there
2 where we can promote our airport and some of the
3 benefits of our airport as opposed to marketing
4 promotion? Like --

5 MR. WUELLNER: I think the outreach --
6 Michael's probably more detail oriented on that
7 than I am. I'm not directly involved in the -- the
8 planning of it. Do you mind him to be -- kind of
9 how we can plug into all that?

10 MR. SLINGLUFF: Well, I mean, I -- following
11 the conversation here, I'm --

12 CHAIRMAN BARRERA: You need to -- to come up
13 to the mic.

14 MR. SLINGLUFF: Following the discussion and
15 the difference between marketing and PR, I would
16 certainly say that the event on June 4th is a PR
17 event. It has some marketing legs to it. But the
18 goals are strictly to create a public awareness,
19 increase -- an increased utilization of the
20 airport. Thus I think the airport's doing its job.

21 I think an air show that is conducted by a
22 private corporation is just that, it's an air show.
23 There are entertainers that come through that get
24 paid big bucks and things like that. It's almost

25 like a side business. It's here today, gone

63

1 tomorrow.

2 We need to identify -- if -- if we're going to
3 look at public relations, we need to identify some
4 targets, some end game how we want to change the
5 perception of the airport, how we want to utilize
6 that perception maybe within the community and
7 outside the community.

8 Again, with the end -- end results of how do
9 we increase utilization of the airport? How do we
10 create higher utilization of the community's use of
11 the airport? To me, that -- that's public
12 relations versus -- versus marketing.

13 CHAIRMAN BARRERA: Agreed.

14 MR. SLINGLUFF: Any questions?

15 (None.)

16 CHAIRMAN BARRERA: Do we -- do we want to
17 bring this -- have Ed bring this back on
18 opportunities to do the public relations for the
19 next meeting versus the marketing as one of the
20 goals?

21 MR. YOUMAN: I would request that.

22 MR. WERTER: Yes.

23 CHAIRMAN BARRERA: Okay. Let me open it up
24 for public comment and then we'll come back for a

25 motion. Do we have any public comment on this

64

1 agenda item? Go ahead, Jim.

2 MR. ZIMMERMAN: I mean, the gentleman was
3 right. What is -- what is public relations? What
4 is marketing? Whatever you define -- however you
5 define them, choose to define them, there is an
6 overlap.

7 And the TPC is a perfect example. I mean, if
8 that's not public relations, I've never heard of
9 it. If it's not marketing, I never heard of it.
10 You're already doing it, and you're doing it pretty
11 reasonably cost efficiently also.

12 CHAIRMAN BARRERA: Okay. Alice?

13 MS. SUTHERLAND: Alice Sutherland, 15 Davis
14 Street, St. Augustine.

15 There's a real gray area I think between
16 marketing and public relations on either side.
17 You're really selling something. Public relations,
18 you're selling good will. Something that's going
19 to benefit the public as a whole. Marketing,
20 you're selling something, too, and it can be profit
21 or nonprofit.

22 So, it's kind of splitting the hairs, the
23 differences between marketing and public relations.
24 You would really have to go down a list of about a

25 thousand different things and peg them and -- under

65

1 each category marketing or public relations, and
2 then sometimes things would appear under both
3 columns. So it's a real difficult thing to say if
4 one's thing's one or the other, because sometimes
5 they're both and sometimes they're neither.

6 But just a couple of general comments I want
7 to make about the marketing and public relations of
8 the airport. I think now is a really prime time to
9 be doing marketing and public relations for the
10 airport.

11 You're going to find it easier to attract any
12 sort of business development to the airport because
13 now for the first time in a very long time the
14 county is behind the airport and behind the anybody
15 who wants to bring business into St. Johns County.
16 That's just the buzzword: Jobs, jobs, jobs. And
17 everybody's on board with that.

18 And you finally after many many years of
19 asking for it, you have cooperation from many
20 different county entities. I've never seen so much
21 proactive press about the airport, about the county
22 working with the airport, about IDC work partnering
23 with the airport. So many people have finally
24 recognized the gateway of St. Johns County business

25 opportunities is the St. Augustine Airport. So now

66

1 is the time to strike while the iron's hot.

2 Whether they're aeronautical developments or
3 not, everything could benefit the airport. I don't
4 care if it's a candy factory. You'll have Belgium,
5 you know, chocolate makers eventually wanting to
6 come to the airport to come and check out this
7 candy factory.

8 Everything can be tied in to the St. Johns
9 County airport in one way or another. Tourism is
10 always going to be our biggest draw here, but
11 business is associated with tourism. So many
12 cottage businesses result because of tourism, the
13 fact that it's been here since the late 1800s and
14 maybe even a little bit before that.

15 So I would urge you to consider any business
16 entity that wants to come to the airport and make
17 use of the wonderful opportunities that are
18 available here besides it just being a very
19 prestigious place to do business. There are so
20 many other things that the airport has to offer.
21 So anyhow, that's my two cents. Thanks very much.

22 CHAIRMAN BARRERA: Thank you, Alice. Do we
23 have any further public comment?

24 (None.)

1 comment.

2 It seems to me that what we're trying to say
3 is that from a marketing standpoint, that we want
4 the airport to look at both their external outside
5 the community and internal opportunities.

6 When I recently was at a meeting here at the
7 airport, many people didn't realize how great this
8 airport was and they're here in our own community.
9 So if I were to take what I'm hearing from Carl and
10 what I'm hearing from Jim, is both of us when we're
11 out -- and probably Joe would feel this way, as
12 we're out in the community, we would like for
13 people to know more about our airport in the
14 community.

15 Whether you consider that PR and whether you
16 consider that marketing, we could split some hairs
17 on it, but I think if you look at it from internal
18 inside of our county opportunities and external
19 outside of our county opportunities, would that be
20 an easier way to define it for the board as we ask
21 Ed to look at that? Carl?

22 MR. YOUMAN: I don't have any problem with the
23 differentiation between PR and marketing because it
24 inter -- it inter -- overlaps, but it is still

25 distinct within itself. And I think we're just

68

1 parsing hairs here. We're just -- we're just
2 talking in circles now. I mean -- but marketing
3 right now the way it's established from what I see
4 is we're trying to sell businesses to come to the
5 airport. That's -- that's a distinct function
6 right there.

7 PR at the TPC is both, PR and we're trying to
8 get -- talk to some CEO and say, "Come on down
9 here, brother, we've got the best facility."
10 That's marketing while we're PR'ing at the same
11 time.

12 But then when in the -- an intermodal concept
13 when one of the board members from St. Augustine
14 city says, "That's just a general aviation airport
15 it's really nothing, it's -- I don't know anything
16 about it," that scares me. That's PR.

17 MR. WUELLNER: Yeah.

18 MR. YOUMAN: That's -- that's really a failure
19 in PR when -- when that's occurring, in my opinion.

20 CHAIRMAN BARRERA: I agree with you, Carl.
21 Joe, did you have something you want to say?

22 MR. CIRIELLO: Well, not really. But what
23 Carl just said about this city person saying that,
24 you know, he knows nothing about the airport might

25 be a good time to invite a person like that out to

69

1 the airport and take a little tour and see exactly

2 what it is.

3 You know, I mean, airports are an extreme
4 important function of a community, and the average
5 person who has nothing to do with airplanes and
6 just think it's a big rich -- rich man's sport and
7 everything, if he gets into a real good tour and
8 finds out what it's all about, he'll come out with
9 a different appreciation of it. So these naysayers
10 should be invited out here and show them what's
11 going on.

12 MS. SUTHERLAND: I know the Airport's done
13 that on numerous occasions with specific persons
14 and large groups of people. So -- sorry.

15 CHAIRMAN BARRERA: Okay. Do we have a motion
16 on this agenda item to accept the sustainability
17 goals as presented and to add the PR as a goal?

18 MR. WERTER: I move that we accept the goals
19 as illustrated plus the added goal of focusing in
20 on increased PR perception.

21 CHAIRMAN BARRERA: Carl? Did you --

22 MR. YOUMAN: I second it.

23 CHAIRMAN BARRERA: Do we have any further
24 board discussion?

1 CHAIRMAN BARRERA: All in favor, aye?

2 MR. CIRIELLO: Aye.

3 MR. YOUMAN: Aye.

4 MR. WERTER: Aye.

5 CHAIRMAN BARRERA: Aye. Motion passes
6 unanimously.

7 MR. YOUMAN: Can I ask one question on the
8 subject --

9 CHAIRMAN BARRERA: Certainly. Before we go to
10 the next --

11 MR. YOUMAN: -- just as a question? Facebook
12 and Twitter, I -- to be honest with you, I
13 haven't --

14 MR. WERTER: Don't go Twitter.

15 MR. YOUMAN: Are we using that as marketing
16 and PR both --

17 MR. WUELLNER: Yeah. I mean --

18 MR. YOUMAN: -- as stuff comes out?

19 MR. WUELLNER: Yeah.

20 MR. YOUMAN: And that's ideal function for
21 both.

22 MR. WUELLNER: It is. It is. I -- I can't
23 imagine that both aren't -- have -- have usefulness
24 in terms of reaching the markets you're trying to

25 get. Whether it's local or extra in St. Johns

71

1 County, just depends on -- you know, it's become so
2 commonplace, I guess is a way to say it, you know,
3 that people do that investigation even prior to
4 putting a business in the community.

5 MR. YOUMAN: Thank you.

6 CHAIRMAN BARRERA: Okay. Our next agenda item
7 is the fuel flowage discussion. Ed?

8 FUEL FLOWAGE DISCUSSION

9 MR. WUELLNER: Yeah. One of the things that
10 we've internally kicked around for a while and it's
11 kind of -- we got a request from the Aerospace
12 Academy to consider potentially being a financial
13 partner with the academy.

14 But over the years, we've kicked around the
15 idea of perhaps adding a one cent fuel flowage fee
16 to what we currently assess. And when you -- when
17 you put it in context of -- you know, when you're
18 already paying \$5.15 a gallon, the difference
19 between \$5.15 and \$5.16 is pretty nonconsequential
20 to most people.

21 And what we would be looking to do is -- is
22 tack that on, exempt our contract and military
23 sales because those are extremely tight margins,
24 and perhaps change the context of being competitive

25 when you're down to, as I've heard it described

72

1 four and five decimal points in competitiveness on
2 the contracts.

3 But anyway, when you look at what is done in
4 avgas and more normal retail fuel sells related to
5 jet fuel, we believe that the -- the potential at
6 least at current flowages would be about \$10,000 a
7 year that could be raised and provided support in
8 some form or another to the Aerospace Academy.

9 What we would suggest is that if -- if you're
10 interested in doing this, we could come up with
11 a -- some sort of frequency to transmit that
12 collection to what we would -- we would call the --
13 what do they call it? Education Foundation --
14 St. Johns County Education Foundation, which is the
15 nonprofit side of the school -- of the school
16 system. And it's made up -- its whole function and
17 purpose is to solicit private sector investment in
18 the schools and still provide the tax breaks for
19 private businesses for making those donations to
20 education.

21 I don't think it's hard to understand the
22 distinction. If you just wrote a check to the
23 school board, it's not really applicable to us, but
24 in most cases it's not a tax exempt donation if you

25 write it to the school board. However, if you

73

1 place the money with the foundation, it's set up to
2 be to be a tax exempt or a charitable kind of
3 contribution.

4 They would -- it can be earmarked, meaning it
5 will go to the purpose you're after, and they can
6 decide working with the schools what's an
7 appropriate -- whether it's grants made to the
8 school for specific projects, whether it's a
9 contribution toward the cost of curriculum, those
10 kinds of things. Let the foundation sort of deal
11 with that.

12 The number will be what it is. It will
13 generate whatever it is. And we believe we can
14 make it effective as early as June 1st. It
15 could -- we could put it out a little further if
16 we're not comfortable with that time line, if it's
17 something you're interested in. But it would just
18 essentially pass through us to that location.

19 It's not money that's coming out of our
20 budget. I want to emphasis that. It's not money
21 we're otherwise, you know, allocating to that
22 cause. It would be money collected and identified
23 specifically for that purpose. So, I wanted to
24 broach that topic with you and see what everybody

25 was thinking in that regard.

74

1 CHAIRMAN BARRERA: Joe?

2 MR. CIRIELLO: Yeah, I've got a couple of
3 questions. I'll go to that second, all retail fuel
4 sales, exempt contract and military sales. Are you
5 talking about the one cent?

6 MR. WUELLNER: Correct.

7 MR. CIRIELLO: Nothing else?

8 MR. WUELLNER: That's it.

9 MR. CIRIELLO: I don't know why you're worried
10 about military sales. The military has the deepest
11 pockets of anybody going, so I -- I have no
12 sympathy for them.

13 Now, you made a statement that a guy paying
14 \$5.15 a gallon for gas, one penny isn't going to
15 bother him. You're absolutely right if the guy's
16 flying a hundred thousand dollar Bonanza, a penny a
17 gallon. But to me -- me, I'm talking about me the
18 way I think, if I knew I was paying a penny more to
19 go somewhere to benefit somebody -- not that I'm --
20 I'm not against it. It's just the idea.

21 MR. WUELLNER: Uh-huh.

22 MR. CIRIELLO: It would infuriate me. Not the
23 one cent, it's not going to break me. It's like
24 when the county comes up every once in a while and

25 they put on the agenda to vote for a tax increase

75

1 of 1 percent on sales tax or the schools or
2 whatever, I always vote no. I'm not -- never going
3 to vote for increase. So it's just the idea that
4 that penny extra is going somewhere else. But my
5 question is, exactly how much do we get out of each
6 gallon?

7 MR. WUELLNER: We collect 8 cents a gallon
8 minimum for non -- non --

9 MR. CIRIELLO: Now I'm talking about your
10 self-fuel thing.

11 MR. WUELLNER: Self-fuel, we make \$25 cent a
12 gallon.

13 MR. CIRIELLO: All right. Why couldn't we
14 just take 24 cents for ourselves and take that
15 penny you want to put on everybody else and give it
16 to the charities so that I won't come up there and
17 get mad because you're charging me a penny more.

18 MR. WUELLNER: That's -- that's a direction
19 you can go. The difference is that that penny
20 is -- directly affects your budget.

21 MR. CIRIELLO: See, the gentlemen back here
22 must not agree with me.

23 MR. WUELLNER: I'm just saying when you --
24 when you do it the way you're describing, you

25 currently rely on that 25 cents a gallon to meet

76

1 your budget expectations. If you reduce that to 24
2 cents, there is some reduction in the revenue
3 associated.

4 MR. CIRIELLO: Well, you said a penny isn't
5 much to add on to everybody. It's not much to take
6 away from us.

7 MR. WUELLNER: I -- that's for you guys to
8 sort out. I'm --

9 MR. CIRIELLO: Well, that's just my opinion.
10 I -- you know, I'm only one voice. That's just my
11 thoughts, you know.

12 CHAIRMAN BARRERA: Carl?

13 MR. YOUMAN: Philosophically I'm against
14 forced transfer of payments where it's -- a party
15 doesn't have the election to make a choice and you
16 just force it on them, which would happen to the
17 pilots here, even though it's a penny. And I would
18 not vote on this today, but what I would do is I --
19 SAAPA has a meeting --

20 MR. RUHSAM: Saturday.

21 MR. YOUMAN: -- Saturday, and they're the ones
22 that would pay for it. Plus I don't know if Mike's
23 customers would be involved with that part or not.

24 MR. WUELLNER: Uh-huh. Oh, yeah.

25 MR. YOUMAN: And just to sit down and discuss

77

1 at least a little bit with the parties that's going
2 to be paying for it, if they would agree to it.
3 And if they agree to it, then it's not a transfer
4 of payments, they're making a voluntary donation
5 and I'd vote for that in a minute. But as it
6 stands right now, I can't vote for it.

7 CHAIRMAN BARRERA: Ed, what would be the
8 difference of if we only added the penny on the --
9 what would be the budgetary difference if you only
10 added a penny and made it -- and raised only
11 self-fuel? How much would you be looking at
12 gaining? Off the top of your head. Knowing that
13 I'm put -- I'm asking you without the opportunity
14 to do the full research.

15 MR. WUELLNER: It's -- probably would net in
16 the I'm going to guess \$1,600 to \$2,000 range.

17 CHAIRMAN BARRERA: If we added an extra penny
18 just for self-fuel?

19 MR. WUELLNER: Yes.

20 CHAIRMAN BARRERA: Okay. Do we have any other
21 board --

22 MR. YOUMAN: I'd like to recommend that we
23 table this issue till the next meeting so that we
24 can think about Joe's idea of deducting, you know,

25 going 24 instead of 25, and Ed tells us what exact

78

1 effect -- how bad of an effect it will be and I can
2 talk to -- or Ed, I'll talk to the guys Saturday
3 and see what their opinion is and come back to
4 board and present it and look at it again.

5 MR. WUELLNER: Well, the number isn't -- just
6 for clarification, the number isn't different
7 whether it comes out of the 25 cent or it comes out
8 of 8 cents a gallon.

9 MR. YOUMAN: Still 10,000.

10 MR. WUELLNER: Well, no. 10 -- 10,000 would
11 come -- is across the board fuel sales, which is
12 not only us, but retail type sales out of the FBO.
13 So it accumulates, you know, because you're dealing
14 with the jet fuel side and the like.

15 That's not where the 25 cents is. The 25
16 cents is only on our self-fuel side. So an 8 -- in
17 the 8 cents a gallon range, to pull a penny out of
18 8 cents a gallon is --

19 CHAIRMAN BARRERA: Huge.

20 MR. WUELLNER: -- huge. Well, I mean, it's at
21 least \$10,000 a year out of budget.

22 MR. YOUMAN: Yeah.

23 MR. WUELLNER: I mean, that's probably as good
24 a number as any.

25 CHAIRMAN BARRERA: Versus the self-fuel.

79

1 MR. WUELLNER: Which is only 6 -- which would
2 be in the \$1,600 to \$2,000 range a year. I'm not
3 trying to split hairs; I just want to make sure you
4 understand the distinction between fuel flowage fee
5 which applies to virtually every fuel transaction,
6 versus 25 cents a gallon which applies to self-fuel
7 only, and represents the profit margin not just
8 fuel flowage.

9 MR. YOUMAN: Right.

10 MR. WUELLNER: I just want to make sure the
11 distinction's made.

12 CHAIRMAN BARRERA: Joe?

13 MR. CIRIELLO: Ed, could you look up your
14 figures of your total -- I'm only talking self-fuel
15 here now. I'm leaving the FBO and everybody out of
16 this. The -- I'm only talking about the self-fuel.

17 How many gallons of self-fuel we pumped --
18 theoretically if we had that one cent per gallon,
19 how much money would have been garnered last year
20 doing that? Because when I made my statement about
21 this one penny increase, I wasn't even anything
22 about anybody other than just our self-fuel only.

23 MR. WUELLNER: Okay.

24 MR. CIRIELLO: So if you say if we sold X

25 number of gallons in a year and if we had took a

80

1 penny out of that, we'd have made say \$6- or \$7,000
2 for the charities you mentioned, that would seem
3 pretty good to me. But I don't want to affect
4 anybody but us.

5 MR. WUELLNER: I -- I guess the easiest way to
6 say this. The one cent a gallon, if you talk it in
7 the context of fuel flowage, is the same for any
8 gallon of fuel sold on the property.

9 So if you take the cent off of the 8 cents a
10 gallon we currently assess or you add it to it, the
11 number's the same because the base is the same.
12 When you apply it to self-fuel alone, we pump
13 annually between 160,000 and 200,000 gallons of
14 avgas a year out of our self-fuel.

15 So when you boil that down to the cents per
16 gallon, at one cent a gallon, that represents
17 between \$1,600 and \$2,000 a year for every penny.
18 Raised, lowered, whatever, that's the net effect,
19 whether you're adding \$1,600 of revenue to the
20 equation or deducting.

21 MR. CIRIELLO: Gee whiz. If you're saying
22 that's all we would have garnered, the -- us alone
23 and then the rest of that to make \$10,000 would
24 have from the FBO, they're going to be contributing

25 more than we are --

81

1 MR. WUELLNER: Absolutely.

2 MR. CIRIELLO: -- and they're in business to
3 try to make money. Taking a penny out of their 8
4 cents, just leave that alone and just -- just keep
5 us in the equation.

6 MR. WUELLNER: The proposal was to add it and
7 essentially make it from 8 cents a gallon to 9
8 cents a gallon. That net difference is about
9 \$10,000 a year, of which as you properly point out,
10 80 percent of which approximately is contributed
11 through FBO fuel sales versus self-fuel sales. So
12 there are a number of ways you can --

13 MR. CIRIELLO: Why not -- is the Authority put
14 out a -- oh, I don't know if you call it a letter
15 or response or like begging to all the tenants of
16 the field; the FBO, the flight schools, the
17 maintenance people and everybody, if they would
18 like to contribute to this specific Aerospace
19 Academy, which would benefit anybody in aviation as
20 a contribution and leave the business end of it
21 alone?

22 MR. WUELLNER: You -- you can. Whether it
23 would generate anywhere near that number, I don't
24 know. It's a fairly benign, relatively painless

25 way to develop some assistance to the academy. And

82

1 that's -- that's why it's out there versus trying
2 to -- someone going door to door so to speak to the
3 businesses on the airport soliciting cash
4 contributions.

5 MR. CIRIELLO: Well, maybe so, but I don't
6 like the idea. Let's put it that way.

7 CHAIRMAN BARRERA: Let me open it up for
8 public comment. Do we have any public comment on
9 this agenda item? Mr. Slingluff.

10 MR. SLINGLUFF: I think programs like this
11 have merit. I think it comes back to public
12 relations. It's how you position it, how you put
13 it in place, and how you utilize it.

14 If it gets buried as a lost fee in there,
15 it's -- it's not very productive. I think there
16 are -- on both sides of this, Joe, I understand
17 what you're saying about, you know, forced payment
18 to a charity.

19 A lot of stores you go to now, I went to PETCO
20 the other day and they asked me if I wanted to
21 round up to the next dollar for the -- the dog
22 shelter. I'm thinking things like that. There are
23 lots of ways to do that.

24 SAAPA is already collecting money on our

25 annual dues. There's a check box on the

83

1 application, "Would you like to support the
2 Aerospace Academy?" and tax deductible donation.
3 We try to suggest a \$10 or \$20 thing. And this is
4 the second year, and Harry, we're doing what \$2,000
5 worth of scholarships this year?

6 MR. RUHSAM: We expect it to be that.

7 MR. SLINGLUFF: Yeah, \$2,000. And there's --
8 there are a lot of ways to do this, there really
9 are.

10 A penny here and a penny there, I will tell
11 you an FBO does make its money at the fifth decimal
12 place over. So it's -- a penny can represent 10 or
13 20 percent of a profit margin on certain
14 transactions. Does a penny break you? No, not at
15 all. But there -- I would just say if you do this,
16 crank up the marketing and media side of it also.
17 And there is an expense to that.

18 MR. YOUMAN: Yeah, I agree with you, Mike. On
19 the other side of the coin, if this occurs, the PR
20 aspect of it can be phenomenal for the airport and
21 for all entities involved, just to get the word out
22 that this donation type thing is occurring. I
23 agree with you there.

24 But I still think that the parties that are

25 going to be paying for it should have some -- you

84

1 know, if it's not a hundred percent
2 participation -- like you could sit there and say
3 right now, I don't mind if you tack a penny on and
4 Harry, if he wants to represent SAAPA say, SAAPA
5 doesn't mind if you want to tack a penny on, I'm
6 all for it, let's vote on it right now.

7 But that -- I don't think it's right to sit
8 there and say, we the Airport Authority are going
9 to stick a penny on your fuel thing and a penny on
10 you-all and you're going to have to pay it so that
11 we can benefit the Aerospace Academy. I'd love
12 to --

13 MR. WERTER: Especially -- I'm sorry.
14 Especially as a government institution. That --
15 that may pose a PR --

16 MR. SLINGLUFF: Back in 2005, we put a 5 cent
17 donation on a gallon of fuel. We increased the
18 price by five cents for victims of Katrina and we
19 sent it to the Red Cross. We sent them \$30,000 a
20 month for three months.

21 MR. YOUMAN: That was your choice.

22 MR. SLINGLUFF: That was our choice.

23 MR. WERTER: That was Galaxy.

24 MR. SLINGLUFF: And several people opted out

25 of it. We gave them the option.

85

1 MR. YOUMAN: See?

2 MR. SLINGLUFF: So, I mean, there are
3 different ways to do it. It could be something
4 like that. We could -- we could ask customers if
5 they want to round up.

6 There are -- I would like to just explain that
7 the contract fuel and the military fuel, military
8 fuel is contracted for five years, and it goes out
9 seven decimal places and you can't mess with it.
10 It's just -- it's just impossible. And -- and
11 contract fuel uses a nationwide plats reference
12 system. So it's -- it's hard to do that.

13 I'm not opposed to asking people and -- or
14 creating campaigns several times a year. I think
15 that SAAPA is a good army. We can -- we can do all
16 sorts of things if we put our minds to it.

17 CHAIRMAN BARRERA: Thank you, Michael. I know
18 how sensitive -- having worked in an FBO, I know
19 how sensitive the price is and I appreciate your
20 willingness to go at this in whatever direction. I
21 think that that's been very generous of you.

22 MS. SUTHERLAND: Kelly, can I say something,
23 too?

24 CHAIRMAN BARRERA: One more quick public

25 comment and then we'll come back.

86

1 MS. SUTHERLAND: I just want to agree with
2 Michael Slingluff about, you know, maybe not taking
3 it out of, you know, the current one cent. I would
4 support just using maybe an existing one cent. I
5 would rather just give the Aerospace Academy the
6 \$10,000 because I'm very supportive of the
7 Aerospace Academy.

8 But I think the timing is just wrong for
9 anything tax related to be increased. It's just a
10 public perception thing. And I can tell you that
11 when it's 25 miles difference between two FBOs,
12 that one cent can make a difference on their
13 decision if all other things are equal. Why
14 wouldn't it?

15 Anything that could potentially impact our
16 business coming into this airport, I would not
17 support that. I would just rather give the
18 Aerospace Academy the \$10,000. I'd rather come
19 down here and hold bake sales or airplane washes or
20 anything else that could help them raise that same
21 amount of money.

22 I -- I'm just very much fearful of doing
23 anything that would have a negative impact on the
24 business coming into this city and -- when you're

25 talking, you know, several thousand gallons, it's

87

1 not just a few cents. So that's the one thing that

2 I would be very frightened of.

3 I'm all for supporting the Aero -- Aerospace

4 Academy. Not with a tax, though. Unless it's

5 something that is already in existence and we would

6 just give them that money. I'd rather do that.

7 CHAIRMAN BARRERA: Thank you, Alice. I think

8 Joe was next, Jim.

9 MR. CIRIELLO: Yeah. I want everybody to

10 understand that I'm not close-minded to this thing.

11 It's just because of the negative reports that I

12 gave. Further discussion might change me.

13 But -- and one thing Carl said was if the FBO

14 and the Pilots Association was on board and they

15 had no objections to this, he'd vote for it today.

16 Well, what my thinking there is that the FBO and

17 the Pilots Association are -- you know, they can't

18 speak, as Carl originally said, about choice.

19 About all of the pilots who come in here, there's a

20 lot of people who come in here that aren't based

21 here.

22 So some strange guy on a cross-country will

23 land here and go to get fuel, and if he doesn't get

24 any details and he just pays the price and grumbles

25 and things nothing about it, but if he finds out

88

1 he's getting tacked on an extra penny for a
2 specific reason, which is like a tax, then they're
3 going to grumble.

4 So even if the FBO and the Pilots Association
5 are all on board and they have no objections, they
6 can't really say that every pilot that comes in
7 here to fuel up is going to be just as happy to pay
8 that extra penny as they are. That's -- that's the
9 way I think.

10 MR. WERTER: Can I?

11 CHAIRMAN BARRERA: Jim?

12 MR. WERTER: Yeah. In trying to think through
13 the various government agencies that I have been
14 involved with, now like in the military, I forgot
15 what it was called, something they had you could
16 elect into -- that was tied to United Way, things
17 like that.

18 But I cannot think of an instance where, other
19 than grants from the government, where the
20 government had a fundraiser into its own coffers to
21 give a grant to something else. I -- I don't know
22 about that.

23 And it's only from that perspective that, you
24 know, I'm having a problem with this. We're

25 becoming a government fundraiser, you know, or

89

1 things of that nature. And you know, I'm all for
2 the Aerospace Academy.

3 But I think it -- it's more to extracurricular
4 or -- or private parties or third parties, I should
5 say, to be involved. If we want to do something
6 extracurricular, that would be probably the more
7 acceptable way to go.

8 You know, making a more voluntary. It's a
9 nice idea. It's a quick -- not a quick moneymaker,
10 but it's -- it's making us a charity agency so to
11 speak. And so, that's where I'm just having
12 wrap -- having a problem wrapping my mind around
13 that.

14 CHAIRMAN BARRERA: Do we want to defer this to
15 the next board meeting or do we want -- do we want
16 to table it? Do we want to defer it until we get
17 more information?

18 MR. WERTER: Why don't we defer it -- why
19 don't we defer it right now so people have time to
20 think it through?

21 CHAIRMAN BARRERA: Okay.

22 MR. YOUMAN: I second that thought.

23 CHAIRMAN BARRERA: Okay. Then we'll plan to
24 go ahead and defer this and try to get some more

25 numbers to it and some more options that we can go,

90

1 whether it be through a campaign, whether it be
2 through a self-fuel, whether it -- what type of
3 options there are.

4 MR. YOUMAN: And some of the entities that are
5 represented here, if the word can get out to the
6 other entities at the airport, they may have some
7 ideas where we haven't even thought of.

8 MR. WERTER: I'm all for buying a St.
9 Augustine Airport Authority Polo shirt for charity.
10 I've been dying for one for years.

11 CHAIRMAN BARRERA: All right. So we will
12 defer this agenda item for the next board meeting
13 so we can gather some more input and some more
14 feedback.

15 PUBLIC COMMENT

16 CHAIRMAN BARRERA: With that, we'll open up
17 the board meeting for public comment. Do we have
18 any further public comment in general?

19 (None.)

20 BOARD MEMBER COMMENT

21 CHAIRMAN BARRERA: Seeing none, then we'll
22 move to board member comment. Mr. Ciriello, on the
23 intergovernmental?

24 MR. CIRIELLO: Yes. This is the second

25 meeting since I've been on the board that I

91

1 attended the intergovernmental thing, and I've got
2 to apologize to the board that when it comes to
3 taking notes at meetings like that, I'm not a very
4 serious note taker.

5 I -- I don't know the names of the people who
6 spoke or the details, but there was a member -- a
7 man there from the JEA that gave a report on water
8 usage and some mention of somebody wanting to take
9 a certain amount of water from the St. Johns River
10 and the newspaper made it sound worse than what it
11 was or whatever. And he talked about permitting.
12 And he also made mention that if anybody wants any
13 details of what they're doing, they have a web
14 site.

15 So then the next man from the Department of
16 Transportation gave a report of works and the
17 projects -- in progress in the future and he also
18 said there was a web site. And as I recall seeing
19 in the paper, they had a whole list of projects
20 that he gave.

21 The county commissioner gave a brief report on
22 all of the budget meetings coming up about the
23 budget. And one of their concerns is how to deal
24 with pensions, trying to figure out how to keep

25 that in check as far as money goes.

92

1 The elect -- elections people, they're kind of
2 on hold. They say the legislators are dealing with
3 a lot of rule changes and procedures, and until
4 they know exactly what they're going to do, there's
5 not much they can do. So they're waiting for that.

6 And the gentleman from the beach said they're
7 working on a tree ordinance, their budget, and
8 panhandling problems. So just barely touching on
9 what they gave in detail, that's what went on at
10 that meeting.

11 CHAIRMAN BARRERA: Okay. Thank you. Do you
12 have any other board comments that you'd like to
13 make?

14 MR. CIRIELLO: No, no.

15 CHAIRMAN BARRERA: Okay. Mr. Cox isn't here.
16 Mr. Youman?

17 MR. YOUMAN: Nothing to report on the TPO
18 since the meetings are not overlapping properly.
19 The next meeting is Thursday and I already reported
20 on the previous meeting on it at the last meeting.
21 The TPC, I guess I have a question.

22 Parking, are we going to know where to park
23 and exactly where the location of the building is
24 from the information you're going to give us in the

25 next couple of days?

93

1 MR. WUELLNER: Yes.

2 MR. YOUMAN: And do we wear formal business
3 attire or do we wear --

4 MR. WUELLNER: You'll get all that tomorrow.

5 MR. YOUMAN: Thank you. Aerospace, I guess --

6 CHAIRMAN BARRERA: You'll speak on that.

7 MR. YOUMAN: -- I can comment on that, too.
8 They academy -- they had an academy day awards
9 ceremony which they have every year, and this
10 includes all of the academies throughout the high
11 schools in all of St. Johns County, including
12 Aerospace. And it's an awards type thing to the
13 students that are involved in certain programs and
14 also to businesses who support and participate in
15 the academy process.

16 And again, you know, people want to denigrate
17 some of our children in general, but these kids out
18 in these academies are something else. They are
19 intelligent. They're smart. They're driven. And
20 these academy processes are fantastic. Again, I
21 said I wish they had them when I was a kid.

22 I just want to make a comment about SAAPA. If
23 any of y'all are members of SAAPA, you should go to
24 some of these meetings. Some of the presenters

25 that are at the SAAPA meetings are phenomenal, the

94

1 information they give about their experiences in
2 flight and flying and pilots. And I guess to me
3 it's extra interesting since I'm not a pilot. So
4 I'm sitting there like a little kid, yeah, tell me
5 some more, tell me some more.

6 And their -- their -- their first Friday
7 social dinners are great functions just to mingle
8 and talk to the people and meet them and find out
9 what their concerns are. I think I've run out of
10 things to talk about. Thank you, very much.

11 CHAIRMAN BARRERA: Thank you. Jim?

12 MR. WERTER: Okay. No E -- I haven't seen EDC
13 breakfast on the schedule in a while. We just
14 haven't heard from them. And I'm standing in for
15 Carl on Thursday --

16 MR. YOUMAN: No, no. In June.

17 MR. WERTER: Oh, in June. Yeah, I think I
18 have it in the schedule for June.

19 MR. YOUMAN: Yeah, I planned ahead. I'll be
20 in -- in Portland, Oregon.

21 MR. WERTER: Okay. And they're going to send
22 me a package before that.

23 MR. YOUMAN: The package will go directly to
24 you at the address you gave me.

25 MR. WERTER: Okay. And that's in June. What

95

1 date in June because I put it in May?

2 MR. YOUMAN: I will e-mail you. I don't
3 remember.

4 MR. WERTER: Okay. E-mail Ed. Ed will
5 forward it to me. Keeping things proper.

6 CHAIRMAN BARRERA: Agreed.

7 MR. WERTER: That's it. That's all I've got.
8 I've got nothing.

9 CHAIRMAN BARRERA: Well, I think that it was a
10 productive meeting. I think that we have a few
11 things to continue to think about as we go forward.
12 And I look forward to our next meeting on the 20th
13 at 4 o'clock, of June. The meeting's adjourned.

14 (Meeting adjourned at 5:47 p.m.)

15

16

17

18

19

20

21

22

23

24

1 REPORTER'S CERTIFICATE

2

3 STATE OF FLORIDA)

4 COUNTY OF ST. JOHNS)

5

6 I, JANET M. BEASON, RPR-CP, RMR, CRR, FPR, certify
7 that I was authorized to and did stenographically report
8 the foregoing proceedings and that the transcript is a
9 true record of my stenographic notes.

10

11 Dated this 17th day of May, 2011.

12

13 _____
14 JANET M. BEASON, RPR-CP, RMR, CRR, FPR

15

16

17

18

19

20

21

22

23

24

25

