

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, April 21, 2003

6 from 4:00 p.m. to 6:19 p.m.

7 * * * * *

8 BOARD MEMBERS PRESENT:

- 9 SUZANNE GREEN, Chairman
- 10 WAYNE "BUZZ" GEORGE, Secretary-Treasurer
- 11 JOSEPH CIRIELLO

11 * * * * *

12 BOARD MEMBERS ABSENT:

- 13 BOB COX
- 14 JOHN "JACK" GORMAN

14 * * * * *

15 ALSO PRESENT:

- 16 DOUGLAS BURNETT, Esquire, Rogers, Towers, Bailey,
- 17 Jones & Gay, P.A., 170 Malaga Street, St. Augustine,
- 18 FL, 32084, Attorney for Airport Authority.
- 19 EDWARD WUELLNER, A.A.E., Executive Director.
- 20 BRYAN COOPER, Assistant Airport Director.

20 * * * * *

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23 St. Augustine Court Reporters

24 1510 N. Ponce de Leon Blvd., Suite A

25 St. Augustine, FL 32084

(904) 825-0570

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1 PROCEEDINGS

2 CHAIRMAN GREEN: Call the meeting of the St.

3 Augustine Airport Authority board to order.

4 Stand for the pledge, please.

5 (Pledge of Allegiance.)

6 CHAIRMAN GREEN: Good afternoon, everybody.

7 I think that our first rule -- our first point of

8 order, we've been requested by some astute

9 members in the public that maybe we're not

10 speaking into our mikes loud enough for you to

11 hear us, so I'm just -- you want to try it?

12 So, I'm just encouraging all the members,

13 just also that we can be heard and also that

14 Janet can take down everything that needs to be

15 heard, and also that we verbalize any of our

16 responses, because if we don't say yea or nay,

17 poor Ms. Janet can't take down head nods. So,

18 thank you for noting that and we'll do our best

19 to accommodate.

20 3. - APPROVAL OF MEETING MINUTES

21 CHAIRMAN GREEN: We have two sets of minutes

22 to approve. One's from our regularly held

23 meeting March 10. We can address that first.

24 Are there any comments on the minutes?

25 MR. GEORGE: I can't comment. I wasn't

4

1 there.

2 CHAIRMAN GREEN: Okay. If there's any -- no

3 comments, then do the minutes stand approved?

4 This is the March 10, 2003. All in favor of the

5 approval of the minutes as they are -- as they

6 stand?

7 MR. CIRIELLO: Aye.

8 CHAIRMAN GREEN: Aye.

9 MR. GEORGE: Aye.

10 CHAIRMAN GREEN: Any opposed?

11 (No opposition.)

12 CHAIRMAN GREEN: Okay. The March 10 minutes

13 will be approved. Next, we have the special

14 meeting which was held on April 7. Any comments

15 on those minutes?

16 MR. CIRIELLO: Madam Chair?

17 CHAIRMAN GREEN: Yes, sir.

18 MR. CIRIELLO: I have a -- one word spelling

19 correction, page 40, line 17. It says, "MR. COX:

20 Mr. Upchurch, you suggested 50 percent slit on

21 the attorney's fees." That should be "split."

22 CHAIRMAN GREEN: Thank you. That correction

23 will be noted. I also have one comment. It kind
24 of goes in line with what our astute public noted
25 earlier.

5

1 On page 45, line 2, probably because we're
2 not speaking into our mikes, but there's an
3 indication where Chairman George asked for a
4 vote, and there was an indication, rather than a
5 yea or nay. So, that's just more reminder to us
6 board members to say yea or nay. Any other
7 comments?

8 (No further comments.)

9 CHAIRMAN GREEN: With that one note and one
10 change, are the minutes approved? All in favor?

11 MR. CIRIELLO: Aye.

12 CHAIRMAN GREEN: Aye.

13 MR. GEORGE: Aye.

14 CHAIRMAN GREEN: All opposed?

15 (No opposition.)

16 CHAIRMAN GREEN: Those minutes will be
17 approved with the modification.

18 4. - ACCEPTANCE OF FINANCIAL REPORTS

19 CHAIRMAN GREEN: Next, we have the financial
20 statements, and in our packet, we have the
21 February 28 financial statement.

22 MR. GEORGE: I have reviewed the financial
23 statements, and they seem to be in order with the
24 transactions that have occurred. So, I
25 suggest -- I recommend we approve them.

6

1 CHAIRMAN GREEN: Any comment?

2 (No comment.)

3 CHAIRMAN GREEN: All right. All in favor of
4 approval, as reported, of the financial
5 statements for February 28, '03.

6 MR. CIRIELLO: Aye.

7 CHAIRMAN GREEN: Aye.

8 MR. GEORGE: Aye.

9 CHAIRMAN GREEN: Any opposed?

10 (No opposition.)

11 CHAIRMAN GREEN: Financial statements will
12 be accepted.

13 5. - APPROVAL OF MEETING AGENDA

14 CHAIRMAN GREEN: Next is approval of the --
15 our meeting agenda for today. And I have two
16 items that have come up that I need the board's
17 direction on or how we want to handle it.

18 One is, under "Authority Members" -- under
19 our comments at the end, after my name, we have
20 the employment contract renewal, and I have

21 provided to the board a brief summarization of
22 what the evaluations presented that all of us
23 were able to do and a proposed contract with some
24 of the changes requested by Mr. Wuellner and some
25 of our board members.

7

1 It's not anything we need to take action on
2 today, unless the board wants to. But it was
3 under "Comments," and it's not under an action
4 item. So, I was just going to ask direction from
5 this board if you wanted to make it an action
6 item before we approve the agenda or if you
7 wanted to defer it and be able to review the
8 contract.

9 I understand, Mr. George, you said you were
10 not able to complete your evaluation because you
11 were not in town.

12 MR. GEORGE: Right. But my comments are
13 very positive, so... At the last -- reading
14 through the minutes of the March 10th meeting, I
15 don't remember specifically what you indicated
16 that you were going to do today. You were going
17 to bring it up for discussion or --

18 CHAIRMAN GREEN: Correct. And that's what
19 I'm doing now. Since it was listed under a

20 comment item under my name, it's not necessarily
21 an action item, unless the board wants to do that
22 and bring it up for an action item to approve
23 this contract or not. And then, therefore, it
24 would be under 7, Action Items, rather than my
25 comments.

8

1 MR. GEORGE: I would suggest that we put it
2 as an action item for the next time. That gives
3 us a chance to review your proposed changes and
4 everything.

5 MR. CIRIELLO: Yeah, I'll go along with
6 that --

7 CHAIRMAN GREEN: Mr. Ciriello?

8 MR. CIRIELLO: -- because I want to go over
9 it. The -- I thought we'd have done this before
10 now, but there's a couple of places in the
11 contract, not the evaluation, but the contract,
12 that I want to see -- it has no reflection on
13 Mr. Wuellner specifically, but it's in the money
14 area, that I have some ideas on, and I'd like to
15 have some discussion to see if something can go
16 my way. But -- so, I think it's something that
17 needs looked at.

18 CHAIRMAN GREEN: Okay. We had provided --

19 just so we know, the contract was provided at a
20 previous meeting for people to review. But what
21 I have done is just put together, with your help
22 and suggestions on the evaluations, just a
23 summary on the front, and also what suggestions
24 or modifications, and pinpointed the couple
25 modifications that were of interest to

9

1 Mr. Wuellner.

2 So, if you do have something, either we can
3 add it to this so it narrows it for next meeting
4 or you can handwrite it and I guess bring it up
5 during your discussion.

6 MR. CIRIELLO: You mean today?

7 CHAIRMAN GREEN: No, next -- you're
8 saying --

9 MR. CIRIELLO: Oh, yeah.

10 CHAIRMAN GREEN: Then I don't think we need
11 a vote on it, but I think we'd like to add that
12 to the agenda for next meeting for the discussion
13 as an action item. And so everyone's been
14 provided -- Christine, could we make sure that
15 the members that aren't here are forwarded this
16 memo (indicating), and the contract? Thank you.

17 The next business item before approval of

18 the meeting agenda, we received a letter --
19 Mr. Gorman unfortunately couldn't be with us
20 today, and he's given us some of his insight on
21 some of the items before us.

22 But our big question that was brought to my
23 attention by Mr. Wuellner, that he was our
24 representative to go to the annual meeting in
25 L.A. next week. And so, I think this needs to be

10

1 put on either as an action item or discussion
2 item as to if he can't go, if one of you-all want
3 to go, or how we can reimburse some of our costs
4 if we can't utilize -- I'm not sure. I believe
5 there's some tickets that may have to be "use
6 them or lose them" type of thing.

7 MR. GEORGE: Add it as an agenda item for
8 this meeting.

9 CHAIRMAN GREEN: Mr. Ciriello? Can we add
10 that as an action item, so -- for this meeting so
11 we can take care of it?

12 MR. CIRIELLO: Okay. All right.

13 CHAIRMAN GREEN: All right. With that
14 added, do we have a motion for approval of the
15 meeting agenda for today?

16 MR. CIRIELLO: I'll make the motion.

17 MR. GEORGE: I second it.
18 CHAIRMAN GREEN: Any further discussion?
19 (No discussion.)
20 CHAIRMAN GREEN: All in favor of approval of
21 the meeting agenda with the addition of the L.A.
22 meeting? All in favor?
23 MR. CIRIELLO: Aye.
24 CHAIRMAN GREEN: Aye.
25 MR. GEORGE: Aye.

11

1 CHAIRMAN GREEN: All opposed?
2 (No opposition.)
3 CHAIRMAN GREEN: Motion carries.
4 6.A. - County Commissioner
5 CHAIRMAN GREEN: Next, we have our reports.
6 I do not see Mr. Maguire. Anybody else from
7 County Commissioners?
8 (Representative absent.)
9 CHAIRMAN GREEN: Okay. We will pass on
10 that.
11 6.B. - Aero Sport, Inc.
12 CHAIRMAN GREEN: Mr. Slingsluff?
13 MR. SLINGLUFF: Nothing to report.
14 CHAIRMAN GREEN: No report? Thank you.
15 6.C. - Northrop - Grumman St. Augustine

16 CHAIRMAN GREEN: Anybody from Northrop?

17 MR. LESLIE: Yes.

18 CHAIRMAN GREEN: Yes, sir.

19 MR. LESLIE: No report.

20 CHAIRMAN GREEN: Thank you.

21 6.D. - S.A.P.A.

22 CHAIRMAN GREEN: Pilots Association?

23 MR. FLEMING: No report.

24 CHAIRMAN GREEN: Thank you.

25 6.E. - Florida Aviation Career Training

12

1 CHAIRMAN GREEN: And Bjorn?

2 MR. OTTESEN: No report.

3 6.F. - Airport Authority Attorney

4 CHAIRMAN GREEN: And next, to our attorney,

5 Mr. Burnett?

6 MR. BURNETT: Very briefly. The board had

7 previously wanted the attorneys to update the

8 folks in the audience on issues related to the

9 litigation and specifically Earth Tech's part of

10 it.

11 One thing that I can update those of you on

12 is that the attorneys for Earth Tech wanted to

13 look at the Airport Authority's documents. That

14 review was conducted last week. The documents

15 are being produced to Earth Tech, and that was a
16 major step, in at least Earth Tech's mind, as we
17 understand it, before settlement negotiations.

18 So, that's where things currently are. And
19 after they review the documents, it will be up to
20 them. We expect them to contact us to engage in
21 settlement negotiations.

22 CHAIRMAN GREEN: Do you have any time frame
23 that was given to them after the statutory
24 request?

25 MR. BURNETT: As far as producing the

13

1 documents, I know we'll produce those rapidly.
2 Their response and their review, I can only tell
3 you that, knowing their attorney, who is fairly
4 diligent, that they will get back to us quickly.

5 CHAIRMAN GREEN: Okay. But there's no set
6 10-day, 30-day or anything like that.

7 MR. BURNETT: Not at this point in time.

8 MR. GEORGE: I have a point of order and I
9 don't know if I should bring it up under my
10 comments or if I should bring it up in here,
11 since Mr. Burnett's talking.

12 I would like to make a motion that we have
13 an executive session of the board members, the

14 staff, and the attorneys to discuss the strategy
15 behind our lawsuit, with the idea of getting a
16 better understanding of where we're going and
17 what we might be able to expect from it.

18 As a point of clarification, and correct me
19 if I'm wrong, an executive session is warranted
20 in situations where you might not want to
21 disclose your strategy for handling something
22 like this so that it becomes public knowledge,
23 that then the -- the -- the opponents in your
24 lawsuit would then have the knowledge of what
25 you're trying to accomplish.

14

1 So, I would like -- I don't know if you want
2 to wait for my comments to make that motion or
3 make it now.

4 CHAIRMAN GREEN: Well, I think we need some
5 direction from Mr. Burnett as far as I know that
6 is how you get -- in accordance with the sunshine
7 laws as well, what kind of notice would be --
8 need to be given? Do we need a motion on it?
9 I'm not even sure that's necessary with an
10 executive session, just to set a meeting, but...

11 MR. GEORGE: I think that the other board
12 members have to agree. Who has to agree that we

13 need an executive session?

14 CHAIRMAN GREEN: That's what I'm not sure.

15 That's what I was asking direction from counsel.

16 MR. BURNETT: There's two parts to -- or at

17 least there's two parts to what I need to answer

18 for you. The noticing for a closed-door

19 executive meeting would have to be the same as

20 noticing for a regular meeting of the board. And

21 it would be convened similar to the meeting, the

22 way this meeting is convened now.

23 You would go ahead and convene the meeting,

24 and then the closed-door session would happen

25 with the court reporter in a closed meeting, and

15

1 then you would resume back into this room or have

2 it in this room with the public out of this room.

3 The meeting -- the notice requirements are no

4 different than the notices for this meeting, for

5 the most part.

6 The other part of your question is, I guess,

7 how do you go about getting that on your agenda?

8 It would be set like any other matter that you

9 would set on your agenda and have put on your

10 agenda. That's up to your normal procedures.

11 The other piece to that is, the one thing

12 that Mr. George had mentioned, there was parties
13 to be present during the closed-door meeting.
14 That is something that I would need to confirm
15 and get back with you in a writing as to which
16 members could exactly be there.

17 There is case law and attorney general
18 opinions on the number of attorneys, for example,
19 that represent the Authority, and whether staff
20 members are permitted or not. There is some
21 language as to naturally the executive director
22 and a consultant or two, but it's very confined
23 and limited to the folks that can be present
24 during a closed-door meeting.

25 MR. GEORGE: I could limit my -- my motion

16

1 to just the executive director. That would be
2 fine with me. Have the -- only the executive
3 director of the staff be present at this meeting
4 of the board and the attorney.

5 CHAIRMAN GREEN: Oh, okay. I'm sorry.

6 MR. CIRIELLO: I don't understand what
7 you're saying. County Commissioners have
8 executive sessions all the time out of the
9 public, out of the sunshine, because it's not
10 something that's going to come before the people

11 to make decisions right then and there. They're
12 just going over some contract language or maybe
13 some figures and stuff, but they do that all the
14 time. They have executive sessions that's -- the
15 public's not in on.

16 And then they -- when they get through with
17 the business, then they bring it before the
18 public, whatever their decision is. So, I don't
19 know why you're -- you're more or less saying
20 that executive sessions can't be done out of the
21 sunshine. I don't understand.

22 CHAIRMAN GREEN: No, I didn't get that
23 impression. I think we can. I don't think
24 that's a problem. It's just who should attend,
25 staff people of the Airport Authority? The board

17

1 definitely. But I think that was the question,
2 as to how many staff members could be here or not
3 be here.

4 MR. CIRIELLO: Well, only the staff members
5 that are directly involved, like the executive
6 director and the assistant director. I don't
7 think the secretaries or the maintenance workers
8 need to attend something like that. And, of
9 course, like you say, all the board members. I

10 mean, of course, if you want them to sit in on

11 it, I have no objections to that, but...

12 CHAIRMAN GREEN: Well, that's why I think we

13 need direction from Doug as to who would be here.

14 But I -- I'd like to hear your motion. I think

15 if we --

16 MR. GEORGE: Let me --

17 CHAIRMAN GREEN: I -- you know, I just --

18 MR. GEORGE: Let me rephrase the -- the

19 motion, then. I'm making a motion that we have

20 an executive session of the board members, the

21 attorney, and the executive director to discuss

22 our Earth Tech lawsuit strategies and the whole

23 environment of that lawsuit.

24 MR. CIRIELLO: Would you add the assistant

25 director?

18

1 MR. GEORGE: I did not add the assistant

2 director.

3 MR. CIRIELLO: Why not? I mean, could you

4 put that in there?

5 MR. GEORGE: I could put that in there.

6 MR. CIRIELLO: Then I'll second it.

7 CHAIRMAN GREEN: Okay. We have a motion

8 that's been amended to add the assistant

9 director?

10 MR. GEORGE: That's acceptable to me.

11 MR. BURNETT: And if I could just have one

12 caveat. Assuming legally we can have the

13 assistant director, then --

14 CHAIRMAN GREEN: Right.

15 MR. BURNETT: Well, that -- that, I will

16 have to research and look at, but I'm pretty sure

17 we can have the assistant director, but I don't

18 want you --

19 MR. CIRIELLO: Okay. I -- I don't know when

20 the Board -- when the County Commissioners have

21 their executive sessions, if their subdepartment

22 heads are there or not. If just maybe it would

23 be Mr. Adams and the commissioners, I don't know.

24 I don't know what they do.

25 But I don't see why the assistant director

19

1 couldn't be there. I mean, you know, he -- he

2 takes over when the director's not here. And I

3 would certainly think he should be allowed. But

4 I'll go with what you say.

5 CHAIRMAN GREEN: Okay. I'd like to make an

6 amendment to the amendment, then. So, the motion

7 would be -- my motion would be as Mr. George

8 stated. We have an executive session to discuss
9 the Earth Tech litigation and strategies.
10 Present would be the board members and our
11 executive director and attorney, counsel of
12 record, and any other approved, legally
13 acceptable members that could be present.

14 MR. CIRIELLO: I'll second your amendment.

15 CHAIRMAN GREEN: And I suggest that meeting
16 be held prior to -- the same day, but prior to
17 our next scheduled meeting, in order to get time
18 for review of the documents and production so we
19 know where we are.

20 MR. GEORGE: Sounds good to me.

21 MR. WUELLNER: Okay.

22 CHAIRMAN GREEN: Any further discussion?

23 (No further discussion.)

24 CHAIRMAN GREEN: All in favor?

25 MR. CIRIELLO: Aye.

20

1 CHAIRMAN GREEN: Aye.

2 MR. GEORGE: Aye.

3 CHAIRMAN GREEN: All opposed?

4 (No opposition.)

5 CHAIRMAN GREEN: So, I would -- if our

6 attorney could at least let us know who would be

7 there or who could be authorized to be there and
8 also how much time, because if we set the date as
9 our next scheduled meeting, if we need a half
10 hour or an hour prior, then if you think about
11 that during this meeting, at the end of our
12 agenda today, when we schedule the next regularly
13 scheduled board meeting, which is May 19th, we
14 can set the closed executive session prior to
15 that and then start the public session. And I'll
16 bring that back up at the end of our agenda.

17 Okay. Anything else, Mr. Burnett?

18 MR. BURNETT: No. No, not at this time.

19 CHAIRMAN GREEN: Mr. Wuellner, action items.

20 And I don't -- I'm going to leave it in your
21 discretion when you want to bring up our new
22 item, which is the L.A. meeting, because you know
23 more about the costs incurred.

24 MR. WUELLNER: And I just stuck it at the
25 end.

21

1 CHAIRMAN GREEN: Okay.

2 MR. WUELLNER: It's easier than me mentally
3 re-lettering.

4 7.A. - Project Updates

5 MR. WUELLNER: First item I have are -- is

6 project updates, and as suggested, I think by --
7 by Aero Sport, as well as some interest by the
8 board, and after thinking about it, made a
9 great -- made some great sense here, we put
10 project updates at the beginning.

11 MR. GEORGE: Mr. Wuellner, if -- if you
12 wouldn't mind on the next agenda meeting, just
13 kind of put a sublist of what those action items
14 are going to be.

15 MR. WUELLNER: Okay.

16 MR. GEORGE: I made notes, you know, on a
17 bunch of things, just to make sure we brought
18 them up. But if I saw them, that would be fine.

19 MR. WUELLNER: Okay.

20 MR. GEORGE: Thank you.

21 MR. WUELLNER: Okay. Okay. Outstanding
22 projects, as we're aware, the -- continue to be
23 the web site, the TVOR location, the northeast
24 development area, terminal project. There are
25 two phase elements involved in that project.

22

1 Taxiway Bravo, the maintenance facility, and the
2 bulk hangar rehab projects.

3 Are there any other projects that I'm
4 missing that somebody needed an update on? Those

5 are the ones I've included in the presentation.

6 If you think of some, let me know.

7 Web site development, the web site is
8 currently online, and we recently, since the last
9 meeting, added the links to on-airport tenants,
10 as they've provided that information to us, so
11 that it's now a little more friendly.

12 It will occur on the governmental section of
13 the Auglink site. They're in the process of
14 redeveloping their main portion of their web
15 site, and at the time it reappears, it will have
16 us linked as another governmental link within the
17 county. So, it will be readily accessible from
18 that site, too.

19 We're also receiving very nice feedback from
20 the public relative to that site. And the
21 calendar, we continually update on an as-needed
22 basis, but continues to have all of the meeting
23 dates and the availability of minutes and things
24 like that as -- as in process.

25 Next item I had was TVOR relocation. We

23

1 made a request to FAA to have a meeting in -- in
2 Atlanta relative to the site. The information
3 relative to the last flight check, as well as the

4 modeling that was done, has been forwarded to FAA
5 in Atlanta for their review in advance of that
6 meeting, so hopefully we can get some -- get
7 something done when we do get there. I made a
8 call as recently as today now to Atlanta. Of
9 course, all we got was a voice mail today, but
10 hopefully we'll get a return in the next day or
11 so and get that scheduled.

12 Our preliminary views with environmental
13 alphabet-type agencies about the site, the
14 tentative site, the island off the end of the
15 runway there, has resulted in positive feedback
16 there. We don't see any huge obstacles in being
17 able to place it there, should it be a site that
18 can be approved by FAA. So, we're prepared from
19 a staff side to go ahead full board as soon as
20 FAA says they believe it can be commissioned on
21 that site.

22 Northeast development area involves three
23 separate hangar projects in about four different
24 buildings. Hangars 5 and 6 -- Hangar 5 project
25 is the SK Logistics. Hangar 6 is the Ring Power

24

1 facility. And Hangar 7, for reference, is
2 Infinity Aviation, which was Regency Electric.

3 Permits -- building permits are in hand for
4 Hangars 5 and 6. Hangar 7 is due out this week.
5 Infrastructure, for the most part, all of
6 the underground part has been accomplished and
7 the staking has been laid out for the taxiway
8 access. However, that won't begin -- the paving
9 part of that won't begin until the apron's been
10 built outside the hangars so that all those
11 grades match nicely.

12 And Hangars -- or buildings 5 and 6, Hangars
13 5 and 6 -- Hangar 5, in particular, all of the
14 concrete slabs are done for the two hangar
15 buildings, and by the end of next week, the
16 office section and most of the apron out front of
17 it will be done.

18 Hangar 6, the footers or foundations,
19 whatever you would like to call it, have been
20 poured for that building and they will be doing
21 the slab work on that over the next ten days,
22 also. And right now, the project is scheduled
23 for completion in September this year.

24 Steel delivery dates are already in our
25 hands. Assuming those schedules get held, we're

25

1 looking beginning the third week of May. Every

2 other week, so to speak, will be a delivery of
3 building steel to the site. So, it's moving
4 ahead.

5 Phase 1, the inside office portion, the part
6 that was to be built out is -- is pretty close to
7 complete at this point. There's some cleanup
8 and -- and minor items that are resolved.

9 The big -- some of the big items that were
10 still out on there on the residual was the
11 underground water leak that potentially involved
12 ripping up part of the parking lot. That
13 resolved itself. We were able to get that
14 satisfactorily done without having to dig the
15 parking lot up. It's been accepted by the city
16 and is waiting I think a final blessing from DEP
17 on the -- after the chlorination of the line
18 test. But it should be not a big deal at this
19 point.

20 We received notice today that they're
21 prepared to, as soon as they get the -- the
22 paperwork in place for the backflow preventer,
23 that that -- that will be about a week out from
24 this point, to having that installed, which would
25 then provide water service finally for the

1 hydrants. The hydrants are being installed now
2 and are in place. The water line connecting them
3 is in construction and shouldn't take more than I
4 would think the balance of this week.

5 We're looking for paving probably the first
6 to second week of May at this point for the apron
7 and part -- and roadway along there. So, finally
8 that mess should go away.

9 A long lead item right now is relative to
10 steel on the -- in the main hangar bay is the
11 truss work. It's kind of -- was placed in -- the
12 coating on it was inferior. It was placed before
13 it was painted very well. And there's some, lack
14 of better terms, latent defect or warranty kind
15 of work that's got to be accomplished by the
16 bonding company to get that rust that's
17 accumulated that was just painted over and now
18 the paint is coming off those areas, getting that
19 removed and repainted.

20 Once that's done, they can paint the walls
21 and get the floor done, but it didn't make a
22 whole lot of sense in the order of progress to do
23 the highest part of the work last or after all
24 the walls and floors had been painted to avoid
25 the mess that would likely follow. It's still on

1 track. The last project schedules we have put
2 the whole thing in -- in hand by the end of May.

3 So, hopefully, that's where it is.

4 Canopy project, which is Phase 2 of this
5 work, which was awarded to the Danis Company, the
6 airside exterior grade is trying to be developed
7 very rapidly right now so that the new floor of
8 that hangar will be able to be matched with the
9 final paving work in Phase 1 so that we don't
10 have an issue of having to come back and either
11 take some asphalt out or make it work to grade it
12 at later date. So, there are two separate
13 entities working that so that it has a fairly
14 smooth transition on the paving side, anyway. We
15 expect notice to proceed to be given on the
16 overall project sometime this week. We're just
17 awaiting the actual bond documents to be in our
18 hand and -- and they should be any day.

19 We're planning a tenant meeting, that is
20 with Aero Sport in this case, at about the 30
21 percent plan level. That will give us something
22 to actually look at, versus the sketches we've
23 seen to this point. My guess now it will occur
24 about the second week of May. They've only got
25 about a 30- to -- 30- to 45-day maximum time line

1 on design, so it should happen pretty quickly.
2 Completion still should be on track for the end
3 of the year. There's a five-month actual
4 construction from issuance of permit, which
5 should fare out pretty well toward the end of the
6 year.

7 Airport maintenance facility, the last
8 iteration we saw, it was still fairly over
9 budget; however, we did find some ways in a
10 meeting last week to bring that hopefully down to
11 within the budget limitations we had set.

12 So, I'm anxiously waiting to see those pop
13 out over the next week or so and those numbers,
14 with any luck, will be acceptable and we can get
15 them back to you guys in May to consider the
16 design/build contract for that work -- or the
17 construction element of it; you've already
18 approved the design. We expect that to you in
19 May, as I said, and given the standard six-month
20 lead time on construction, puts it about the end
21 of the calendar year, also.

22 Taxiway Bravo, this one gets, I'd say, a
23 little more confusing only because, based on my
24 conversations with FAA last week, if you -- let
25 me take you back just a little bit. If you

1 recall, a couple of meetings ago, we had a
2 discussion about an FAA project for some
3 entitlement monies that we needed to decide on a
4 project and get it to FAA. I believe it was
5 January or February. I frankly don't remember
6 the meeting and didn't look it up. It was a
7 \$150,000 FAA project. We -- we fooled around
8 with exactly what. The priority was given to
9 creating a large aircraft hardstand or a place to
10 park a large aircraft.

11 We communicated that project to FAA. They,
12 once they understood what we were talking about,
13 had no issues with the project. Now, because
14 we've got to go back relative to having to bid
15 Taxiway B again, FAA would like to be able to
16 issue just a single grant to cover both projects.

17 Okay.

18 So, we're going to need to get to you in
19 May, at the latest, a revised civil engineering
20 proposal to include that large aircraft hardstand
21 into the Taxiway B design, which is complete,
22 other than a few little nuance items that -- to
23 enable to rebid it, then get it back on the
24 street as one project now. And hopefully, expect

25 to bid that in June or July. It'll be out on the

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1 street in that kind of time line and should be
2 able to make an award in July or August, to be
3 followed pretty quickly with grant -- immediately
4 with a grant and then a notice to proceed to get
5 into construction shortly thereafter. But it
6 would be one big project at that point.

7 Now, the Taxiway B project -- I grabbed the
8 wrong graphic there. That's actually the next
9 phase of Taxiway B. So, what you're seeing there
10 is not -- that's the part that's out a couple of
11 years, not the part that's being proposed now.

12 The green portion is the extent of what is
13 to be built now, only that goes all the way out
14 and matches what is now parallel to Taxiway B on
15 the north end. It's about 4,000, 4,500 linear
16 feet of taxiway that makes up the Taxiway B
17 project that's funded.

18 Now, FAA has, which I thought was very nice
19 of them, because they don't have to be this
20 nice -- we approached them, because as you well
21 know, we went through two bidders trying to get
22 it -- get this under contract, both failing to be
23 able to do that.

24 FAA allowed -- is requesting us to rebid it,
25 rather than go the approach of amending the

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1 existing grant. So, we will -- we will
2 essentially surrender the existing grant, rebid
3 it. It will all show up along with the new
4 project all in the same grant documents sometime
5 late this summer.

6 The good part of this is that the
7 limitations that would have come in amending the
8 grant, that is, you would have had about a 15
9 percent cap on where the price could have gone,
10 will disappear by them being able to redo the
11 grant.

12 So, we expect that -- that project to come
13 in over what it did last time, primarily because
14 the cost of the materials, primarily asphalt in
15 this case, is significantly higher than it was
16 two years ago with oil prices being what they
17 are. So, we do expect it to go up somewhat
18 significantly in terms of real dollars.

19 But we also expect FAA to be able to match,
20 still, the 90 percent of that number. So, the
21 incremental portion the Authority shares, which
22 is only 5 percent of the total, while it will go

23 up, it's not a big ticket item compared to having
24 to fund all of it.
25 Yeah, early next year. It's a, I believe a

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1 six-month construction time line that's in the
2 project at this point. I don't know that that
3 time line will be extended. We have not had that
4 discussion yet with the engineers, whether the
5 time line would need to extend slightly to
6 accommodate the large aircraft portion or not.
7 But if it can be done, it will be.

8 The bulk hangar rehab, which is the last
9 project I had on my list, the work itself has
10 been completed. The roof work's done. The
11 painting's done. We've had them back out to
12 review the work with us last week, and we're,
13 from a staff side, are quite satisfied with the
14 work that was done there. And -- and we're going
15 to recommend also that that retainage that's in
16 there be released as a part of that project.

17 So, I think that's it for project updates,
18 isn't it? Yep.

19 CHAIRMAN GREEN: Okay.

20 MR. WUELLNER: Any questions on that? Or
21 any other projects we didn't hit that you were

22 interested in?

23 CHAIRMAN GREEN: I have a question. When
24 we're rebidding the Taxiway B, which I think is
25 an excellent availability to us now to do that,

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1 as you said, to get more funds and match it, is
2 the TVOR going to hang us up at all, the
3 relocation of that?

4 MR. WUELLNER: Well, I mean, from -- right
5 now, we would expect to have at least FAA's
6 concurrence in the new site, or disapproval. But
7 in any case, what I didn't understand originally
8 was why we weren't doing Taxiway B anyway,
9 because it's already been established it can't go
10 there.

11 But in any case, we don't see it as a
12 schedule issue. You're looking at late summer to
13 begin construction on an earliest time line right
14 now, and we should easily have some confidence
15 level on the VOR by that time with FAA.

16 CHAIRMAN GREEN: I just didn't want to -- I
17 want -- like on these two projects, now that
18 they're combined, will go forward and we're not
19 hanging it up anymore.

20 MR. WUELLNER: We won't even bid it until

21 September -- what did I say, June and July?

22 CHAIRMAN GREEN: Uh-huh.

23 MR. WUELLNER: So, you've got another almost

24 six or eight weeks before we'd even get to the

25 point where you'd want to rebid it to get the VOR

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1 issues or get some real handle on that.

2 And as I mentioned in our monthly ops

3 meeting last week, that, you know, we were

4 prepared from a staff side to kind of take over

5 getting that meeting scheduled with FAA. We've

6 let that drag with the -- with the contractor,

7 the vendor for a while, letting them set it up.

8 And I'm guessing that in typical FAA fashion,

9 that since they're not a governmental entity,

10 they're not being particularly responsive to

11 getting things done.

12 So, we're going to take that over. And I'm

13 fairly certain between -- if we can't get it

14 done, we certainly have no problem calling

15 Congressman Mica's office and getting it

16 scheduled from the top down, if that's necessary

17 to get that staff-level attention in Atlanta.

18 But I don't think they want to do that again,

19 so...

20 CHAIRMAN GREEN: Any other -- Mr. George?

21 MR. GEORGE: Yeah. Are we supposed to wait

22 till after all of the project updates before we

23 comment on them?

24 CHAIRMAN GREEN: I think he's done, so if

25 you want to make some comments, it's fine, and

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1 then I want to open up to public.

2 MR. GEORGE: Is that the normal way it goes?

3 CHAIRMAN GREEN: Probably from Mr. Wuellner

4 who said he had things in his head set, so we'll

5 let him do his projects, and then --

6 MR. GEORGE: Okay.

7 MR. CIRIELLO: Shouldn't public comment go

8 first?

9 CHAIRMAN GREEN: It should, if that's okay.

10 MR. GEORGE: I think that'd be great.

11 CHAIRMAN GREEN: Okay. Then we might have

12 more questions.

13 MR. GEORGE: Right.

14 CHAIRMAN GREEN: I'll open the public

15 comment on any of the update projects. Yes, sir?

16 MR. FLEMING: Robert Fleming, member of

17 S.A.P.A. and C.A.P. And I have a question for

18 Mr. Wuellner. In relationship to previous

19 meetings, there's been discussion of the funds,
20 Ed, that were going to be used with Phase 2,
21 using current funds and then funds -- several
22 hundred thousand dollars, if I remember, of funds
23 that were available to the Authority to do Phase
24 2 prior to the resolution of the legal action
25 with Earth Tech.

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1 MR. WUELLNER: Okay.

2 MR. FLEMING: Now, am I correct with that?
3 Because my question relates to that.

4 MR. WUELLNER: Yes. I mean, that's
5 generally correct.

6 MR. FLEMING: All right. With the funds
7 that you have in hand, the -- the several hundred
8 thousand dollars, what if any impact will that
9 have on projects that would be ongoing that might
10 delay ongoing projects? Not -- not the hundred
11 and some thousand, but the additional funds.

12 MR. WUELLNER: It should have no impact.

13 MR. FLEMING: Okay. That's what -- because
14 I know at one of the last meetings that I
15 attended, I mean, the April 7th --

16 MR. WUELLNER: Okay.

17 MR. FLEMING: -- several of the board

18 members gave the impression that they felt that
19 things were not progressing or that they were
20 sort of at a standstill, and my concern was
21 whether those funds would impact it.

22 MR. WUELLNER: Without providing an overkill
23 of the explanation, there were funds we received
24 from the bonding company toward -- as a
25 contribution toward Phase 2, which is the money

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1 you're referring to. The Authority had residual
2 funds that were budgeted toward the completion of
3 the project that had not been expended.

4 MR. FLEMING: Okay.

5 MR. WUELLNER: There's also money, we
6 believe to be probably coming in a settlement
7 with the engineer. Regardless of that, the
8 Authority allocated the use of reserve funds from
9 the Authority that were not allocated to any
10 project to be used there.

11 MR. FLEMING: Okay. That was my --

12 MR. WUELLNER: We do have a -- a comment was
13 made through another source over the last week or
14 so relative to the use of those reserve funds.
15 And the Authority's faced with a -- with the
16 difficult -- the difficult part here is, you

17 accepted grant funds to do the project
18 originally, and as a condition of that, you were
19 to build something. And the -- the question here
20 is, if we didn't build a Phase 2 in some form or
21 fashion, we have to build something or return
22 that money that's been expended for a project
23 that at this point doesn't exist out there, have
24 to return those to Florida DOT.

25 So, obviously, it makes more sense from all

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1 angles to -- to build something that's -- that
2 meets the terms of the grant.

3 MR. FLEMING: Thank you. I appreciate it.

4 CHAIRMAN GREEN: Thanks, Mr. Fleming. Any
5 further public comment? Yes, sir.

6 MR. MARTINELLI: Victor Martinelli, Ponte
7 Vedra Beach, Florida. Excuse me. I've just been
8 looking at all these projects, and I know that
9 the Authority and the executive director have
10 really looked into the whole cash flow, the
11 future revenue and so on. And I'd just like to
12 ask a blanket question on all of those projects
13 that deal with revenue-producing projects.

14 What do you see as the future, oh, let's say
15 position, vis-a-vis budget and ultimately ad

16 valorem tax impact? I don't know who would want

17 to answer that, but...

18 MR. GEORGE: I would want to answer that.

19 MR. MARTINELLI: Okay.

20 CHAIRMAN GREEN: Go, financial guy.

21 MR. GEORGE: Mr. Wuellner and I have been

22 having some conversations about getting our

23 hands -- well, he already has his hands around

24 it, but us getting it in a more presentable

25 fashion to the board, each one of the projects we

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1 have and what the revenue and the expense and

2 what the delta is.

3 And getting to the point where we can easily

4 show to the public that the airport is sustaining

5 the operations of what it takes to run the

6 airport from a salaries, maintenance, you know,

7 and the like, what we need to do is to do some

8 forecasts on some of the projects that we've got

9 on the books, to forecast revenue coming in, so

10 that if we're paying for the expenses now, future

11 revenue from future projects should tend to

12 offset the need for ad valorem tax.

13 MR. MARTINELLI: Okay.

14 MR. GEORGE: It would be our intention of

15 sometime in the next few months to present this
16 and recommend to the board that at the next
17 budgeting cycle, we develop a statement or a
18 resolution from the board that says we intend to
19 be out of the ad valorem tax business eight years
20 from now, nine years from now, something, but
21 have the basics behind it that show how we're
22 going to get there.

23 MR. MARTINELLI: Great. Great. I think
24 that's wonderful. Thank you.

25 CHAIRMAN GREEN: I think those forecasts are

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1 also part of what our master plan is.

2 MR. MARTINELLI: Yes.

3 CHAIRMAN GREEN: It all comes into that
4 play. Thank you.

5 Any further comment from the public?

6 (No further public comment.)

7 CHAIRMAN GREEN: I'll close public
8 discussion.

9 Mr. George, I think you --

10 MR. GEORGE: Yes. TVOR. Ed, what is
11 your -- when do you estimate the next step is
12 going to be? I personally have -- am having
13 trouble finding how slow the government reaction

14 is to our little small request down here.

15 MR. WUELLNER: I suspect that it won't be
16 this week and it won't be next week. If it is
17 next week, it will be very late next week, maybe
18 Friday at the earliest.

19 So, I think we're realistically looking to
20 the week of the 7th of May, whatever -- whatever
21 that falls out as a --

22 MR. GEORGE: Okay.

23 MR. WUELLNER: -- I don't know what the
24 Monday is, but somewhere in there, being the
25 realistic week for when we would be making that

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1 trip and having that initial determination of
2 either what we need to additionally support that,
3 or after what's already been submitted, some kind
4 of tentative approval, obviously some
5 reflection --

6 MR. GEORGE: Would you tend to continue to
7 extrapolate that, that if we do meet on May the
8 7th --

9 MR. WUELLNER: If we get a positive
10 reaction --

11 MR. GEORGE: -- best case is -- yeah.

12 MR. WUELLNER: -- from FAA, if they tell us

13 they don't see any obstacles administratively
14 from approving it based on what they have, then
15 it's our experience with those permitting
16 agencies, you may be as long as 90 days getting
17 the paperwork in a row to be able to physically
18 start construction.

19 It's a very short construction time line to
20 do this. You're using -- reusing existing
21 equipment. The only lynchpin in this was like
22 what it was with the ILS, which is arranging for
23 the actual flight check.

24 I'm going to tell you five, six months is
25 the -- would be the time line I would expect to

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1 be in a position to have it flight checked if
2 we're ready to go.

3 MR. GEORGE: So, five or six months from
4 May.

5 MR. WUELLNER: Yeah. I mean, that -- that's
6 a pretty good --

7 MR. GEORGE: So, you're looking at November
8 or December.

9 MR. WUELLNER: I think we have a better --
10 we get a better feel as we get a little further
11 in and have actual permit meetings with the

12 environmental entities, you know, when you submit
13 the documents and can sit down and -- and talk
14 mitigation, if there is some, and -- and exactly
15 what's going on.

16 MR. GEORGE: Okay.

17 MR. WUELLNER: We've had those preliminary
18 discussions and they're not throwing any red
19 flags to make it appear to be difficult. There's
20 just really little impact, if any, on the site,
21 so...

22 MR. GEORGE: Okay. Well, that gives me a
23 better idea, because my little layman, you know,
24 knowledge of this -- and it would seem to me, I
25 don't see why we couldn't have a VOR operational

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1 in July. I'm learning a lesson, so...

2 MR. WUELLNER: You know, taking it out and
3 plugging it in, yeah. I mean, but that's not
4 usable.

5 MR. GEORGE: Okay. The terminal project,
6 the Phase 1 end of May, that's -- so you're
7 looking at June the 1st for tenant occupancy?

8 MR. WUELLNER: We're hopeful that we'll be
9 sitting down with -- with Aero Sport between now
10 and your May meeting to hammer out the majority

11 of details I would expect on the agreement for
12 use of that facility, so that at your May
13 meeting, we're hopefully pretty close to all
14 being at a -- at a point where we can get -- get
15 the paperwork to match the project by the end of
16 the month.

17 MR. GEORGE: If -- if you could present
18 that, you know, back in some fashion that shows,
19 here's cost, here's our cost, here's revenue
20 anticipated just from those particular buildings
21 and therefore --

22 MR. WUELLNER: Sure.

23 MR. GEORGE: -- what our rate of return is,
24 I think that would be beneficial to the public.

25 MR. WUELLNER: Sure.

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1 MR. GEORGE: I know it would be beneficial
2 to me --

3 MR. WUELLNER: Sure.

4 MR. GEORGE: -- but it would be very
5 beneficial for them. Taxiway B. The large
6 aircraft parking --

7 MR. WUELLNER: Uh-huh.

8 MR. GEORGE: -- and then having the drawings
9 done so that you come back to the board, you

10 know, in May and then having something go after
11 that, has the board already basically approved
12 the large aircraft parking?

13 Here's where I'm going with it. If I've
14 already approved it and I've already approved
15 Taxiway B, why do I need to wait another month?
16 Let's just turn them loose to get the drawings
17 done and -- and save a month.

18 MR. WUELLNER: Because the value of the
19 engineering contract will likely exceed my
20 individual approval authority, which will require
21 this board to approve that contract with Earth
22 Tech.

23 MR. GEORGE: Say it again.

24 MR. WUELLNER: The -- there's nothing in
25 place to facilitate design of the large aircraft

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1 spot. All you did was ask FAA to use that as
2 your project.

3 MR. GEORGE: Okay.

4 MR. WUELLNER: They said, "That's fine; roll
5 it into this project; we'll issue a single
6 grant."

7 Now we've got to come up with an agreement
8 with Earth Tech, because they're the only

9 consultant on board at this point, to -- for the
10 brief civil effort that will be required to
11 design that large aircraft parking spot and get
12 it incorporated into the plans and specifications
13 bidding for Taxiway Bravo.

14 MR. GEORGE: Okay. So that's what --

15 MR. WUELLNER: The contract --

16 MR. GEORGE: Okay.

17 MR. WUELLNER: The contract with Earth Tech
18 will likely exceed my individual authority, which
19 means it requires this board to approve that
20 contract. That will come back to you in May.

21 It's not a big design effort in terms of
22 length of time. They'll do that from the time of
23 your May meeting till the time it hits the street
24 in a bidding form in June, July. It will be bid.
25 It doesn't require you to approve the design or

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1 anything else, based on your existing purchasing
2 policy. Where you have the next approval step
3 after that is an award.

4 MR. GEORGE: Okay.

5 MR. WUELLNER: So, there are not any real
6 unnecessary steps here, but unless we mod --
7 modificate -- modify will work -- the purchasing

8 policy to create another mechanism, that's what's
9 in place.

10 MR. GEORGE: Okay. I was just trying to
11 save us a month, if we'd already approved it
12 once, to let it go --

13 MR. WUELLNER: Well, I appreciate that.

14 MR. GEORGE: -- but now I understand it.

15 MR. WUELLNER: Okay.

16 MR. GEORGE: That's all the questions I
17 have.

18 CHAIRMAN GREEN: Mr. Ciriello?

19 MR. CIRIELLO: I want to follow up on what
20 Mr. George said. This large aircraft parking
21 ramp, do you have a location in mind where that's
22 going to be?

23 MR. WUELLNER: We -- we have been discussing
24 with the FBO, and it looks like what we're going
25 to try to pursue is connecting what is runway

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1 2/20 to the paver apron area and make an enlarged
2 access, if you will, taxiway access there that
3 would support that large aircraft parking.

4 MR. CIRIELLO: Okay. I --

5 MR. WUELLNER: It's kind of a glorified
6 taxiway connector that will serve that purpose.

7 MR. CIRIELLO: Back here where the tire is
8 on the other side of it's a lot of cleared area.
9 What's going in there (indicating)? What's
10 planned?

11 MR. WUELLNER: Well, it's an area that's
12 being reserved right now to provide taxiway
13 access to that neighborhood. It's not a place
14 you want to stick that just in the way.

15 MR. CIRIELLO: And you know that crazy idea
16 I have.

17 MR. WUELLNER: It's a -- well, the other --
18 the other part of this is that you want to keep
19 it right now accessible to the FBO because
20 they're -- not only are they servicing the
21 aircraft, but anybody on or off that aircraft is
22 typically coming through the terminal area. So
23 we don't -- you get into transportation logistics
24 if you place the aircraft somewhere that's not
25 generally close to the FBO.

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1 MR. CIRIELLO: You know that crazy idea I've
2 talked to you different times about this taxiway
3 out here.

4 MR. WUELLNER: Yes, sir.

5 MR. CIRIELLO: It will probably never, never

6 ever happen, but I'm a hard head and I won't quit
7 trying to convince you or the FAA to do what I
8 want to do --

9 MR. WUELLNER: We're aware of that.

10 MR. CIRIELLO: -- until they tell me to my
11 face it will never happen. So, I thought maybe
12 you was going to put that as a part of that
13 taxiway, which would, you know, shoot me right
14 out of the saddle, easier and quicker than what
15 my idea is. So, I don't want anything on that
16 runway or taxiway that would interfere with my
17 idea.

18 MR. WUELLNER: This -- this is not
19 connected.

20 MR. CIRIELLO: That's why I thought maybe
21 over here would be a good spot to put that.

22 MR. WUELLNER: Yeah, this is not connected
23 to the taxiway -- that taxiway.

24 MR. CIRIELLO: Okay. We'll keep my little
25 secret for a while. I don't want everybody to

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1 know.

2 CHAIRMAN GREEN: Any further comment from
3 the board? Okay. I think that concludes the
4 project updates. Next item would be the

5 self-fuel pricing policy.

6 7.B. - Self-Fuel Pricing Policy

7 MR. WUELLNER: Yes. Mr. Ciriello brought
8 this up at a previous meeting, and one of the
9 things we -- what I kind of promised to do was
10 just review how we got where we were or where we
11 are, and we reviewed the policy and have
12 suggested just a couple of tweaks in order to
13 perhaps meet the intention of Mr. Ciriello's
14 concerns.

15 Real briefly, the self-service -- okay. I
16 don't know where all of those animations come
17 from, because I don't do them. I'm definitely
18 not smart enough to do those. Okay. Can we back
19 it up maybe to the beginning?

20 MS. OCHKIE: Sure.

21 MR. WUELLNER: I know what the problem is.
22 This isn't the right one. Yeah, that's why.
23 That's about two years old. This is when we were
24 deciding to do the self-fuel.

25 MR. GEORGE: Well, that's a good one to

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1 review.

2 MR. WUELLNER: That's very nice. There you
3 are. That's it. That looks more familiar. I

4 couldn't figure out where all the animations came
5 from. I knew I didn't -- they're running all
6 over the screen.

7 All right. Essentially, just reviewing,
8 there are four primary methods. The reality is,
9 there are any number of these mixed together in
10 creating various versions and influences. But
11 they are primarily market average, which is what
12 the Authority currently uses, some sort of fixed
13 markup over the wholesale price of fuel, some
14 sort of markdown, which is set effectively as
15 like a discount-type program off of it, and the
16 other being some sort of fixed-price mentality
17 that establishes a price and really quits
18 worrying about it from that point forward.

19 Market average is largely determined by what
20 the competitors in our area are charging that
21 that offer self-fuel. It generally holds market
22 share. You're staying within the realm of what
23 everybody else is doing. And those that visit
24 the airport, you get a percentage of those. If
25 they choose to self-fuel over full serve, you

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1 tend to hold your base customers. That's about
2 the extent of the market share.

3 It's somewhat inelastic in terms of price
4 because customers know what to expect. So,
5 it's -- because it's in the average, people know
6 that that's probably what they'd expect to pay
7 closely at most other airports, and in this case,
8 Northeast Florida or relatively close to us.

9 It's traditionally fairly slow to react,
10 from a price standpoint, that is. It takes kind
11 of a collective effort to increase or decrease
12 the price because it's averaged. So, it's
13 somewhat -- when we have a single -- what I was
14 trying to point out is if you have a single
15 competitor that rapidly increases their price or
16 rapidly lowers it, it tends to react much slower
17 as a whole because it's being averaged. And it
18 has relatively good long-term earnings because
19 it's maintaining market share throughout.

20 On fixed markup, as the name suggests,
21 you've come up with some margin that's
22 acceptable, and you've marked the price of
23 wholesale fuel up to that level, and that's what
24 you're using to establish retail price.

25 You're generally in this case not

1 particularly concerned what your competitors are

2 doing, because you've got a margin that you've
3 predetermined you're going to make and that's
4 what it is.

5 The hard part here is to get your handle on
6 what the volume will be. Obviously, that -- that
7 markup or fixed markup is -- is better in some
8 economic senses when the market's down or the
9 fuel market's -- wholesale market's down, versus
10 perhaps being excessively high, you can find
11 yourself priced out of market temporarily.

12 It does predict -- have predictable
13 earnings, assuming you can get your hand around
14 how much you're going to sell in a year, which is
15 always the interesting part of this, and subject
16 to volume deviations by retail price shopping, by
17 customers. So, when you're the cheapest on the
18 block, you sell fuel like it's going out of
19 style; when you're the most expensive, you can
20 expect those volumes to drop off.

21 Markdown, which is essentially a discount,
22 and you would establish price based on perhaps a
23 full-service FBO fuel price. So, you're saying
24 that our price will be 25 or 50, or whatever your
25 number is, cents a gallon, less than what we

1 charge for full service.

2 This methodology is used a lot when you have
3 all of the fuel concessions, when you, you know,
4 can -- you know that 50 cents a gallon will get
5 some self-service business. But when it's your
6 only line of business, it's probably not -- your
7 price is likely being set by someone else or has
8 the potential of being set by someone else.

9 Customers do know what to expect in that
10 there's always a price difference between that
11 and your full-serve product. Earnings are
12 somewhat out of immediate control unless you own
13 both elements of it; otherwise, you're
14 essentially delegating that over to the other
15 fueling entity, and you're -- you're making your
16 adjustment based on what they do.

17 And it's obviously subject to wide
18 deviations based on how that fits in or out of
19 market and also how that relates to the
20 full-service price in the same region. And, of
21 course, fixed price, as the name -- you determine
22 the profit number and you're going to adjust fuel
23 prices to get to that. It's -- can get kind of
24 interesting in terms of setting it up. You also
25 have issues relative to volume. You're not

1 really concerned with what the competitors are
2 charging in this case.

3 An example of that that has been used, it's
4 less used right now, was how Flagler County
5 approached pricing for years and years and years,
6 and they just set the number and it stayed, and
7 whatever went on in the wholesale or retail
8 pricing, just kind of got ignored and they just
9 kind of held the line for a long time. You're
10 starting to see them do some adjustments now, but
11 it's -- you know, it's really a matter of policy.

12 Our policy now is we used a localized market
13 average and we only adjust the price at the time
14 we take new wholesale deliveries. Concerns
15 expressed were: Are we maximizing our profit
16 margin? Are we selling as much as we could be?
17 Are we being squeezed? Can we do better in the
18 bottom line on this?

19 And our suggestions, after reviewing the
20 policy and discussing it, are -- were rather than
21 the wholesale scrapping -- pardon the pun -- of
22 our -- of our policy as it stands today, was
23 looking perhaps to make it a little more dynamic
24 in terms of being able to respond to price
25 changes that go on at both the wholesale and

1 retail level. This would allow -- we're
2 suggesting you continue to use the average
3 method; however, you look at those adjustments on
4 a weekly basis versus on a per-load basis.

5 The previous four or five loads have been on
6 approximate eight-week intervals. This
7 current -- because the margin is more squeezed
8 here because we're using the average, the overall
9 margin's been squeezed because wholesale prices
10 have gone up dramatically.

11 So, right now, we're on a lower end of the
12 scale in terms of average and have cut our
13 delivery time this time to approximately five
14 weeks. So, you've shaved, what, about 40 percent
15 off the overall time between loads, but your
16 margin's been squeezed. So, it will -- would
17 result in more volume, if you went that method,
18 but it's -- you know, it's hard to say whether
19 that would be sustained.

20 We're looking at also creating a floor that
21 we're going to recommend it at about 25 cents a
22 gallon disparity between wholesale and full --
23 wholesale and our retail price as the -- as the
24 safeguard limitation. That assumes -- the number
25 was based on an average, an annual volume as

1 we're predicting it for the first year of about
2 60,000 gallons. That 25 cents a gallon sustains
3 a positive profit margin to the Authority, but
4 it's pretty close to where our break-even point
5 is today.

6 If we were to sell all 60,000 gallons, we'd
7 be disappointed with earnings. But it serves as
8 a basis here of it -- it wouldn't get any worse
9 than the margin we have today, which is above
10 break even.

11 MR. GEORGE: So, you're saying 25 cents is
12 about break even.

13 MR. WUELLNER: Would be our worst, based on
14 a 60,000-gallon annualized number.

15 MR. GEORGE: Okay.

16 MR. WUELLNER: It varies by -- the hard part
17 here to get explained real well is that your
18 actual profit you have is a function of deducting
19 out your fixed costs in this, and you've got some
20 variable costs that are obviously the fuel. And
21 while it goes up, the fixed costs are a function
22 of being able to allocate that over per gallon,
23 in a sense, that's been pumped during the year.

24 So, coming up with a total number of gallons

25 to divide a fixed cost into, you know, we've only

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1 been in business essentially nine months here or
2 three-quarters of the year. So, you know, I'm
3 predicting what the first-year sales will be
4 based on what we've sold today. And we'll be
5 close to that number.

6 You know, if we had ten years of historical
7 data, you could predict -- you could have a much
8 more reliable model in predicting exactly where
9 that low-end margin might be placed, but I don't
10 think you're going to see it vary more than a few
11 cents probably over -- over where we're
12 recommending it.

13 And it's something that could be reviewed
14 from time to time by this board and, you know,
15 if -- if the volume were to go up to 200,000
16 gallons annually, as an example, you might be
17 able to bring that margin down to something lower
18 and not have a worry about it.

19 (Whereupon, Mr. Cooper enters the room.)

20 MR. WUELLNER: But it's relatively low
21 volume. So, you've got a lot of fixed costs
22 divided into the per-gallon cost. If we pumped
23 half that much, it'd be even worse. You'd need

24 40 or 50 cents above wholesale to cover your
25 costs.

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1 So, that's where we are. That's our
2 recommendation. You see that in a revised -- our
3 policy 03-01, which would replace your previous
4 policy of 02-01. And it would be Staff's
5 recommendation that the board adopt 03-01, and as
6 we are likely to take a load this week of fuel,
7 it would be an optimum time to change policy
8 directions, or modify our direction, if that's
9 your desire.

10 CHAIRMAN GREEN: Thank you, Mr. Wuellner.
11 Public comment? Mr. Fleming?

12 MR. FLEMING: Mine is very short and simple,
13 and a question for Mr. Wuellner, based on the
14 volume that you said, which was relatively small,
15 Ed?

16 MR. WUELLNER: Comparatively.

17 MR. FLEMING: Yeah, yeah. But has there
18 been any publication or PR related to the
19 availability of fuel here?

20 MR. WUELLNER: No.

21 MR. FLEMING: And would that -- if that were
22 done, would that -- would you think that that

23 would have an impact on volume?

24 MR. WUELLNER: We're actually working on
25 some of those publications now. I mean, they're

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1 just -- we're just now working the advertising on
2 that. So, results of that, you won't see till at
3 least the end of the summer.

4 MR. FLEMING: Okay. But that was just a
5 question that I have.

6 MR. WUELLNER: But, no, we have not
7 advertised. Frankly, I was a little reluctant to
8 do that for the first several months, making sure
9 the thing actually worked when they showed up.

10 MR. FLEMING: Okay. Thank you.

11 CHAIRMAN GREEN: Thank you. Any further
12 public comment? Yes, Mr. Slingluff?

13 MR. SLINGLUFF: Ed, you mentioned the market
14 average. How often are you sampling the market
15 and what -- what comprises the market?

16 MR. WUELLNER: Yeah. Currently, our market
17 is done at the time of bulk fuel delivery.
18 That's what the current policy provides for. And
19 the airports that we're sampling are listed in
20 the policy itself.

21 MR. GEORGE: Herlong, Flagler County,

22 Keystone Heights --

23 MR. WUELLNER: Right.

24 MR. GEORGE: -- Ormond Beach?

25 MR. SLINGLUFF: Okay.

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1 MR. WUELLNER: And, basically, it's the same
2 methodology, only done more frequently. Would be
3 done weekly.

4 MR. SLINGLUFF: Weekly.

5 MR. WUELLNER: And if there's an adjustment
6 to be made, it would be made at that point versus
7 waiting six, eight weeks.

8 MR. SLINGLUFF: We do a weekly sampling
9 of -- of the market. And -- and just for
10 curiosity, we did it on the -- on the self-serve.

11 There's a high at Sky Harbor of \$3.04 for
12 self-serve to a low of \$2.14 at Keystone Heights.

13 I think there has been discussions --

14 MR. WUELLNER: That's probably pretty
15 consistent.

16 MR. SLINGLUFF: Yeah. There had been
17 discussion last year of throwing out the high and
18 the low to -- and then come up with the average.

19 So, if you do that, in the Northeast Florida area
20 here, we come up with an average of \$2.46.

21 Currently, you're at \$2.15, just a penny above

22 Keystone.

23 MR. WUELLNER: Well, you know, we specify

24 which airports we're doing --

25 MR. SLINGLUFF: Uh-huh.

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1 MR. WUELLNER: -- and those averaged, work

2 out to the number we're using.

3 MR. SLINGLUFF: Which --

4 MR. WUELLNER: I mean, we're not

5 generically -- we're not just taking any airport

6 in Northeast Florida in the model.

7 MR. SLINGLUFF: Right.

8 MR. WUELLNER: We've tried to keep it

9 relatively close in to us, figuring that our base

10 customer is -- unlike a jet customer, is not

11 arriving from great distances. Ninety-nine

12 percent of the time, it's the guy looking for the

13 deal in Northeast -- I use the term generically,

14 "Northeast Florida," but relatively close to

15 here.

16 MR. SLINGLUFF: And is the -- the total

17 number of gallons for the nine months, is that

18 meeting the sales forecast?

19 MR. WUELLNER: I based it on the nine months

20 that we've sold to date --

21 MR. SLINGLUFF: Right.

22 MR. WUELLNER: -- and annualized, it's
23 approximately 60,000 gallons.

24 MR. SLINGLUFF: And is that in line with
25 what you had forecast?

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1 MR. WUELLNER: Actually, it's -- it's above
2 what we thought first-year sales would be by
3 about 20,000 gallons, having no basis to make the
4 predictions.

5 MR. SLINGLUFF: Yeah.

6 MR. WUELLNER: I'm encouraged by the
7 shortened time span between loads this time. So,
8 it looks like, I would hesitate to say we -- it's
9 40 percent better than it was --

10 MR. SLINGLUFF: Yeah.

11 MR. WUELLNER: -- eight weeks ago, but I --
12 but I think there's been -- we've had a lot more
13 activity also flying in a lot -- quite a bit
14 fewer bad weather periods. So, since our
15 facility's obviously basically a VFR facility --

16 MR. SLINGLUFF: Yeah.

17 MR. WUELLNER: -- it's not --

18 MR. SLINGLUFF: Yeah. The -- the impact

19 on -- on, you know, total gallons sold here, I
20 think it's an increase overall for the airport,
21 which is -- which is great, that it's not
22 stealing market share or anything -- anything
23 like that.

24 I think your comment on the creating a
25 margin, a floor on the margin is good, because if

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1 not, I think the way that Flagler had been doing
2 it, you really have an erosion of margin in
3 there, and that's where you get into subsidizing,
4 basically.

5 So, you do -- I would recommend that, you
6 know, a set base margin be put in there,
7 regardless of -- of the averages.

8 MR. WUELLNER: It protects the public's
9 interest, in my opinion.

10 MR. SLINGLUFF: Yeah. Thank you.

11 CHAIRMAN GREEN: Thank you. Any additional
12 public comment?

13 (No further public comment.)

14 CHAIRMAN GREEN: We'll close public comment.
15 Board discussion? Mr. Ciriello?

16 MR. CIRIELLO: Yeah. When I first brought
17 this up, and I went over the figures in my mind,

18 I thought I had a very simple question that was
19 going to be easily handled, and it got
20 complicated.

21 Personally, I don't care what other airports
22 do. Taking a sampling of hangar rents and fuel
23 and everything, I don't care what they do.

24 There's not much you can do about that. But when
25 I got through with my figures -- and I'm only

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1 talking a few bucks here. We're not talking a
2 lot of money.

3 From the very first load, which we use as a
4 gauge, the second load, when we bought our second
5 load, basically the same amount of gallons, we
6 paid \$174.50 more than the first load, which
7 means the gas to us went up. But we kept our
8 price at \$2.05. We didn't do anything with it.
9 So, I don't care how you color it or how you
10 state it; we subsidized \$174. Yes, we didn't
11 lose any money.

12 Let's put it simply this way: If say on the
13 first load we made 20 cents a gallon; the second
14 load, we paid a little more for it, kept the
15 price the same, and we end up making 19 cents a
16 gallon, we didn't lose anything. We still made

17 19 cents a gallon profit. But still, we took it
18 upon ourselves to eat that \$174. And that's what
19 my -- my whole concern was.

20 Then the second load was \$142, and it still
21 was at \$2.05, which to me was a ridiculous low
22 price because everybody else in the area was
23 charging 40 or 50 cents a gallon more than what
24 we're charging. And I -- I can't see why people
25 aren't lined up down here from this end of the

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1 airport to the other, just like if you see a car
2 station having a gas war and you see on TV,
3 you'll see lines at four or five pumps going
4 clean around the block and people waiting for two
5 hours to get in there to get cheap gas. We're
6 not having that kind of an -- we don't have
7 people out here lining up with airplanes to get
8 this gas that's 40 or 50 cents a gallon cheaper.

9 So -- and then our fourth load, we went out
10 and raised our price from \$2.04 to \$2.09. We
11 went up 4 cents and ended up we subsidized \$320.
12 So, for the three loads, we subsidized 630-some
13 dollars. And that's not very much.

14 So, all I wanted to do was make a formula
15 somehow that if we paid more for the gas, our gas

16 goes up. Even if it's only a penny a gallon or a
17 half cent a gallon, that we're not giving
18 anything away. That's all I was wanting.

19 And now we come in with all of these
20 complicated facts and figures and average of
21 other airports and volume. And -- and then the
22 last thing you had up there was either going
23 weekly or truckload.

24 My whole argument is the truckload. It goes
25 up from one truckload to the next, but the price

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1 didn't go up that we sold it for. And that's
2 where I want the increase. I don't care what it
3 is weekly. I don't care if somebody else goes up
4 in price, that we should do that the same. I
5 want our value out of each truckload. I don't
6 want to give \$174 away. I don't want to give
7 \$142 or \$320. I want it in our pocket.

8 And instead of making 20 cents a gallon, if
9 we made 21, I'm going to be happy, rather than
10 19. And it seems very simple to me that all I'm
11 asking for is a way the formula is devised, that
12 if we pay more, we charge more; if we pay less,
13 we charge less.

14 We're already ridiculously low compared to

15 everybody else, no matter how you look at it.
16 And so, I don't see why all of this big
17 dissertation in here just for a simple little
18 question. Why can't we get the real value from
19 truckload to truckload instead of eating any of
20 it? Go ahead. I'm done.

21 CHAIRMAN GREEN: Mr. George?

22 MR. GEORGE: I can answer that last
23 question. Because you as a board member two
24 years ago said that's the way I want it done.

25 I was quite involved with the whole

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1 self-service thing. The whole idea of the
2 self-service was that other counties offer to
3 their constituents a self-service alternative to
4 fuel.

5 We went through the cost analysis of it, and
6 this board agreed that based on the volumes,
7 which Mr. Wuellner is telling we're 20,000
8 gallons higher than what those volumes were, that
9 that is a good deal for St. Augustine. At that
10 time, the board agreed to the present pricing
11 method which was in the policy.

12 I commend you for bringing up that we need
13 to relook at the policy. I don't think we need

14 to go back and hammer out, well, who decided this
15 and who decided that, because the board decided.
16 I agree that the policy needs to be changed with
17 the big fluctuations that we're having, because
18 we keep talking about, you know, the fluctuation
19 of it going up and we've got cheaper gas, we can
20 make more money.

21 The way we have it now, the policy, we could
22 also lose a lot of money. We could wind up, you
23 know, pricing ours out when we get fuel, and then
24 the fuel prices come -- come down. The other
25 airports in the -- in the neighborhood, if you

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1 will, they lower their price, and based on our
2 present policy, we're going to keep ours at the
3 high price until we have used that fuel and buy
4 some more.

5 So, I think that your suggestion of
6 reviewing the policy was -- was appropriate and
7 right on target.

8 MR. CIRIELLO: Okay. Let me correct you. I
9 don't know if it's a correction or whatever, but
10 from my mind, when you say this board sat here
11 and approved the present formula and everything,
12 you're right. And I voted for it. But we also

13 have a right to go back and relook at it and

14 change it. But --

15 MR. GEORGE: Absolutely.

16 MR. CIRIELLO: -- if you remember correctly,

17 when we were discussing this self-fuel thing,

18 every board member here one month said they had

19 no objections to it, including me, as long as

20 somebody besides us run it.

21 Okay. So, the next board meeting, we came

22 back, and Mr. Wuellner come in with his facts and

23 figures and everything on the self-fueling to

24 justify everything. I didn't see anything to

25 change. But the three board members here besides

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1 me went along with the motion to put in this

2 self-fuel service.

3 I made an amendment, and had to fight to get

4 that, to say we would not start or put this

5 self-fuel facility in until we got somebody to

6 operate it other than us, because the month

7 before, none of the board members wanted the

8 Authority to run it. We were all on board with

9 that idea.

10 The following month, three board members

11 changed their mind and said, "We'll do it," and I

12 said no. So, my vote was no, not to put in a
13 self-fuel facility until we had somebody other
14 than us to run it. So, I may have gone ahead
15 with the formula, because it went -- it passed
16 and it was going in, but it doesn't mean I'm
17 happy with it. And now, like you say, I want to
18 change it.

19 MR. GEORGE: And I think it's very
20 appropriate that we do, you know, consider
21 changing it.

22 MR. CIRIELLO: And as a matter of fact, if I
23 could get away with it, I'd try to get this board
24 to dump it and let somebody else run it. But I
25 suggested that to Ed, and he -- no, he thinks we

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1 should still run it for the next two or three or
2 four or five years, whatever, and I still say no,
3 but...

4 MR. GEORGE: Well, that's not an agenda
5 item.

6 MR. CIRIELLO: I know that. I just --

7 CHAIRMAN GREEN: Well, I think we're all in
8 agreement that it needs to be modified or
9 changed, so I would entertain some motions.

10 Maybe Mr. Ciriello -- there's a staff

11 recommendation which may need to be modified, we
12 don't like it or whatever. But I'd entertain a
13 motion, because I think we're all in agreement we
14 need to do something today to change the pricing.

15 MR. CIRIELLO: Well, I'm not sure if this
16 policy statement is what I have in my mind, that
17 every load, that if we pay more, our gas is going
18 up, even if it's only a lousy penny or not. I'm
19 not sure that's what I'm reading in here. And
20 I'm -- I'm not just going to vote yes on this
21 thing until I understand it better.

22 CHAIRMAN GREEN: No, I'm asking if you have
23 your own motion, or this with a modification to
24 it.

25 MR. CIRIELLO: Well, I don't understand this

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1 right now offhand to even put a modification or
2 an amendment to it.

3 MR. GEORGE: Would you like to wait till the
4 next meeting to give you a chance to go through
5 it or --

6 MR. CIRIELLO: Well --

7 MR. GEORGE: -- ask Ed some questions?

8 MR. CIRIELLO: Yeah. If the board wouldn't
9 mind, I'd like to come out one day this week

10 unannounced, like I usually do, and sit down and
11 go over this sentence by sentence with Ed and let
12 him try to drum into my head what he's doing to
13 see if I'm going to -- if it's what I want or
14 not, you know. And then I'll be ready, you know,
15 but...

16 MR. GEORGE: Well, if you're going to go
17 down in infamy as the author of this, I think you
18 should understand it. I can go along with that,
19 to table it for a decision till next board
20 meeting.

21 CHAIRMAN GREEN: Is it possible,
22 Mr. Wuellner, to at least instigate the floor so
23 that if the new load comes in and we're not
24 underpricing ourselves, and then with
25 Mr. Ciriello's input as to what he finds later?

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1 MR. WUELLNER: You can do whatever you want.

2 CHAIRMAN GREEN: Mr. George?

3 MR. GEORGE: I'd like to make --

4 MR. WUELLNER: Just tell me what it is.

5 MR. GEORGE: I'd like to make a motion that
6 we vote on authorizing Mr. Wuellner to implement
7 this policy, at the same time putting this policy
8 for another review at the next meeting, which

9 means it might be rescinded, modified, added to,
10 or whatever. But that puts Staff recommendations
11 in effect for a month so that we don't lose
12 that -- you know, that time period of this month.

13 CHAIRMAN GREEN: I'll second that motion.
14 Discussion?

15 MR. CIRIELLO: I'll go along with that.

16 CHAIRMAN GREEN: All in favor?

17 MR. CIRIELLO: Aye.

18 MR. GEORGE: Aye.

19 CHAIRMAN GREEN: That would be accepting
20 Staff's recommendation for revisit at our next
21 May 19th meeting.

22 MR. GEORGE: Yes.

23 CHAIRMAN GREEN: All in favor?

24 MR. CIRIELLO: Aye.

25 CHAIRMAN GREEN: Aye.

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1 MR. GEORGE: Aye.

2 CHAIRMAN GREEN: All opposed?

3 (No opposition.)

4 CHAIRMAN GREEN: Okay. That motion would
5 carry.

6 7.C. - Embry-Riddle Lease Discussion

7 CHAIRMAN GREEN: Next agenda item is the

8 Embry-Riddle lease discussion.

9 MR. WUELLNER: Yes, ma'am. Basically, we
10 wanted to make you aware of the -- that we had
11 had discussion about providing some additional
12 details relative to the operating -- levels of
13 operating that we were anticipating out of the
14 discussion we had last month with Embry-Riddle,
15 and I wanted to make you aware of that.

16 Paul Woessner with Embry-Riddle is here.
17 Paul's the guy that would have been here last
18 month to make the presentation, but couldn't be
19 here. And I'm sure he'd be happy to provide any
20 additional technical details.

21 I'm going to simply let you know what was
22 provided to us in writing relative to their
23 activities so that you have some kind of -- some
24 kind of handle on that.

25 We have -- let me give you those numbers.

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1 And before we get bogged down then, I wanted to
2 explain to you how we, from a staff, were
3 approaching the project in terms of facilitating
4 it here and where we are relative to the
5 development of a lease that would also require
6 board action at some point. And, of course,

7 Paul's here to answer any questions that you
8 might have specific of their operation.

9 They would project a constant, eventually
10 once they're ramped up here, of 85 students, 18
11 months down from the startup date.

12 MR. GEORGE: Eighty-five what?

13 MR. WUELLNER: At about 18 months out, they
14 would be ramped up to 85 students, if I'm reading
15 this correctly.

16 MR. GEORGE: I'm sorry, I missed that.
17 Eighty-five what?

18 MR. WUELLNER: Students.

19 MR. GEORGE: Students. Okay.

20 MR. WUELLNER: Now, not all of those -- and
21 Paul, you might want to -- why don't you just
22 come up here so you can fill in some extra blanks
23 here. What are -- what is your estimate of the
24 ab initio students in that 85?

25 MR. WOESSNER: About half.

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1 MR. WUELLNER: So, approximately half of
2 these are startup pilots. The other half have
3 achieved some level of flight proficiency.

4 MR. WOESSNER: There's -- there's two entry
5 points. One was with zero time and one at the

6 commercial multi-engine instruments, so they'll
7 have a couple hundred hours already.

8 MR. WUELLNER: Okay. Each student would fly
9 256 hours in their training operation, which
10 equates to 21,760 hours a year, not including any
11 maintenance or admin demo-type flights that might
12 be done, which they're allowing an additional 7
13 percent, which gives you a new total of 23,283
14 hours a year, divided by three-hour flight
15 blocks.

16 The flying, the largest part, will be
17 conducted away from the airport environment. So,
18 you're looking at 7,761 missions, if you will,
19 each with a takeoff and a landing, or 15,500, in
20 round numbers, operations a year at the 18-month
21 point.

22 Unlike a more traditional flight school,
23 that's the upper end of the activity level. It's
24 not -- it won't be bigger than this, but it could
25 potentially be slightly smaller than this if

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1 classes aren't completely full for some reason.

2 MR. GEORGE: Break that down to a typical
3 day.

4 MR. WOESSNER: Typical day? Well, the -- we

5 are -- the ideal business model recruits 6
6 students of each kind per month, 12 starts per
7 month.

8 A typical day would be broken in half, with
9 a mirror on the other side. Half the students
10 would fly in the first half of the day and then
11 be in the schoolhouse the second half, while a
12 mirror of that same thing is happening; there's a
13 group in school the first half of the day and the
14 fleet returns and they've done -- the group that
15 was in school for the first half would take off
16 and fly in a separate block. That would go on
17 five days a week for ten months.

18 MR. GEORGE: So, if I have 85 students, I've
19 got 42 and a half flying in the morning --

20 MR. WOESSNER: Well, the 85 -- the 85 --

21 MR. GEORGE: -- and 42 and a half in the
22 afternoon, basically?

23 MR. WOESSNER: Yeah. Well, no, they fly as
24 a pair. So, you're going to end up, you're going
25 to have seated about 12 aircraft operational in

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1 any one flight block.

2 MR. WUELLNER: And the total number of
3 aircraft here?

4 MR. WOESSNER: Thirteen.

5 MR. GEORGE: Ten and three.

6 MR. WOESSNER: Thirteen, yeah.

7 MR. GEORGE: Ten singles, three multi.

8 MR. WOESSNER: Right. Right. And the
9 reason for 85 is if you run the math out, if it's
10 a 10-month program, and I'm taking 6 students a
11 month who are going to be here for 10 months, and
12 6 students a month that will be here for 4
13 months, I'll be graduating students and
14 recruiting students at a pace that would allow a
15 steady state of about -- I mean, if I went 12 and
16 12 -- I mean, 12 a month, the worst it would get
17 would be 144, if it went a full 12 months.

18 But with them coming through at a different
19 pace, we never get to the 144, the steady state
20 never really gets above about 85 or 90, depending
21 on weather and mechanical and other things that
22 might delay the delivery of training, but in the
23 ideal case.

24 MR. WUELLNER: And it's primarily a
25 weekday --

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1 MR. WOESSNER: Weekday, right. We reserve
2 the weekends for weather and mechanical

3 oversight. And I might point out, 21,000 flying
4 hours at 7 gallons an hour, is I need 140,000
5 gallons of fuel from somewhere.

6 MR. GEORGE: A hundred and forty thousand
7 gallons of fuel generates twenty-six complaints a
8 day from noise.

9 CHAIRMAN GREEN: I just want -- is there
10 any -- for the presentation --

11 MR. WUELLNER: As far as the operating data,
12 I have nothing to add.

13 MR. WOESSNER: I can answer --

14 MR. WUELLNER: If you've got other questions
15 you'd like.

16 MR. WOESSNER: -- specific questions.

17 CHAIRMAN GREEN: Then I was going to open it
18 to public comment. Yes, sir?

19 MR. MARTINELLI: Can I speak from here? Can
20 you hear me okay? Where do you plan to have your
21 students practice their landings, your ab initio
22 students?

23 MR. WOESSNER: We -- we've been up to
24 Jacksonville and worked out with Tracon. They
25 would like -- we want to, and they would like for

1 us to use the assets to the west, Ocala, Cecil

2 Field, Palatka, out in those areas. This -- this
3 is a mission-based-type flight training. We
4 don't envision it being point A to point A, nor
5 do we consider this to be our practice airport.
6 This is home base.

7 MR. MARTINELLI: Okay. So, there will not
8 be touch-and-goes here while your students learn
9 to --

10 MR. WOESSNER: No, there wouldn't be much
11 benefit to do it here, no. No. For just the
12 very, very basic -- for the primary portion of
13 the private and instrument level where there's a
14 lot of, you know, airport or, you know, pattern
15 flying, no. That's not envisioned to be done at
16 this airport.

17 MR. MARTINELLI: Okay. One other question.
18 I understand that if the pattern is full, that
19 you folks will defer?

20 MR. WOESSNER: Sure. We'll work it out.

21 MR. MARTINELLI: Can you talk a little bit
22 about that?

23 MR. WOESSNER: Well, certainly. We -- we
24 had a satellite operation in DeLand, which was an
25 uncontrolled airport. Of course, DeLand is

1 probably one of the more acute examples of a --
2 for a multipurpose airport, with the volume of
3 parachute activity operating sort of autonomous
4 to the rest of the airport. We had a little bit
5 bigger fleet. We had about 35 aircraft there and
6 in excess of about 150 students.

7 And if y'all fly that -- that area and you
8 work in and out of Daytona, you'll know that when
9 you come into Daytona, you get a -- nine times
10 out of ten, you're going to get vectored out to
11 DeLand. So, the airspace in DeLand and operating
12 from DeLand was super-pressurized.

13 I mean, we were -- we were able to work it
14 out amongst the operators on the airport. And
15 again, our mission, our -- I think Guy McClurkan
16 came and gave you a briefing on what kind of
17 training this is. This is airline-oriented
18 mission based and these flights would be
19 dispatched as pairs, and they're going to another
20 airport and land and reconfigure and come back.

21 MR. MARTINELLI: Okay. As I recall, DeLand
22 had either air-to-air or air-to-ground, a couple
23 of them.

24 MR. WOESSNER: There was a mishap.

25 MR. MARTINELLI: Yes. We certainly wouldn't

1 want that here.

2 MR. WOESSNER: Right.

3 MR. MARTINELLI: But that's uncontrolled.

4 We are now controlled. And you weren't here at

5 the last meeting when your colleague was here.

6 And we were concerned that some of us had been

7 vectored out of the pattern because of

8 saturation.

9 And SK Logistics was here. They were one of

10 the folks that got up there and said, well, they

11 were vectored 10 or 20 miles offshore, burning

12 expensive jet fuel. And I personally have been

13 vectored back away from here for 12 miles back

14 out and back in again.

15 And so, those of us who are based here,

16 rightfully or wrongfully, kind of feel that this

17 is home base, and when we're coming back from a

18 flight somewhere, the last thing that we would

19 anticipate is being put back out of the pattern

20 in favor of a flight school having extensive

21 flights in the pattern.

22 So, I was just wondering what your -- what

23 kind of agreement you would be willing to make or

24 have made. I don't know -- dealing with that

25 subject.

1 MR. WOESSNER: We'd be happy to work it out.

2 We -- we envision -- again, if you took the
3 prototypical day, if it started at 6 a.m. on a
4 Monday morning and we staggered our takeoffs, as
5 we will, to operate 12 aircraft in a flight block
6 that's going to last 3 1/2 to 4 hours long,
7 they're going to depart in a staggered fashion
8 under control by the airport, those 12 airplanes,
9 I would think within a short time window, and
10 then be gone until they arrive back home,
11 staggered again for arrival somewhere around the
12 11 o'clock, 12 o'clock time frame, refuel, and
13 then get restaged to depart again at 1 o'clock
14 and not return again till 5:00, 6 o'clock in the
15 afternoon.

16 So, we wouldn't be in and -- we would be in
17 and out, and we can certainly, if there's a time
18 during the day, during the week when there's a
19 lot of local activity, we can work around that
20 and adjust our flight block accordingly.

21 MR. MARTINELLI: Well, what I was thinking
22 of was that since we do have the tower and since
23 we do have controllers -- and of course their
24 mission is not in any way to police or whatever,
25 but simply to operate a safe airport according to

1 FAA rules.

2 MR. WOESSNER: Sure.

3 MR. MARTINELLI: But if you folks would
4 agree that when your folks coming back from a
5 mission are coming into the pattern and if the
6 pattern is full, that they will remain clear and
7 that they would take first priority to remain
8 clear, I say over the folks who live here, who
9 consider this our home base.

10 Then I think we have a means of enforcement,
11 because the control tower, of course, keeps
12 records of these situations when the pattern is
13 full, and they can inform us and inform you folks
14 of that.

15 MR. WOESSNER: I think under the heading of
16 "We want to be good neighbors and be welcome on
17 the airport," we do a fairly good job of
18 coordinating our traffic out of Daytona. I don't
19 know if you know it, but we -- we log about a
20 hundred thousand hours off the international
21 airport. At -- the operation in DeLand, was
22 about 25- to 30,000 flight hours. And we were
23 able to maintain good relationships with
24 everybody and work around it.

25 I wouldn't want to get into a scenario where

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1 I would say an airplane that was in distress or
2 had to come back would divert because of a
3 traffic issue or something --

4 MR. MARTINELLI: Obviously, if it's an
5 emergency, it's an emergency.

6 MR. WOESSNER: Yeah. I think, you know, you
7 could depend on us to be reasonable and rational
8 in every case. That would be our intent. We're
9 not looking to upset the local environment in any
10 way.

11 CHAIRMAN GREEN: Is there any --

12 MR. WOESSNER: I don't know how much traffic
13 there is in the early morning in St. Augustine
14 here.

15 CHAIRMAN GREEN: Is there any further public
16 comment? Mr. Fleming?

17 MR. FLEMING: Yes. Can I stand here, also,
18 please?

19 CHAIRMAN GREEN: Sure.

20 MR. FLEMING: I have some questions related
21 to the economic aspect of this from the
22 standpoint of the initial capital investment that
23 the Airport Authority will be involved with, and

24 then looking from the standpoint of the new
25 treasurer and Mr. Wuellner, what economic --

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1 MR. WOESSNER: Impact?

2 MR. FLEMING: -- pluses there will be for
3 the airport, the -- the FBO, the other facilities
4 that are here, or is this going to be sort of a,
5 what you would call a self-contained type of
6 situation where you have a facility over in one
7 corner, all of the things are done over there and
8 it isn't going to help the airport that much
9 economically?

10 MR. WOESSNER: Well --

11 MR. FLEMING: And also isn't that possible a
12 negative impact on our current flight school?

13 CHAIRMAN GREEN: I think Mr. Wuellner should
14 answer that, because these are terms of the lease
15 that we haven't gotten to yet, and --

16 MR. WUELLNER: Yeah. I -- I think we've
17 already come to an understanding there. It's a
18 different type of flight training environment
19 than that which Bjorn operates. So, they're not
20 really competing for the same customer. Maybe
21 ultimately they all end up at the same airline
22 some day, but it's -- the way they're going about

23 it is entirely different.

24 In terms of impact, which we really hadn't

25 gotten to, but we were -- we're going to be

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1 skirting around here in just a second, anyway,
2 essentially, we're looking to modify the -- some
3 facilities over in the eastside corporate area,
4 which is the area immediately next to the Grumman
5 North 40 complex. And specifically the two
6 hangar facilities that we're looking -- looking
7 at potentially modifying would be the old Future
8 First hangar facility and the -- what is now the
9 Sheriff's Department hangar.

10 The Sheriff's hangar facility would largely
11 remain intact with very little if any changes
12 being required to accommodate their operation.
13 They are not hanging their shingle out, competing
14 on the area of maintenance or any other. It's
15 strictly maintenance of their own fleet. So,
16 there's no, you know, other impact against a
17 maintenance facility on the -- on the complex.

18 The proposal, as we're discussing it,
19 anyway, and bringing forward today a little bit,
20 is essentially modifying that Future First hangar
21 versus constructing an all new facility to house

22 their operation.

23 Frankly, there's a -- an operational layout
24 that does work over in the eastside corporate
25 area that would involve primarily construction of

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1 all the -- the office/classroom space that would
2 be required to facilitate their operation. But
3 the reality is, it would be -- would be beyond
4 reason to construct, and operationally speaking,
5 it would be very difficult to facilitate out of
6 the empty spaces, the vacant lots, if you will,
7 that remain in the -- in that development, in the
8 eastside corporate.

9 By being able to combine two existing
10 facilities and modify the one to the classroom
11 space for the life of the lease, it's strictly a
12 remodel in the truest sense, because the
13 building's in place. You're simply creating the
14 classroom space in that hangar. It preserves the
15 other two sites for other corporate hangar
16 development, so we don't lose those sites and
17 that revenue potential, either.

18 It also isolates their operation and allows
19 them to have a -- for lack of better terms, a
20 dedicated entrance for automobile traffic, in a

21 sense a dedicated area for staging of their
22 aircraft. So, it stays out of the mainstream
23 operation of the airport.

24 So, we think that from an operations
25 standpoint, from a development of the facility

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1 for lease to them, as well as a -- what we
2 consider a very favorable lease rate back to the
3 Airport Authority, that -- plus a flight plan, if
4 you will, lack of better terms, of how they
5 operate out of a facility, from a staff side, we
6 think it's probably a very good mix for the
7 airport economically, also, keeping in mind that
8 there are impacts that exceed the airport itself.

9 These students have to find accommodations
10 and spend their money and do the like. These
11 are -- these are based students in our community,
12 so there are also additional economic spinoffs
13 that -- and regional impacts that certainly
14 affect the community as a whole beyond just the
15 airport, too.

16 We think it makes real good sense, and I
17 think from a -- a pragmatic viewpoint, that we
18 may -- we can find a way to work effectively
19 toward an agreement that makes sense for

20 everybody, or we can risk creating an environment
21 that perhaps is not only contentious toward new
22 businesses developing -- developing or locating
23 on the airport, and perhaps find ourselves on the
24 opposite side of FAA and DOT in how we go about
25 our leasing activity.

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1 So, we can't just categorically exclude
2 types of businesses from the airport just
3 unilaterally because we don't want another flight
4 school. That -- that isn't going to work, no
5 more than it would with another FBO or a
6 maintenance facility or some other operation.

7 If we can find a way to make that work, and
8 I think we're very close to that from -- from at
9 least a staff and a tenant agreement -- find a
10 way to make that work and be equitable to
11 everybody on the airport and made to function,
12 that it's -- it has to be a win-win for both the
13 airport and -- and Embry-Riddle.

14 That's what we're trying to do. And that --
15 that's kind of what we wanted to let you know.
16 And if nothing there is overly objectionable,
17 then, you know, I don't -- I think we've got just
18 a little language tweaking. And one of the big

19 pieces of the questions I know is going to get
20 asked is: What does it take to -- financially to
21 modify the facility to make it work?

22 And that's one of the big questions I don't
23 have the answer to yet.

24 CHAIRMAN GREEN: If that's the case, I'm
25 going to close public discussion --

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1 MR. WUELLNER: Okay.

2 CHAIRMAN GREEN: -- and open up to the
3 board, if they have certain questions.

4 MR. FLEMING: Thank you. Thank you.

5 MR. WOESSNER: Should I remain here or --

6 CHAIRMAN GREEN: Sure. You can stay there.
7 They may have a few questions.

8 MR. WUELLNER: I think you've got one more.

9 CHAIRMAN GREEN: Oh, I'm sorry.

10 Mr. Slingluff?

11 MR. SLINGLUFF: As a business operator, I
12 think it's very important to welcome in increased
13 activity. And I don't really think that the
14 airport is here to police certain types of
15 activity. We have a tower. We have airspace
16 control now. And I do think that proper
17 planning, we could have it organized

18 appropriately.

19 But I do think that one of the missing
20 ingredients that needs to be developed here with
21 the board and the airport management and the
22 businesses that use the airport, is a public
23 awareness program, because whether it's
24 Embry-Riddle coming in or ABC jets coming in,
25 we're going to have greater and greater impact on

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1 the community and a more negative view from the
2 general public. And we need to set up and plan
3 for that now so that we can welcome in a greater
4 activity. I think that's what the infrastructure
5 is here for, and figuring how to use the
6 infrastructure, you know, efficiently and
7 economically.

8 But we have to think outside the airport and
9 think of how we're impacting the overall
10 community and how they view us. It's very
11 important to my business. I think it would be
12 important to everyone's business here at the
13 airport. That's -- that's our biggest concern.

14 Airspace can straighten itself out. The FAA
15 has been doing that for years and years. But our
16 job, I think, is really with the community, in

17 making sure that they understand what's going on
18 and what the different noise is that they hear in
19 the sky now, the different times, things like
20 that.

21 But I would just encourage the board to set
22 up some sort of function where we can create a
23 public awareness system. Thank you.

24 CHAIRMAN GREEN: Thank you. Board
25 discussion? Mr. Ciriello?

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1 MR. CIRIELLO: I'm getting a little
2 concerned with whether I'm going to get out of
3 here alive or not. You know when you hear
4 discussions and you think you know what's going
5 on and you make comments and vote and everything,
6 and then when you get your packet for the next
7 meeting and you read the minutes of the meeting
8 that you were sitting at, you get a different
9 perspective.

10 Now, I did that with our meeting minutes
11 from -- and I -- I got the opinion from some of
12 the questions being asked out here about
13 Embry-Riddle's presentation last month, that some
14 people were concerned about competition.

15 Now, this is a public use airport, federally

16 funded and it's state funded and taxpayer funded.
17 We're elected to run this airport for the benefit
18 of the taxpayers and the airport and everything.
19 I don't think that we as a board can sit here and
20 say who can come in and who can't. We can't say,
21 "No, we have a fixed-base operator; we're not
22 letting anybody else in."
23 We can't sit here and be worried about
24 Embry-Riddle coming in here, taking flight school
25 hours away from our flight school. We can't be

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1 concerned with you guys getting into the pattern
2 and chasing people out, because this is a
3 public-use airport and people should be allowed
4 to come in here and do their business.

5 Now, I agree that agreements between your
6 school and the airport and stuff set up in-house
7 makes a lot of sense and can be done. But as
8 sitting here as a board member, worrying about
9 competition in that light coming in, I think is a
10 no -- no-no that we can't think that way.

11 We don't care -- we shouldn't care how many
12 flight schools are here, how many fixed-base
13 operators are here. That's not our concern.
14 We -- we can't stop people from coming in here.

15 This is a public-use airport.
16 Now, everybody is concerned with this
17 airport and its use. And, of course, I come from
18 Pennsylvania and I always bring up Beaver County
19 Airport. One runway, 5,000 foot long, has three
20 fixed-base operators on it, three flight schools,
21 a flying club that I used to belong to, and they
22 don't seem to have any problems. And the
23 flight -- flying schools are tied in with the
24 community college, which have a two-year
25 professional pilots course.

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1 You go there, you come out with an associate
2 degree, you go from student pilot to a commercial
3 multi-engine instrument-rated flight instructor.
4 So, they do an awful lot of flying up there. And
5 I don't see -- I've never seen anybody complain
6 about the pattern being too heavy for the control
7 tower to operate them or anything else.

8 So, I think a lot of our concerns here are
9 things that we shouldn't even be thinking about
10 because we can't stop you from coming here. We
11 can't stop anybody from coming here. And on that
12 light, in that view, I'm having a little --
13 little hard time trying to figure out all of

14 these concerns with everybody that sounds like
15 they're concerned about competition. And --
16 mainly. Now, having said that, throw your
17 bricks.

18 CHAIRMAN GREEN: Mr. George?

19 MR. GEORGE: I have no bricks to throw, Joe.

20 MR. CIRIELLO: Well, somebody will. I'm
21 sure they will.

22 MR. GEORGE: Well, you're probably right. I
23 think it's very good, Paul, that you listened to
24 the last meeting we had and some of the -- the
25 ideas that -- concerns that people had and come

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1 back with some -- with some better statistics.
2 And I think that Ed is working toward the right
3 idea of trying to find some way that you can fit
4 into our community and we can call you a brother,
5 as opposed to the black sheep or something like
6 that.

7 But I would like to see in writing from you
8 guys two -- just address it to Ed. I'd like to
9 see -- once you get up to the 85 student, I'd
10 like to see a discussion of a typical day. You
11 know, you mentioned 12 airplanes taking off. You
12 know, when you say, "staggered," 7:05, 7:06,

13 7:07, 7:08 in the morning is staggered. But I'd
14 like to -- I'd like to see something in black and
15 white that this is kind of what you had in mind,
16 with emphasis on when those airplanes are coming
17 back in, you know, also. Because if we can get
18 something worked out there, it sounds like it
19 might be, you know, appropriate.

20 Comment on the -- on the economic impact to
21 the community would be good. Economic impact to
22 the airport would be a very welcome tenet. In
23 some of my discussions with Ed, if you look at
24 the return on investment that we're getting from
25 renting facilities here -- and I don't have

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1 anything in black and white, but I'm going to
2 quote from my memory. Our T-hangars that we're
3 getting here, we're getting about \$2.50 a foot,
4 you know, on a rent of a T-hangar. And I don't
5 know what the cost associated with that is, but
6 it's positive in our favor. You get to a
7 corporate hangar, and we're getting upwards of
8 \$3.50, you know, a foot in the corporate arena,
9 so a bigger hangar and facilities on the other
10 side of the field.

11 And looking at facilities like this, you're

12 probably talking, you know, something more than
13 that, you know, \$4, something like that, \$4.50.
14 That -- that gives us more revenue coming in for
15 the investment we have.

16 But, you need to understand where we're
17 talking about this operation going. If you'd
18 bear with me just a second. We have the new
19 hangars going in on this end of the field
20 (indicating). And these hangars right here
21 (indicating) is where we're talking about, you
22 know, the Embry-Riddle operation, you know, going
23 in.

24 One of the questions that I have or had was:
25 What additional space do we have for our

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1 corporate prospects, you know, that could be
2 coming in? How much are we actually going to be
3 taking up, you know, with the increased volume?
4 Because the corporate guy takes off in the
5 morning, comes back maybe two days later, you
6 know, or that afternoon type of thing, so that
7 the volume of activity for a corporate leasehold
8 is not anywhere as great.

9 Now that we've got these going down here
10 (indicating), and if we put Embry-Riddle

11 basically taking two pads, one as a parking pad
12 and one of the other hangars, I think we
13 basically have one or two left that we can build
14 hangars for any other corporate people coming in.

15 MR. WUELLNER: That's correct.

16 MR. GEORGE: So, that's -- that's what we're
17 going to have until the year 2007, when Grumman's
18 Northrop's option on this 40 acres -- is it 40
19 acres? Whatever. This property up here
20 (indicating), if they do not exercise their
21 option, then that comes back to us and that can
22 be used for the corporate hangars.

23 I would like to see the discussions, you
24 know, continue in a positive vein, but everybody
25 needs to understand that those are the things

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1 that you could be giving up and getting, so to
2 speak.

3 CHAIRMAN GREEN: I think we just need to put
4 it in Mr. Wuellner's hands, kind of as you said,
5 to continue the discussions. I'd like to see,
6 when you get there, the actual financial impact,
7 who's doing build-out, if there's an
8 accommodation for that within the lease amount,
9 that type of thing, so...

10 MR. WUELLNER: Well, it's our intent to have
11 a lease at the point to be approved by this board
12 for execution at the May meeting. Barring any
13 huge roadblocks, I'm sure we can deal with the
14 additional information that's being requested in
15 order for y'all to make that decision.

16 We'll also have the information on what we
17 expect the build-out to be by that time, too.
18 It's being developed now; it's just not -- we've
19 only had about ten days with that information, so
20 it's -- it's still being developed.

21 It's also a project, you know, that would be
22 temporary. Because of the timing of this, some
23 of those buildings are tied to the northeast
24 development area. So, there's a window of time
25 there where we can't even get in the building to

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1 do the, quote, unquote, remodeling until we get
2 the building back. So, there's a period of time
3 there where we're in a very temporary operating
4 condition on the same side of the field in some
5 temporary classroom facility while that
6 remodeling is accomplished.

7 But it's a -- we're all trying to make sure
8 that it gets minimized in terms of its duration.

9 And we'll have those details for you in May. But
10 I wanted you to hear that so if there's any huge
11 obstacle out there that hasn't been addressed, we
12 can get it answered for you if that's -- if
13 that's at the heart of it.

14 CHAIRMAN GREEN: Mr. George?

15 MR. GEORGE: I'd like to suggest that you
16 make that information available to the public at
17 least a week before the meeting, so that they
18 could review, you know, Paul's, you know, plans;
19 also look at the clauses that you would have in
20 the lease, as far as the limitation of flights.

21 MR. WUELLNER: If there's no objection,
22 maybe we can have an overview of that, their
23 proposal, maybe presented to the Pilots
24 Association at their meeting if they can
25 accommodate us in their schedule?

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1 MR. FLEMING: I can talk to Jim.

2 MR. WUELLNER: For the May meeting. That
3 way, it's -- that -- that's out on the street and
4 made available before our meeting?

5 MR. FLEMING: Yeah, I'm talk --

6 MR. WOESSNER: When in May is it?

7 MR. WUELLNER: That's the second -- second

8 Monday -- excuse me, Saturday in May.

9 MR. GEORGE: Second Saturday.

10 MR. WUELLNER: Second Saturday in May.

11 MR. FLEMING: Yeah. I'll talk to --

12 MR. WUELLNER: It's first thing in the
13 morning.

14 MR. FLEMING: -- Mr. Asselta. Would you
15 like him to call you, then?

16 MR. WUELLNER: Yeah, why don't you just have
17 him touch base with me and we'll see if we can
18 put that together. That might be a good forum to
19 get the rest of the user -- many of the users on
20 the airport --

21 MR. FLEMING: Thank you.

22 MR. WUELLNER: -- up to speed.

23 MR. GEORGE: Mr. Fleming, could we leave it
24 that, yes, that's fine, you know, for the
25 airport, you know, pilots, and then you get back

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1 to him if it's not? I think that some of the
2 other people might want to plan on being here.

3 MR. WOESSNER: We can make something
4 publicly available that they can read beforehand,
5 too, if that's a bad weekend for a lot of people.
6 I don't know if it is or isn't, but...

7 CHAIRMAN GREEN: Okay.

8 MR. WUELLNER: Okay. It's about the 12th.

9 I don't know what the actual Saturday is.

10 MR. WOESSNER: Okay.

11 CHAIRMAN GREEN: All right. Thank you very
12 much.

13 MR. FLEMING: Thank you.

14 CHAIRMAN GREEN: I don't think there's any
15 further action we need to take on that.

16 Our next agenda item, 7.D., is the "Issues
17 Workshop and Schedule Format."

18 7.D. - "Issues" Workshop and Schedule Format

19 MR. WUELLNER: This is a result of
20 discussion about getting the balance of concerns
21 that individual board members have expressed in
22 some format where they can be addressed in either
23 a workshop or even a lengthy agenda item, if
24 that's an appropriate forum, depending on the
25 length of it.

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1 We keep hearing from a staff side, and I
2 know you guys keep hearing it at meetings, that
3 there are a lot of issues that aren't even --
4 aren't being dealt with and the like. I don't
5 think that's really the case when we get down to

6 the nuts and bolts. But we'd be happy to provide
7 those answers in some format.

8 The only caveat is it would be nice to have
9 that -- the questions or at least the concerns
10 early -- early on so that we can prepare adequate
11 responses and provide whatever y'all want in
12 terms of documentation for things so that -- so
13 that the -- in a sense, the air gets cleared on
14 residual issues so we can focus our energies on
15 moving forward.

16 CHAIRMAN GREEN: Any public comment? Mark?

17 MR. MARSH: Mark Marsh, 3380 Agricultural
18 Center Drive. And I got here late. Buzz, what
19 you were saying about the corporate hangars, I
20 totally agree with. And, you know, I keep
21 talking about the property we bought across the
22 road there and I wondered if anybody had thought
23 about maybe putting a classroom for Embry-Riddle
24 over there and maybe using that as a basis to
25 start developing our industrial sites over there,

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1 and then keep the hangar, one slot, open for
2 corporate -- you know, maybe a big corporate
3 outfit coming in there, because we do have all of
4 that property that we bought to develop.

5 I know maybe they would want classroom and
6 hangar maybe together but, you know, we should be
7 receiving more than \$4.50 a foot for
8 classroom-type finished hangars. So, I mean, it
9 might be something that y'all might want to
10 consider.

11 CHAIRMAN GREEN: Thank you. Bjorn?

12 MR. OTTESEN: I'm Bjorn Ottesen, Florida
13 Aviation. I'd like to say something on what Joe
14 said about competition, because competition in
15 terms of dollars to customers was not the issue,
16 and I pointed that out on the previous meeting.

17 If it's competition, it's for airspace and
18 capacity on the ground. Thirteen airplanes and
19 eighty-five students, if they did go away to
20 learn to land, that's the main thing, what the
21 toll on the airport's going to be. That's one
22 thing.

23 But on, for instance, weather days, we had
24 16 of them in February. If that training is to
25 be done on the airport in St. Augustine, 13

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1 airplanes could fly. Yeah, if it's three-hour
2 slots -- I'm not used to those flight blocks, but
3 when we are doing traffic patterns, we do ten

4 landings an hour. That's -- that's 20 movements
5 with one airplane.

6 And this airport, I think the record busy
7 day is 640-some operations. And imagine what 13
8 airplanes can add to that. And that's -- that's
9 my only concern, what it does for capacity in the
10 air, on the ground, and safety.

11 CHAIRMAN GREEN: Thank you. I'm going to
12 close public discussion and redirect to the board
13 our issue before us is our workshop and schedule
14 format. We've closed discussion on the
15 Embry-Riddle situation. Thank you for your
16 input.

17 But I'm going to open up to the board,
18 discussion with regards to what type of format we
19 may want for certain issues or when we should
20 produce them to Mr. Wuellner or Staff so that
21 they're addressed in our meetings.

22 Mr. George, do you have any suggestions?

23 MR. GEORGE: I have suggested to
24 Mr. Wuellner and to the board through some
25 e-mails, of which they're included in your packet

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1 for -- so the public can have access to them,
2 that we establish a meeting that at least one

3 week prior to the meeting, we require input from
4 the board and any other interested party as to
5 the problem, their perception of the problem, and
6 a recommended solution to the problem.

7 I think I agree with Mr. Wuellner that a lot
8 of it is just pure lack of communications --
9 excuse me, lack of effective communications. But
10 I think if we have this special meeting or
11 workshop, we can get all of these items aired and
12 either get an action plan going or agree that
13 there is an action plan, and we can go on with
14 life, you know, to the future.

15 CHAIRMAN GREEN: Mr. Ciriello, any comment?

16 MR. CIRIELLO: I'm waiting for him to get
17 done.

18 MR. GEORGE: I'm done.

19 CHAIRMAN GREEN: He's done.

20 MR. CIRIELLO: Oh. Mr. George, are you
21 suggesting that this be a regularly scheduled
22 thing, all of the time, or as needed?

23 MR. GEORGE: No, sir. One time to air,
24 quote, the problems. We've -- as Mr. Wuellner
25 said, he's heard from board members that we've

1 got a lot of problems here. We've heard in the

2 St. Augustine Record, in letters to the editor
3 that, you know, well, there's problems at the
4 airport. And what I was attempting to do was
5 let's get a definition of the problem, because
6 the only definition I've had is the spelling of
7 the word "problem."

8 And I think there's a saying that if you
9 can't define the problem and the solution, then
10 maybe you are a part of the problem. But let's
11 get it out in the open, what the problem is, give
12 Staff a chance to tell what the status of it is,
13 what their involvement is, and then we define, is
14 there any other action required?

15 But we could then have this published in the
16 record or published in our minutes that anybody
17 could take a look at, and hopefully we'll get
18 this air of "We have problems" out of the way.

19 We have a great facility here. If you look
20 at things the way they were ten years ago to the
21 way they are today, we've come a long way, baby,
22 I think is the term, you know, that's used. But
23 I'd like to quit dwelling on the problems and
24 let's fix them or let's get agreement that there
25 aren't any problems there and let's just -- let's

1 go forward.

2 So, my intent was, rather than making these
3 meetings go till 8 o'clock, 9 o'clock at night,
4 let's have a special meeting to talk about,
5 quote, the problems, end quote. And that was my
6 suggestion.

7 MR. CIRIELLO: You know, I like your
8 suggestion, only I'd like it to go further.
9 Problems come and go monthly, bimonthly, and
10 everything. So, having just one meeting isn't
11 going to get rid of all the problems. So, I
12 would like to go with your suggestion, but have
13 more than just one meeting. I think more than
14 one meeting is needed to take care of problems,
15 because they come and go.

16 MR. GEORGE: That could be a --

17 MR. CIRIELLO: And that's why I asked if
18 this was something you wanted as a regular
19 scheduled thing, like our monthly meeting, that
20 we have this premeeting meeting.

21 MR. WUELLNER: Well, you know --

22 MR. GEORGE: Well, my perception is that a
23 lot of the problems are just lack of
24 communication.

25 CHAIRMAN GREEN: Right.

1 MR. GEORGE: And if we can get air it and
2 get it out of the way, then that will go away.
3 But it's like the hangar project; you know, we
4 discussed that, and we said, "Hey, let's have a
5 weekly report from the law firm to tell us where
6 everything is going." That's been very
7 effective, as far as I'm concerned, in
8 disseminating the information of where we stand.

9 But maybe at this meeting, it will turn out
10 that we have so many problems that there'd be
11 another agenda item published that people can
12 freely bring up and put down.

13 MR. CIRIELLO: I'd like to see more than one
14 meeting, that's all. You know, I like your idea,
15 but I'd like more than one meeting.

16 CHAIRMAN GREEN: Mr. Wuellner?

17 MR. WUELLNER: I think potentially it could
18 evolve into additional meetings, as the situation
19 warrants it; but, rather than just schedule
20 those, I think those are ones you kind of handle
21 as you get them.

22 CHAIRMAN GREEN: I'd like to see an
23 as-needed basis, because we don't want to become
24 a grievance board where we open it up and then we
25 start --

1 MR. GEORGE: Yeah.

2 CHAIRMAN GREEN: -- following all of these
3 problems.

4 MR. GEORGE: Good point.

5 MR. WUELLNER: And then I think we need
6 to -- to reveal that, you know, the e-mails that
7 we receive -- one was from you, Mr. George, and
8 wherein you kind of communicated a little
9 frustration with the pace of last meeting, as
10 well as the forum, if you will, or the way things
11 were kind of done, and general con -- you know, I
12 don't want to use the term "discontent," but just
13 frustration over the process towards selecting an
14 engineer and the like and suggesting, you know,
15 that we knock off the bantering back and forth
16 and the vague references to problems and get down
17 to defining the problem and do that. And that's
18 what you communicated via e-mail to all.

19 And -- you know, and similarly, Mr. Gorman
20 responded with, you know, maybe a couple --
21 addressing exactly what his intent was on the
22 committee, but also, you know, further agrees
23 that that may be an appropriate solution to that,
24 is to have that kind of a workshop.

25 And -- and my gut feeling is that a lot of

1 this is exactly the -- I don't want to use the
2 term "growing pains," but the transition pains of
3 a majority of the board and the level of detail
4 things, you know, that this particular board is
5 looking to see versus previous boards, and also
6 the level of detail of things that have been
7 already accomplished and not properly, as you --
8 as you point out, or effectively been
9 communicated to new members so that everybody's
10 on the same page and all up to speed.

11 And even though we may not all like the
12 answers we're getting, at least we know what
13 the -- what the actual answer is. And we
14 certainly support doing this at least once and
15 getting it all on the deck and let's -- let's get
16 it cleaned up.

17 CHAIRMAN GREEN: Do we want to make a
18 motion, then, to have at least our initial
19 workshop meeting for airing out or identifying
20 what concerns we have?

21 MR. GEORGE: Okay. What we're looking for
22 is a motion that we have a workshop to discuss
23 specific problems as they exist today and develop
24 action plans. Further workshops would then be

25 determined, if required, at that workshop.

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1 CHAIRMAN GREEN: As-needed basis.

2 MR. GEORGE: As needed.

3 MR. CIRIELLO: Well, I'll second it so we

4 can discuss it, because I have a question. But

5 we have to have a second before we can ask

6 questions.

7 CHAIRMAN GREEN: Okay.

8 MR. CIRIELLO: Why --

9 CHAIRMAN GREEN: There's a second, so

10 discussion.

11 MR. CIRIELLO: Yeah. Why -- why couldn't we

12 have it predetermined to make it quarterly?

13 Anytime you have a meeting, you can always cancel

14 it. But say it's -- it will be brief --

15 predetermined and we'll pick a date, for not

16 right now, but down the road --

17 MR. GEORGE: Right.

18 MR. CIRIELLO: -- that once every three

19 months, we'll have this special meeting, because

20 in that three-month period, these new questions

21 are going to come up. And then the next three

22 months, the next three.

23 So, once a quarter, we would have this

24 special meeting. And if it's not needed, we can
25 always cancel it, instead of just one now and

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1 then as needed. I'd like to see it a definite
2 thing.

3 MR. GEORGE: I can support that, especially
4 if we had the other two board members, you know,
5 with us to get their input on it. And we could
6 identify things that we need to do this quarter.
7 And I think that would be the responsible thing
8 to do, is to --

9 MR. CIRIELLO: Well, could we table this
10 then for them, so that next meeting they could
11 get in on it?

12 CHAIRMAN GREEN: Well, I think we should --
13 if you want to address this now and get it
14 started, I think we should --

15 MR. CIRIELLO: Okay. All right.

16 CHAIRMAN GREEN: -- at least set one initial
17 meeting --

18 MR. CIRIELLO: Okay.

19 CHAIRMAN GREEN: -- air out the problems,
20 identify them and then, as the motion stated, as
21 needed, we can evaluate. I just don't want us to
22 become, like I said, an open public forum

23 grievance board --

24 MR. GEORGE: Yeah.

25 CHAIRMAN GREEN: -- because if we become

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1 effective, which we should be, and I think are
2 working towards that, hopefully we won't have to
3 have these. I mean, we'll address the issues and
4 have this working smoothly.

5 MR. CIRIELLO: That's good. We can always
6 add quarterly later.

7 MR. GEORGE: Yeah. Right.

8 CHAIRMAN GREEN: Okay. There's a motion on
9 the floor for an initial meeting. Do you have --

10 MR. GEORGE: I don't have any time on it.

11 CHAIRMAN GREEN: In the motion, we should
12 have a date.

13 MR. WUELLNER: You have an executive session
14 scheduled before the 19th's meeting.

15 CHAIRMAN GREEN: Right. So, that date would
16 be --

17 MR. WUELLNER: Unless you want to try and
18 start earlier and just put it all in one day or
19 create another meeting date.

20 CHAIRMAN GREEN: I think I --

21 MR. GEORGE: I'd like to see it at a time

22 before that --

23 CHAIRMAN GREEN: Right.

24 MR. GEORGE: -- because with the executive

25 session and this meeting, we're going to run on

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1 and on and on, because I would expect that

2 meeting to last three hours.

3 MR. CIRIELLO: How about on the 12th?

4 MR. WUELLNER: So, you want another date.

5 CHAIRMAN GREEN: I think a separate date
6 would be more appropriate.

7 MR. CIRIELLO: What about the 12th?

8 MR. BURNETT: Executive session probably
9 could take --

10 MR. CIRIELLO: That's a week before the
11 regular meeting.

12 MR. GEORGE: The 12th, I don't have a
13 problem with.

14 CHAIRMAN GREEN: So, the motion's on the
15 floor for an issues workshop scheduled May 12th
16 at?

17 MR. WUELLNER: May 12th?

18 CHAIRMAN GREEN: Uh-huh, Monday, May 12.

19 MR. GEORGE: 4 o'clock works fine to me, but
20 we can do it anytime.

21 CHAIRMAN GREEN: At 4 p.m.? That's the

22 motion. Is there a second on that motion?

23 MR. CIRIELLO: I'll second.

24 CHAIRMAN GREEN: Any further discussion?

25 (No discussion.)

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1 CHAIRMAN GREEN: All in favor?

2 MR. CIRIELLO: Aye.

3 CHAIRMAN GREEN: Aye.

4 MR. GEORGE: Aye.

5 CHAIRMAN GREEN: All opposed?

6 (No opposition.)

7 CHAIRMAN GREEN: Okay. The motion will

8 carry, then. We'll schedule an issues workshop

9 for May 12th at 4 p.m.

10 MR. WUELLNER: Now, are you going to

11 provide --

12 CHAIRMAN GREEN: I was just -- I wasn't

13 getting it out quick enough. I think it would be

14 helpful to Mr. Wuellner if we had specific

15 issues, or even the public had a specific issue

16 that they wished to address so that we have a

17 time parameter as to what's going to be on the

18 agenda workshop that we provided to them. A week

19 in advance, Mr. Wuellner? Would that be -- a

20 week in advance to have some idea of what issues
21 we're identifying?

22 MR. WUELLNER: Yeah, that'll be fine.

23 MR. GEORGE: May the 4th, right.

24 CHAIRMAN GREEN: Okay. All right. We have
25 one more agenda item that deals with that L.A.

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1 7.E. - AAA Meeting in L.A.

2 MR. WUELLNER: Right. If any of you board
3 members who are not going, the only one currently
4 going is Mr. George, to the AAA meeting in L.A.,
5 we -- Mr. Gorman has had to back out and we have
6 available accommodations to --

7 CHAIRMAN GREEN: Just a second.

8 MR. WUELLNER: -- for someone who would like
9 to go.

10 CHAIRMAN GREEN: Sorry. Go ahead.

11 MR. WUELLNER: I didn't catch the snap there
12 of the machine.

13 But we have available accommodations and the
14 like for someone to go out there if they'd like
15 to. Otherwise, I believe Mr. Gorman has already
16 agreed to reimburse the Authority for any expense
17 we have at this point precipitated as having to
18 cancel.

19 So, just throw it out, if there's somebody
20 that wants to do that, I need to know pretty
21 quick here. Not today, but I mean within the
22 next 24 hours or so, to make whatever changes we
23 need to do.

24 CHAIRMAN GREEN: I don't think we need a
25 motion, but I would ask that that information be

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1 disseminated to Mr. Cox, since he's not here, so
2 that he has the knowledge of it. And then
3 whomever wants to go. And then use whatever in
4 your esteem, between you and Mr. Gorman, as to
5 what can be recouped.

6 MR. WUELLNER: All right.

7 CHAIRMAN GREEN: Okay. Anything else on the
8 agenda items? Okay. We're at Authority members'
9 comments.

10 8.A. - Ms. Suzanne Green

11 CHAIRMAN GREEN: I think my comment's been
12 addressed. We'll address the employment contract
13 to discuss and vote on the contract next meeting.
14 And I just -- I commend all of the public and the
15 board members for speaking out and addressing
16 these issues up front. That's great. Joe?

17 MR. CIRIELLO: Oh.

18 CHAIRMAN GREEN: Authority member comments?

19 8.B. - Mr. Joseph Ciriello

20 MR. CIRIELLO: Yeah. I'm still not happy
21 with the way we're doing our hangar leasing
22 policies. And I've discussed this with Ed a
23 number of times, and he knows where I'm at. So,
24 I'd like to see this board get together again on
25 the agenda some day before the first of the year

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1 when the new leases come in.

2 And all I'm really looking for is to clean
3 up the language a little bit and make it more
4 specific so that people can't twist it around and
5 use hangars for other than what they're really
6 intended to be used for.

7 And the -- and I'd also like to include
8 in -- not just the individual hangar leases, I'd
9 like to know if we have a set policy for all our
10 commercial hangars. And I'd like to see both
11 areas covered so that we have a -- a good
12 pattern, the commercial and individual hangar
13 leases.

14 MR. GEORGE: Do we have a procedure on
15 commercial?

16 MR. WUELLNER: We -- we have a policy in

17 place for the hangars we would generically refer
18 to as the paint shop and Top Gun hangars, the
19 H and I buildings. There's a specific policy
20 that's been in place since those were started,
21 which I would remind this board you jumped
22 completely over the top of a few months ago. But
23 here nor there.

24 But the policy still remains in place. We
25 have not developed, although we had discussion a

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1 few meetings back, about developing a policy
2 related to the use and/or reuse and development
3 of corporate-type facility -- stand-alone
4 corporate facilities.

5 We have not developed such a policy. If
6 that's the direction you'd like us to take a stab
7 at and throw something out at you, we'd be happy
8 to do that and get it going, but there's no other
9 policy other than what's in place with your
10 regular lease policy, which pretty basically
11 deals with it.

12 MR. CIRIELLO: Okay. I have one more thing.
13 I want to ask Christine something. She's the
14 computer expert. Chrissie, can you get on a
15 computer internet and contact the Beaver County

16 Airport and ask them questions like how many
17 movements you have up there per month and how
18 many per year?

19 I'd like to know how they handle their
20 traffic with three flight schools, and they've
21 got to be busy, and a -- and a flying club. I
22 know when I was there, we had 5 airplanes and 65
23 members in it. So, I'd like to know how they
24 manage their traffic. They have a control tower
25 and everything. You know, if -- they have to be

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1 pretty busy, because they're tied in with that
2 college.

3 Can -- can you get information like this off
4 the internet? Can you talk back and forth with
5 the airport, from airport to airport?

6 MS. OCHKIE: It's possible.

7 MR. CIRIELLO: Well, would you try?

8 MR. WUELLNER: If not, the telephone still
9 works.

10 MR. CIRIELLO: Well, are you authorizing her
11 to make a long-distance telephone call that I
12 don't have to pay for?

13 MR. WUELLNER: We'll take care of it.

14 MR. CIRIELLO: You know, I'm just curious.

15 I'd like to know how they manage. I mean, I used
16 to fly up there, but that's 15 years ago.

17 MR. WUELLNER: Right.

18 MR. CIRIELLO: And I've never gotten chased
19 out of the pattern. I almost got run over one
20 day, but that was before the control tower.

21 MR. WUELLNER: I'm sure we can get that
22 information for you.

23 MR. CIRIELLO: I'm just curious how -- of
24 course, you could probably tell me how other
25 airports around here do it, but I just -- I was

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1 curious as to how that -- that airport would
2 compare with this one with the traffic and
3 everything.

4 I think we're a little bit overly concerned.
5 If our control tower guys aren't -- oh, how
6 should I say it without getting them mad at me --
7 capable of handling a lot of traffic without
8 chasing people out of here, then either we're
9 wrong or something's wrong.

10 What do they do at these commercial airports
11 like Greater Pit where a plane comes in every ten
12 seconds, and Chicago and Atlanta? You know, they
13 don't chase anybody out. Of course they have a

14 bigger airport.

15 MR. GEORGE: Five runways helps.

16 CHAIRMAN GREEN: That's right.

17 MR. CIRIELLO: Well, we've got three, six.

18 MR. WUELLNER: It's also a whole other level
19 of air traffic control --

20 CHAIRMAN GREEN: Yeah.

21 MR. WUELLNER: -- but that's all right.

22 MR. CIRIELLO: Well, anyhow, I'd just like
23 to see how somebody else does it when they have
24 about the same amount of traffic as we do.

25 CHAIRMAN GREEN: Thank you.

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1 MR. CIRIELLO: I'm done.

2 CHAIRMAN GREEN: Okay. Mr. George, any
3 comment?

4 8.C. - Mr. Wayne George

5 MR. GEORGE: I agree with Joe on the hangar
6 leasing policy, that if we've got hangar leasing
7 for the T-hangars, and we need to have something
8 in black and white also for the corporate
9 commercial; just kind of protects us so that
10 everybody knows what's going on and where we
11 stand. So, I'd like to see that.

12 I would like to suggest a change to the

13 method of running the -- the meetings. We have
14 project updates, which I asked Ed earlier, if he
15 wouldn't mind on the agenda, listing the A, B, C,
16 D up under it so we can see what we're going to
17 talk about.

18 But I would like to change the agenda so
19 that we get public comment and board comment on
20 each item, because I hurriedly make comments on
21 all of them to have to come back. Today we went
22 over seven items and we don't get to make any
23 comment until we get through with all seven.
24 Then we have to go back and get our line of
25 thinking back.

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1 MR. WUELLNER: On the --

2 CHAIRMAN GREEN: On the updates?

3 MR. WUELLNER: On the updates. Okay.

4 MR. GEORGE: I'm sorry; was that updates?

5 Yeah, project updates, yeah.

6 MR. WUELLNER: Okay. Yeah, we can do that.

7 MR. GEORGE: Anybody have any objection to
8 that?

9 CHAIRMAN GREEN: That's fine.

10 MR. GEORGE: And I think that the workshop,
11 you know, is going to prove to be very effective

12 on discussing problems, and I urge everybody to,
13 if you have a perceived problem, you know, please
14 get it to Ed, you know, by the 4th.

15 I have requested Henry Warner to get his
16 input in. He's already done so. And I've --
17 Robert, I have requested from Jim Asselta from
18 the Pilots Association, if they could get theirs
19 in.

20 MR. FLEMING: I'll put it in the newsletter.

21 MR. GEORGE: Yeah. And what I'm envisioning
22 is that, in addition to the problems, you're
23 going to see some political campaign promises,
24 you know, surfacing that some of the board
25 members have, during their campaigns, I want to

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1 see this, I want to see that, and that's going to
2 be a good place to identify as something that we
3 need and come up with a -- with a procedure to do
4 it.

5 So, I urge everybody to show up if you can.
6 It should be very nice and lively. And if we
7 could serve beer, I would appreciate -- no. I
8 pass on the last one. Anyway, that's all.
9 Thanks.

10 CHAIRMAN GREEN: Any additional public

11 comment on tonight's meeting? Yes, sir.

12 MR. WUELLNER: Well, while he's working his
13 way up, I did -- one thing I did want to add on
14 Mr. Gorman's behalf, is he mentioned the schedule
15 moving forward on consultant selection. And let
16 me just run through this schedule quick.

17 We -- the committee has met several times
18 now and pared that list down to five from ten and
19 are in the process of submitting a list of
20 questions to those five firms and getting those
21 responses back.

22 And that committee will meet again on the
23 27th of May and attempt to find -- whittle that
24 list back down to three for submittal to the
25 Authority for interviews scheduled for the June

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1 meeting. So, that's the schedule we're on right
2 now.

3 MR. GEORGE: Okay. So, the 27th of May,
4 that's a --

5 MR. WUELLNER: That is --

6 MR. GEORGE: -- week and --

7 MR. WUELLNER: -- the committee meeting.

8 CHAIRMAN GREEN: Right.

9 MR. WUELLNER: And then you'll see it as

10 three interviews or presentations to be scheduled
11 for the June meeting.

12 MR. GEORGE: Okay.

13 MR. WUELLNER: And that should result in
14 some sort of ranking.

15 MR. GEORGE: When do we typically go through
16 budgets, the budget cycle?

17 MR. WUELLNER: We'll -- you'll start talking
18 about it at June. So, the time line's pretty
19 good there.

20 MR. GEORGE: Okay.

21 CHAIRMAN GREEN: Yes, sir.

22 Public Comment

23 MR. GRANT: I'm Pete Grant. I live at 4336
24 Coastal Highway in St. Augustine. And I'm
25 representing a group of citizens who are

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1 interested in not having the Ponce de Leon Resort
2 property developed for residential housing, and
3 if you can't stop it completely, then at least to
4 have some better control over the type of
5 development that takes place there.

6 I know that the Authority has looked at or
7 at least discussed this issue in the past. I've
8 wasted some of Ed and Bryan's time, and a little

9 bit of Joe's. And I know that Mr. George, I
10 believe, was -- attended the last Planning and
11 Zoning Board meeting and expressed some concerns.

12 Whereas the airport, we think is vital to
13 the economy of St. Johns County and St.
14 Augustine, and -- and even though it may be
15 possible to -- to have a restriction put in the
16 deeds to the property that would require that the
17 developer to -- to notify the purchaser that
18 they're purchasing property close to an airport
19 and subject to noise and that sort of thing, in
20 spite of that, there's still a substantial risk
21 of future complaints, and perhaps even
22 litigation, and potentially negative impacts on
23 the airport, both in terms of the restricting the
24 operations and financial impacts, if litigation
25 became an issue.

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1 So, what I'm here to do is to ask the
2 Authority, preferably today, for a resolution
3 opposing any residential development on that
4 property known as the Ponce de Leon Resort.

5 I say that today, because the next board
6 meeting for the Planning and Zoning Board occurs
7 on May the 6th. And it would be in -- in the

8 interest, the best interest of having the board
9 understand the Airport Authority's concerns if
10 that concern could be laid before them prior to
11 the next Planning and Zoning Board meeting, and
12 perhaps help them to deal with the developer in
13 terms of his request.

14 I also, as a secondary item, suggest that
15 perhaps it might be well to update the noise
16 contours to the present, given that I'm sure that
17 the impacts have changed a good bit since they
18 were done the last time, and might give us some
19 more information that says we should not have
20 residential development in that location.

21 CHAIRMAN GREEN: Thank you. I don't think
22 the board's in a position to pass any resolution
23 at this point in time, nor are we I think even
24 capable of doing that.

25 We've passed our own resolution last time as

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1 to what our position was of what we felt we could
2 do funding-wise to purchase the golf course or
3 what have you.

4 I know Mr. George, as you said, attended the
5 meeting, and if the board members wanted to be in
6 attendance at the next Planning and Zoning, I'm

7 sure we could voice our opinion as to the
8 airport's concerns just as you noted right now.

9 But as far as a legal resolution, I don't
10 think we have any ability to do that.

11 MR. GRANT: Well, I say it not in the stance
12 that it would be legally binding upon anyone, but
13 it's simply to express the Airport Authority's
14 opinion on the subject in a formal fashion.

15 And if you have not already seen it, the
16 Mayor has indicated that -- that the city is
17 quite interested in trying to acquire the land
18 and has a lot of options that would help the
19 city. And he has done that simply on the basis
20 that he would say that it is -- that it would be
21 in the interest of the city to acquire it without
22 obligating the city.

23 In this case, I'm saying it might be in the
24 interest of the Airport Authority to say that
25 we'd like to not see it developed for residential

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1 use, even though it's not binding upon anybody.

2 CHAIRMAN GREEN: Mr. George?

3 MR. GEORGE: Mr. Wuellner had a concern of
4 that, and I think he wrote the Zoning Board to
5 make the position clear. I don't know if you

6 have a copy of that letter or not --

7 MR. GRANT: I do not.

8 MR. GEORGE: -- but can you tell me the gist
9 of what you wrote?

10 MR. WUELLNER: I was basically expressing
11 the general concerns that this board raised at
12 the -- whenever it was.

13 CHAIRMAN GREEN: When we had that special
14 meeting. It was more of a position paper --

15 MR. WUELLNER: Right.

16 CHAIRMAN GREEN: -- kind of what you're
17 asking for.

18 MR. WUELLNER: Correct. We reiterated that
19 to the --

20 MR. GEORGE: To the Planning and Zoning
21 Board.

22 MR. WUELLNER: Correct.

23 CHAIRMAN GREEN: Correct.

24 MR. GEORGE: So, maybe we can get --

25 MR. WUELLNER: It was done right before the

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1 last Planning and Zoning --

2 MR. GEORGE: -- Mr. Grant a copy of that,
3 that at least is in black and white and states
4 our position.

5 MR. GRANT: If they have it, that -- that's
6 sufficient. I would even go so far as to say if
7 you'd like to sign the petition that I have
8 asking them not to approve it, or anybody else
9 here that would like to sign the petition that
10 says we don't want that developed for residential
11 use, I'll be happy to give you that opportunity.

12 But, anything that you could do to add
13 emphasis to the May 6th meeting or before the May
14 6th meeting would be helpful perhaps.

15 MR. GEORGE: Mr. Grant, just for your
16 information, use it -- if you -- as you see fit.
17 We've had Christine go out with an e-mail to
18 developers of fly-in communities, telling them
19 what's happening with this historic golf course,
20 making reference to the St. Augustine Record
21 article, where the developer said, I will sell
22 you that golf course or that property for this
23 amount of money.

24 We had to give a disclaimer that we have not
25 looked to find out how -- how costly or if we

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1 could connect the airport to this fly-in
2 community. But in our particular case, that
3 gives us people that are sympathetic to

4 airplanes, which makes it a little bit more

5 palatable to us.

6 MR. GRANT: I understand.

7 MR. GEORGE: But we have done that as an

8 attempt to get some other interest from some

9 outside sources.

10 MR. GRANT: I think there may be a

11 possibility at this point that if the city can't

12 acquire the property, certainly if the developer

13 is interested in selling, it's easier to buy, and

14 that might be tempered somewhat by whether or

15 not, you know, he has opposition to his current

16 proposal.

17 But certainly someone may come back to the

18 board again to talk about -- or the Authority

19 again to talk about whether or not grants are

20 available that would assist in the purchase of

21 the property. Now, there are several -- there

22 are lots of sources for grants, but I know you

23 have one particular group that you look at.

24 MR. GEORGE: I wish you all the luck.

25 MR. GRANT: Thank you very much.

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1 CHAIRMAN GREEN: Thank you.

2 MR. GRANT: If anybody else wants to sign

3 the petition --

4 MR. CIRIELLO: Madam Chair?

5 CHAIRMAN GREEN: I'm on public comment.

6 MR. CIRIELLO: Okay. Yeah, yeah.

7 CHAIRMAN GREEN: I have one more public
8 comment. Yes, sir?

9 MR. MARTINELLI: Two -- I just have two
10 points to make, and one has to do with, of
11 course, the Embry-Riddle thing that we were
12 talking about.

13 And I just want to state that I'm with
14 everybody else here; we certainly would like to
15 have additional business on the airport and
16 additional revenues on the airport. My concern
17 is basically a safety issue, and I just wanted to
18 make sure that we all address it. Okay, that's
19 number one.

20 The second point, I think, is a milestone.
21 And my former colleague on the Airport Authority
22 over there I think will testify to this, although
23 he wasn't here when you said it, Mr. Treasurer,
24 but we've had a tremendous disclosure here today
25 that there is going to be a time certain, and I

1 believe this, where it looks like ad valorem

2 taxes will no longer be necessary to support this
3 airport and its operations. And I think that's a
4 tremendous achievement. So, my compliments to
5 you all for that.

6 CHAIRMAN GREEN: Thank you. I think that's
7 been the position, though. That was in our
8 master plan from last time, too. But thanks for
9 pointing it out. We've been working on it. Yes,
10 Mark.

11 MR. MARSH: I have one other thing. It
12 seems like -- I had some people in the airplane
13 the other day, and our ATIS is getting almost
14 comical about all the things that are not working
15 on the airport, the PAPI lights, the VASI lights,
16 and everything else. I think we ought to just
17 list what is working and leave the others --
18 everything else -- everything else is broken.

19 It is getting pretty pitiful, and I would
20 suggest the board address that. You're talking
21 about problems; I think that's a problem. It's
22 kind of got a joke -- it's gotten to be a joke
23 when you listen to it. So, we need to, you know,
24 fix whatever we've got to do to get it fixed up
25 here. Thank you.

1 CHAIRMAN GREEN: Thanks. Ed, is that enough
2 notice for the issues meeting?

3 MR. WUELLNER: Sure.

4 CHAIRMAN GREEN: Okay. All right. I'll
5 close the public discussion.

6 10. - Next Regular Board Meeting

7 CHAIRMAN GREEN: Our next regular board
8 meeting is set for May 19th at 4 o'clock. We
9 have voted to have an executive session for
10 litigation strategy purposes prior to that.
11 Doug, did you figure out how much -- about 3
12 o'clock?

13 MR. BURNETT: Yeah, I would think an hour
14 would be sufficient. It will be -- you will
15 convene the meeting as if you regularly convene a
16 meeting, and then it will go into the executive
17 meeting after that.

18 CHAIRMAN GREEN: And then we'll cease the
19 executive meeting, open it to the public for the
20 public meeting.

21 MR. BURNETT: Exactly.

22 CHAIRMAN GREEN: Okay.

23 MR. GEORGE: Is there a possibility of
24 slipping the meeting a week to coincide with the
25 results of the engineering consultation, you

1 know, committee?

2 MR. WUELLNER: No. The Monday there is --

3 CHAIRMAN GREEN: Memorial Day.

4 MR. WUELLNER: -- Memorial Day. And the --
5 that committee meeting is actually the Tuesday or
6 the day after.

7 MR. GEORGE: Tuesday is acceptable to me.

8 MR. WUELLNER: Well, it's -- it's the -- I'm
9 not sure it changes anything, but...

10 MR. GEORGE: Is there -- could we consider
11 changing it to the -- a week later and Tuesday,
12 the 27th? I'm just trying to kill two birds with
13 one stone.

14 MR. WUELLNER: You're not meeting that day.

15 CHAIRMAN GREEN: We coincided it with a
16 meeting that we already have regularly scheduled
17 for the 19th.

18 MR. WUELLNER: But you're not -- that
19 committee does not involve you.

20 CHAIRMAN GREEN: Right. The 27th.

21 MR. GEORGE: Oh, I thought it was -- the
22 27th. Oh, that's their meeting, that's not --

23 MR. WUELLNER: No, it's that -- it's the
24 short-list meeting. Correct. You're not
25 inserting yet another meeting.

1 MR. GEORGE: All right.

2 CHAIRMAN GREEN: So, we will -- we've made a
3 motion for the 19th and we will just set the
4 time, which is now at 3 o'clock, for the
5 executive session with the regularly scheduled
6 meeting at 4:00.

7 MR. WUELLNER: And then you have your
8 workshop.

9 CHAIRMAN GREEN: On the 2nd -- 12th, excuse
10 me. 12th at 4 o'clock.

11 MR. WUELLNER: That's what I have, too.

12 CHAIRMAN GREEN: All right. With all of
13 that, we will adjourn this meeting. Thank you.

14 (Thereupon, the meeting adjourned at 6:19 p.m.)

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1 REPORTER'S CERTIFICATE

2

3 STATE OF FLORIDA)

4 COUNTY OF ST. JOHNS)

5

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

7 was authorized to and did stenographically report the

8 foregoing proceedings and that the transcript is a true

9 record of my stenographic notes.

10

11 Dated this 2nd day of May, 2003.

12

13

JANET M. BEASON, RPR-CP, RMR, CRR
Notary Public - State of Florida
My Commission No.: DD102224
Expires: April 30, 2006

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